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JIANGXI BANK CO., LTD.*
江西銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1916)

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

The board of directors (the “**Board**”) of Jiangxi Bank Co., Ltd. (the “**Bank**”) is pleased to announce the audited consolidated annual results of the Bank and its subsidiaries for the year ended December 31, 2024 (the “**Annual Results**”). This results announcement, containing the full text of the 2024 annual report of the Bank, complies with the relevant content requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to preliminary announcements of annual results. The Board and the audit committee of the Board have reviewed and confirmed the Annual Results.

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Bank (www.jx-bank.com). The annual report for the year ended December 31, 2024 will be published on the above websites in due course, and despatched to the H shareholders of the Bank in the manner as they elect to receive corporate communications.

By Order of the Board
Jiangxi Bank Co., Ltd.*
ZENG Hui
Chairman

Nanchang, the PRC, March 28, 2025

As of the date of this announcement, the Board of the Bank comprises Ms. ZENG Hui and Mr. LUO Xiaolin as executive directors; Mr. DENG Yonghang, Ms. XIONG Jiemin, Mr. LI Shuiping and Mr. PENG Xiyuan as non-executive directors; and Mr. YANG Ailin, Mr. LIU Xinghua, Ms. WANG Feimilan and Mr. HE Enliang as independent non-executive directors.

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

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* This annual report is prepared in both Chinese and English. In the event of inconsistency, the Chinese version shall prevail.



CHAPTER I COMPANY PROFILE

1.1 BASIC INFORMATION

Statutory Chinese name of the Company:	江西銀行股份有限公司*
Statutory English name of the Company:	JIANGXI BANK CO., LTD.*
Legal representative:	ZENG Hui
Authorised representatives:	ZENG Hui, NGAI Wai Fung
Joint company secretaries:	NGAI Wai Fung, ZHANG Na
Stock short name:	JIANGXI BANK
Stock Code:	1916
Unified Social Credit Code:	913601007055009885
Number of financial license:	B0792H236010001
Registered capital:	RMB6,024,276,901
Registered and office address:	Jiangxi Bank Tower, No. 699 Financial Street, Honggutan District, Nanchang, Jiangxi Province, the PRC
Principal place of business in Hong Kong:	40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong
Contact number:	+86-791-86791008 / +86-791-86791009
Fax:	+86-791-86771100
Website of the Bank:	www.jx-bank.com (the contents of the website do not form a part of this report)
Service hotline:	+86-956055
Domestic auditor:	BDO China Shu Lun Pan Certified Public Accountants LLP
International auditor:	BDO LIMITED
Legal advisor in mainland China:	Grandall Law Firm (Nanchang)
Legal advisor in Hong Kong:	Clifford Chance
Stock exchange on which H Shares are listed:	The Stock Exchange of Hong Kong Limited
H Share Registrar:	Computershare Hong Kong Investor Services Limited
Domestic shares custodian:	China Securities Depository and Clearing Corporation Limited

* The Bank is not an authorised 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 authorised to carry on banking/deposit-taking business in Hong Kong.

CHAPTER I COMPANY PROFILE

1.2 COMPANY PROFILE

Jiangxi Bank is a provincial corporate bank. The Bank was officially established in December 2015 and listed in Hong Kong in June 2018. As of the end of the Reporting Period, the Bank has 22 primary branches, 27 functional departments and 232 outlets in total. The Bank's outlets have gained presence across districts and cities in Jiangxi Province, and the Bank has established two branches outside the province, i.e. in Guangzhou and Suzhou. Besides, the Bank initiated the establishment of the first financial leasing company in Jiangxi Province and 5 rural banks.

Since its inception, the Bank has made rapid progress in various fields and gained wide recognition from many sectors of society in many respects under the leadership of the CPC Jiangxi Provincial Committee and Jiangxi Provincial Government as well as the strong support from all walks of life. The Bank has been selected as one of the "Top 500 Service Enterprises in China" for five consecutive years and has been re-elected as a member of the China Banking Association.

The Bank adheres to the new development concept in a complete, accurate and comprehensive manner, serves the establishing of a new development pattern, facilitates high-quality development, actively practices the political and people-oriented nature of financial work, adheres to the market positioning of "serving urban and rural residents, serving small and medium-sized enterprises, and serving the local economy", precisely serves entities, prevents and resolves risks, continuously deepens reforms, and makes our financial contribution to strive to write the chapter of Jiangxi in Chinese modernization.



CHAPTER I COMPANY PROFILE

1.3 MAJOR AWARDS IN 2024

<p>Awarded the Third Prize of the 2023 Financial Technology Development Award by the People's Bank of China</p> 	<p>Awarded the "Innovation Achievement" Award at the 6th China Digital Inclusive Finance Conference by the Ministry of Industry and Information Technology</p> 	<p>Awarded the 2023 Excellent Institution for Credit Reference System Data Quality Work by the Credit Reference Center of the PBOC</p> 
<p>Awarded the Annual Market Influential Institution – Core Trader by China Foreign Exchange Trading Center</p> 	<p>Awarded the Brand Case of High-quality Financial Development by People's Daily green finance</p> 	<p>Awarded the First Prize of the Science and Technology Finance Development Contribution Award by the Jiangxi Provincial Department of Finance and the Jiangxi Provincial Local Financial Administration Bureau</p> 
<p>Awarded the Advanced Group for Responsibility Performance in the Provincial Financial Sector by the Jiangxi Provincial Local Financial Administration Bureau</p> 	<p>Awarded the Second Prize in the Jiangxi Regional Finals of 2024 "Data Elements x" Competition by Jiangxi Development and Reform Commission (Provincial Data Bureau)</p> 	<p>Awarded the Special Contribution to the nineteenth Boards of Chinese Listed Companies by the Directors & Boards Magazine</p> 
<p>Awarded the 2024 Financial Digital Development Gold List Award and Annual Finance Excellence Award by the Financial Digital Development Alliance</p> 	<p>Awarded the 2024 Tianji Inclusive Financial Service Award by Securities Times</p> 	<p>Awarded the "2024 Excellent Award for News Promotion" by China Financial Media</p> 

CHAPTER I COMPANY PROFILE

Selected in the “List of 2024 Top 20 City Commercial Banks in terms of ESG Comprehensive Performance” by China Financial Media, with an ESG rating of “A”



Recognized as the 2024 **ESG Model Case** in the Banking Industry by China Financial Media



Awarded the 2024 IDC **Best in Future of Industry Ecosystems Award**



Awarded the 2024 Huaying Award BD Digitalization Index Scenario **Financial Innovation Award** by the Organizing Committee of the Asia Pacific Banking Union



Awarded the 9th China Industry Digital Finance Industry Benchmark Enterprise – **Best Industry Digital Finance Product Innovation Award**



Awarded the Leapfrog **Growth Award** for Mobile Banking by CFCA and www.cebnet.com.cn



Awarded the “**Excellent Investment Return Bank**” award by PYSTANDARD



Awarded the “**Outstanding Social Responsibility Product**” award by PYSTANDARD



Awarded the 2023 **Outstanding Institution** for Wealth Management Information Registration by the China Banking Wealth Management Registration & Depository Center



Awarded the “**Golden Bull Award**” for Wealth Management Products of Banks by China Securities Journal



Awarded the “**Five-star Bank Wealth Management Product**” award by the Financial Industry Asset Management Professional Committee of the China Investment Association



Awarded the Second 21st Century **Outstanding ESG Corporate Governance Case** by 21st Century Business Herald



CHAPTER II SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

2.1 FINANCIAL DATA

The financial information set out in this annual report has been prepared on a combined basis in accordance with the International Financial Reporting Standards. Unless otherwise stated, data of the Group is denominated in RMB.

	2024	2023	2024 compared to 2023	2022	2021	2020
Operating results (in millions of RMB)			Change rate (%)			
Net interest income	8,602.62	8,771.37	(1.92)	9,624.33	8,761.81	9,053.68
Net fee and commission income	562.64	521.63	7.86	642.09	699.49	578.80
Operating income	11,559.23	11,296.64	2.32	12,714.04	11,144.43	10,285.45
Operating expenses	(3,436.31)	(3,630.85)	(5.36)	(3,643.92)	(3,647.66)	(3,523.77)
Impairment losses on assets	(7,376.30)	(6,664.49)	10.68	(7,396.77)	(5,006.61)	(4,284.43)
Profit before taxation	752.33	1,010.35	(25.54)	1,680.96	2,496.19	2,484.71
Net profit for the year	1,097.60	1,073.89	2.21	1,600.52	2,111.56	1,904.94
Net profit attributable to equity shareholders of the Bank	1,056.92	1,036.19	2.00	1,549.55	2,070.31	1,859.17
Per share (in RMB)			Change rate (%)			
Basic earnings per share ⁽¹⁾	0.12	0.11	9.09	0.23	0.34	0.31
Basic diluted earnings per share ⁽¹⁾	0.12	0.11	9.09	0.23	0.34	0.31
Indicators for profitability (%)			Change			
Average return on total assets ⁽²⁾	0.20%	0.20%	0.00%	0.31%	0.44%	0.42%
Average return on equity ⁽¹⁾	1.77%	1.76%	0.01%	3.62%	5.74%	5.33%
Net interest spread ⁽³⁾	1.58%	1.66%	(0.08%)	1.91%	1.88%	2.07%
Net interest margin ⁽⁴⁾	1.64%	1.75%	(0.11%)	1.98%	1.94%	2.10%
Net fee and commission income to operating income	4.87%	4.62%	0.25%	5.05%	6.28%	5.63%
Cost-to-income ratio ⁽⁵⁾	28.48%	30.60%	(2.12%)	27.50%	31.46%	32.96%

CHAPTER II SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

	2024	2023	2024 compared to 2023	2022	2021	2020
Indicators for volume (in millions of RMB)			Change rate (%)			
Total assets	573,634.75	552,345.38	3.85	515,572.66	508,559.81	458,692.82
Including: Net loans and advances to customers	342,088.55	325,516.87	5.09	300,312.77	270,658.23	217,448.76
Total liabilities	525,053.82	504,812.86	4.01	468,757.62	466,926.37	422,750.37
Including: Deposits from customers	390,932.69	381,212.27	2.55	352,711.37	343,726.22	315,770.82
Share capital	6,024.28	6,024.28	–	6,024.28	6,024.28	6,024.28
Equity attributable to shareholders of the Bank	47,784.46	46,776.73	2.15	46,047.95	40,917.32	35,267.58
Non-controlling interests	796.47	755.79	5.38	767.09	716.12	674.87
Total equity	48,580.93	47,532.52	2.21	46,815.04	41,633.44	35,942.45
Net assets per share attributable to shareholders of the Bank (RMB/per share) ⁽⁶⁾	6.60	6.44	2.48	6.32	6.13	5.85
Asset quality indicators			Change			
Non-performing loans ratio	2.15%	2.17%	(0.02%)	2.18%	1.47%	1.73%
Provision coverage ratio ⁽⁷⁾	160.05%	177.16%	(17.11%)	178.05%	188.26%	171.56%
Provision ratio of loans ⁽⁸⁾	3.44%	3.84%	(0.40%)	3.88%	2.76%	2.97%
Indicators for capital adequacy ratio			Change			
Core tier one capital adequacy ratio	9.30%	9.37%	(0.07%)	9.65%	9.66%	10.29%
Tier-one capital adequacy ratio	12.31%	12.37%	(0.06%)	12.82%	11.80%	10.30%
Capital adequacy ratio	13.47%	13.55%	(0.08%)	14.00%	14.41%	12.89%
Total equity to total assets	8.47%	8.61%	(0.14%)	9.08%	8.19%	7.84%
Other indicators			Change			
Liquidity coverage ratio	403.22%	333.38%	69.84%	323.78%	387.45%	429.88%
liquidity ratio	98.82%	76.27%	22.55%	85.03%	79.03%	78.17%
Loan-to-deposit ratio	90.28%	88.37%	1.91%	88.31%	80.80%	70.75%

CHAPTER II SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

Notes:

- (1) Basic earnings per share, diluted earnings per share and return on average equity are calculated in accordance with Preparation Rules for Information Disclosures by Companies Offering Shares to the Public No.9 – Calculations and Disclosures for Return on Net Assets and Earnings Per Share. The Group issued perpetual bonds in August 2021, September and December 2022, which are all classified as other equity instruments. In addition, the Group distributed interest on perpetual bonds in 2024. Therefore, when calculating basic earnings per share, diluted earnings per share and return on average equity for the period, the “net profit attributable to shareholders of the Bank” has deducted the interest on perpetual bonds distributed for the period, and the “average equity” is the average balance of total equity (excluding other equity instruments) attributable to shareholders of the Bank at the beginning and the end of the period.
- (2) Refer to the ratio of net profit for the period to the average balance of total assets at the beginning and the end of the period.
- (3) Calculated by the difference between the average rate of return on total interest-bearing assets and the average cost rate of total interest-bearing liabilities, and calculated based on the daily average of the interest-earning assets and interest-bearing liabilities.
- (4) Calculated by dividing net interest income by the average balance of interest-bearing assets and calculated based on the daily average of the interest-bearing assets.
- (5) Calculated by dividing operating expenses (excluding tax and surcharges) by operating income.
- (6) Calculated by dividing total equity attributable to shareholders of the Bank after deducting other equity instruments at the end of the period by total ordinary share capital at the end of the period.
- (7) Calculated by dividing the amount of the allowance for impairment losses on loans by the total amount of non-performing loans.
- (8) Calculated by dividing the amount of the allowance for impairment losses on loans by the total amount of loans and advances to customers.



CHAPTER III CHAIRMAN'S STATEMENT



The wheel of time is engraved with the footprints of hard work. 2024 is an extraordinary year in the reform and development process of Jiangxi Bank. It is also an encouraging year of progress despite difficulties. During the year, the Bank adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the 20th National Congress of the CPC and the Second and Third Plenary Sessions of the 20th Central Committee of the CPC, as well as the spirit of the Central Financial Work Conference, and thoroughly implemented the spirit of the important speeches made by General Secretary Xi Jinping during his inspection trip to Jiangxi Province. We promoted the organic integration of Party leadership and corporate governance, and adhered to the principle of "being more closely aligned with the province's overall strategic priorities, more finely tuned to industry sectors and resource endowments, more deeply integrated into communities and counties, and more responsive to customer needs"; accelerated the pace of distinctive operations, coordinated various tasks such as serving the real economy, deepening reforms, and preventing and controlling risks, and promoted high-quality development while making a greater contribution to strive to write the chapter of Jiangxi in Chinese modernization. The Group maintained a steady upward trend in terms of scale, quality, efficiency and other indicators, and achieved a steady and progressive development. In 2024, the Bank became the 9th city commercial bank in China to join the "United Nations Principles for Responsible Banking", was selected as one of "Top 500 Service Enterprises in China", and won many honors such as "Jiangxi Socially Responsible Enterprise".

CHAPTER III CHAIRMAN'S STATEMENT

We focused on our core business and made efforts to further improve the quality and efficiency of serving the real economy. We adhered to the fundamental purpose of financial services for the real economy, focused on serving Jiangxi in the development of “three highlands” and implementation of “five strategies”, continuously improved our service capabilities, and promoted the joint development of the Bank and the local economy in the same direction. We improved our service level for the industry, and became fully integrated into the “1269” Action Plan of Jiangxi Province, increased the credit supply to key industrial chains in the province, and accurately supported the foreign trade industry. The growth rate of manufacturing loans exceeded that of all loans. The cross-border RMB settlement volume remained at the forefront among corporate banks in Jiangxi Province. The “five major sectors” had a sound momentum. We launched the innovative matrix of science and technology financial products. Green loans increased by 26.45% year-on-year. Green financial bonds of RMB6 billion were issued, and the balance of inclusive small and micro-enterprise loan exceeded RMB50 billion. We co-built 435 “Jiangxi Bank Caring the Elderly” community activity centers. Loans to key enterprises in the digital economy increased by 75% year-on-year. We won the first prize of the Science and Technology Finance Development Contribution Award, “the Most Beautiful Bank Branch for Elderly-Friendly Payment Services in Jiangxi Province” and other honors. We had achievements and highlights in “every sector”, writing a vivid “footnote” for the steady and progressive development of the whole bank.

We were committed to reform and forged ahead, further stimulating the vitality of development. We adhered to the strategic support of talents and science and technology for improving core competitiveness, promoted the reform in depth, and continuously unlocked the endogenous driving force of high-quality development. We fully advanced the personnel reform, implemented the “six batches” plan, coordinated reserve, promotion, exchange, adjustment, choice, and selection, improved the education and training system, optimized the compensation incentive and evaluation mechanism, and improved the entire chain of selection, training, management, and use, striving to ensure that the growth of employees and the development of the Bank go in the same direction. We pressed the “fast forward button” for digital transformation, systematically planned the transformation direction for the next three years, launched the new-generation credit system group, built a product innovation laboratory, set up a data governance department at the head office, and innovated a series of digital products such as “i”, “e”, “smart”, and “butler”. We are delighted to see that our second “Digital Finance Dream, Outstanding People of Jiangxi Bank” Innovation Service Skills Competition was successfully held. All the cadres and employees of the Bank actively participated in the competition and learned from each other, and the atmosphere of transformation and innovation is becoming increasingly strong; the “Jiangyin iNong” platform was iteratively upgraded in the agricultural industry to provide more attentive specialized services, with the cumulative credit exceeding RMB1 billion, and winning the third prize of the Financial Technology Development Award issued by the head office of the People’s Bank of China; the “Jiangyin iTao” platform has taken root in Jingdezhen, the millennium porcelain capital, with the ecological scenario of “core enterprise + bank + merchant” continuing to expand, blazing a new trail in financial services and cultural tourism; 43 digital transformation projects are progressing in parallel, technology empowerment “blossomed” in many businesses, and digital genes were injected into “Sincere Service of a New Jiangxi Bank” at an accelerated pace.

CHAPTER III CHAIRMAN'S STATEMENT

We adhered to the bottom line, moved forward steadily, and further strengthened risk prevention and control. We have always taken risk prevention and mitigation as the primary responsibility, and coordinated development and safety, to effectively promote the continuous reduction of overall risks of the Bank. We comprehensively strengthened the risk defense line. We strictly implemented the "four early" requirements, vigorously promoted intelligent risk control, proactively prevented and controlled risks in key areas such as local debt and real estate, established a normalized liquidity monitoring mechanism, and enhanced the effectiveness of collection and management through specialization and standardization, to ensure that the Bank's credit, liquidity, reputation and other risks were stable and controllable. We continuously optimized the "Three Major Systems". Based on the optimization results of the compliance, risk and audit systems in 2023, we further promoted the implementation of the 2.0 version of the plan. We implemented risk management standardization, strengthened the "stationing system" management of compliance and internal control, established the accountability orientation of "accountability for dereliction of duty and exemption for due diligence", and the audit rectification closed-loop mechanism, and promoted the integration of audit, compliance, risk, discipline inspection and other supervisory forces, comprehensively transitioning the construction of the whole process internal control system from "laying the foundation" to the new stage of "accumulating strength and building momentum". We vigorously promoted the financial culture with Chinese characteristics. We focused on practicing the "five musts and five don'ts", and issued a special work plan to further improve the governance mechanism. We created an "internal control and compliance education platform", strengthened compliance culture education, and promoted the deep and practical construction of "a Clean Jiangxi Bank".

We practiced responsibility and took positive actions, further demonstrating the basic quality of finance for the people. We adhered to the value orientation of putting people at the center, shouldered the mission and responsibility as a provincial corporate bank, actively fulfilled social responsibilities, and strived to be a more warm local corporate bank. We improved the level of financial services for rural revitalization, and made new progress in the establishment of inclusive financial service stations. During the year, 139 inclusive financial service stations and 571 publicity stations were newly established, achieving full coverage across all districts, cities and county areas in the province, and further extending the service radius to counties and villages. We adapted measures to local conditions, focused on local industries and cultural characteristics, and provided precise services to "local specialties" with "One Industry One Product". The "Rural Insurance Loan" was awarded the China Digital Inclusive Finance Innovation Achievement from the MIIT. We assisted the green and low-carbon transformation of the economy. We actively explored transformation finance, issued industry carbon accounting guidelines, and implemented agricultural transformation loan projects, copper industry transformation smart manufacturing loans and other "firsts" in the province. We effectively strengthened consumer rights protection. We built a "big consumer protection" work system, strengthened consumer protection pre-review, established a "four-level management" complaint handling mechanism, launched the "cloud service" system, introduced "monthly theme" special activities, launched the online consumer protection "cloud exhibition hall", and continued to sing the good voice of the "Jiangyin iYou" brand.



CHAPTER III CHAIRMAN'S STATEMENT

Hard work makes dreams come true, and struggle wins the future. 2025 is the final year of the "14th Five-Year Plan" and the decisive year for the strategic planning of the third board of directors of Jiangxi Bank. We will be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, adhere to the general working tone of seeking progress while maintaining stability, fully and accurately implement the new development concept, promote high-quality development, focus on enhancing core functions and improving core competitiveness, strive to strengthen our main responsibilities and businesses, refine finance for "five major sectors", stabilize risk prevention and control, and improve the service ecosystem. We will take a new step forward in its distinctive operations with hard work and solid performance, create greater value for shareholders, customers, employees and the society, and make a greater contribution to strive to write the chapter of Jiangxi in Chinese modernization.



CHAPTER IV PRESIDENT'S STATEMENT



In 2024, in the face of complex internal and external environments, Jiangxi Bank conscientiously implemented the national macroeconomic policies and work requirements of the regulatory authorities, rose to the challenges, forged ahead, solidly promoted the various aspects of operation and management, and actively explored the path of distinctive operation. The annual operating performance was stable and improved.

We adhered to optimizing structure, improving quality and efficiency, and the overall operation remained steady. The main indicators remained stable. The total assets of the Group increased by 3.85% as compared to the end of the previous year; the total loans and advances increased by 4.76% as compared to the end of the previous year; the total deposits increased by 2.55% as compared to the end of the previous year; the non-performing loan ratio decreased by 0.02 percentage point as compared to the end of the previous year; the capital adequacy ratio, provision coverage ratio and other indicators continued to meet regulatory requirements. The business structure continued to be optimized. The proportion of loans and advances to customers in assets increased by 0.53 percentage point year-on-year. The development requirements of returning to the origin and focusing on the main business were further implemented, and the concept of "commitments to micro, small and inclusive loans" became clearer. The profitability remained stable. The group's operating income increased by RMB263 million year-on-year; net profit increased by 2.21% year-on-year. The customer base became more solid, and the number of corporate, individual and inclusive customers all showed a steady growth trend, increasing by 10.57%, 5.64% and 8.17% respectively.



CHAPTER IV PRESIDENT’S STATEMENT

We adhered to the positioning, serving the overall situation, and improved the quality and efficiency of servicing the real economy. We fully supported the construction of a modern industrial system, actively responded to Jiangxi Province's "1269" action plan, continued to increase credit investment in key industrial chains, assisted in the construction of a modern industrial system and digital transformation of the manufacturing industry, and achieved the "three no less than" targets in manufacturing loans. We gave priority to the development of science and technology finance. We continued to increase credit investment in strategic emerging industries and advanced manufacturing clusters, and made forward efforts to provide services for the development of new quality productivity. We deepened the development of green finance. We implemented the first agricultural transformation loan in the province, issued green financial bonds of RMB6 billion, and the balance of green loans increased by RMB8.251 billion or 26.45% as compared to the end of the previous year. We focused on the development of inclusive finance. We carried out the “Visiting Thousands of Enterprises and Households” activity, and actively implemented the coordination mechanism for supporting financing of small and micro enterprises with the "393" ¹working model. The Bank’s inclusive small and micro-enterprise loan balance increased by 14%, and the net increase over the three years exceeded the balance for 2021. We developed financial services for the elderly with distinctive features. We continuously enriched the supply of financial products for the elderly, increased credit supply for inclusive finance for the elderly with inclusive loans for the elderly of RMB230 million, built 435 “Jiangxi Bank Caring the Elderly,” community activity centers, and added 55,000 new members. We innovated and developed digital finance. We launched digital products such as the "i" series of industrial platforms, the "e" series of payment and settlement, the "bulter" series of comprehensive services, and the "smart" series of scenario customization. Loans to key enterprises in the digital economy increased by 75% year-on-year. We focused on developing talent finance. We launched the service program of “Benefiting Talents in Jiangxi with Awards and Sincerity 4.0”, and achieved full coverage of talent financial service centers in all prefecture-level cities in Jiangxi Province.

We adhered to a safer and more sustainable approach, and comprehensively strengthened risk prevention and control. We implemented the risk prevention and control mechanism of "early identification, early warning, early exposure, and early disposal", and regularly conducted on – and off-balance sheet asset risk screening, and increased post-loan inspection efforts to effectively prevent and control incremental risks. We stepped up the collection and disposal of non-performing loans, focused on key large accounts, further broadened the disposal path, accelerated the collection of existing loans, and achieved the best results in risk disposal in the past three years. We effectively resolved risks in key areas and issued a mortgage loan portfolio repayment policy. We improved the comprehensive and joint risk prevention and control system, established an emergency response team, and carried out strict monitoring and prevention of reputational and liquidity risks. We continuously improved the internal control mechanism, focused on optimizing compliance, risk, audit, and credit systems, and continuously enhanced internal control management.

¹ The "393" working model is to implement the "three efforts", offer excellent services with the "nine commitments", and provide strong support with the "three guarantees"

CHAPTER IV PRESIDENT'S STATEMENT

We adhered to digital transformation and comprehensive upgrades, and continuously strengthened refined management. We accelerated the pace of digital transformation, implemented the three-year digital transformation plan, focused on digital operations, digital management and other areas, implemented 18 transformation projects, launched a new generation of the credit system group, and released Jiangxi Bank's first mobile banking APP for the HarmonyOS. We basically completed the digital transformation layout of the entire bank, focused on improving service efficiency, reducing operating costs, and enhancing risk control capabilities. We implemented cost reduction and efficiency improvement, and the Group's operating expenses decreased by 5.36% year-on-year, and the cost-to-income ratio decreased by 2.12 percentage points year-on-year. We optimized the compensation incentive and evaluation mechanism, reformed the performance-based remuneration assessment and distribution mechanism, further strengthened the management orientation of encouraging value creation and adhering to high-quality development throughout the Bank, and stimulated the enthusiasm, initiative and creativity of all cadres and employees of the Bank.

In the new year, we will adhere to the path of high-quality development, continuously improve the level of management, and continue to consolidate the momentum of steady improvement in the Group's scale, quality and efficiency. First, we will strengthen core business capabilities and enhance and improve our main responsibilities and businesses. We will work hard to serve major key projects, comprehensively promote the breakthrough actions in major key projects, improve the accuracy and effectiveness of project financing connection, and strive to promote the implementation of a number of major key projects. We will work hard to help boost consumption, focus on "food, clothing, housing, and transportation" and other industries relating to residents, explore the potential credit demand and fund settlement needs in various scenarios, and improve the pertinence and adaptability of products and services. We will work hard to serve key industries, continue to follow the pace of Jiangxi Province's "1269" action plan, and promote the continuous increase in the proportion of credit investment in manufacturing. Second, we will actively serve the real economy and deepen the "five major sectors". We will implement special actions such as supporting the high-quality development of emerging industries, promoting the development of green and low-carbon transformation business, and digital management transformation, and take multiple measures to promote the innovative development of science and technology and finance, the low-carbon transformation of green finance, the expansion of inclusive finance, the focus on finance for the elderly, and the upgrading of digital finance. Third, we will build a solid bottom line and guard the defense line, and grasp risk prevention and control. We will carry out special actions to improve credit risk prevention and control capabilities, increase the efforts to deal with existing risks and prevent and control incremental risks, actively resolve potential risks, always tighten the string of safety production, and continue to promote the steady reduction of risks across the Bank. Fourth, we will cultivate the basic customer base and comprehensively enhance customer stickiness. We will optimize the comprehensive service system for key customers, implement the "sub-branch upgrade and brand cultivation" action, vigorously promote the scenario-based service model, deepen the construction of "big consumer protection", and promote the improvement of customer service experience.

The journey is long and the wind is strong, and we will work harder to shoulder the heavy responsibility. We will unite our hearts and minds, and strive to promote the high-quality development of Jiangxi Bank to a new level, and give back to our customers, investors and all sectors of society for their trust and support!

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.1 REVIEW OF THE ECONOMIC, FINANCIAL AND POLICY ENVIRONMENT

China has effectively implemented macro-control measures in response to risks and challenges. During the Reporting Period, China's economy maintained overall stability with steady progress. High-quality development was steadily promoted, and the main objectives and tasks were successfully completed. According to preliminary calculations by the National Bureau of Statistics, the gross domestic production reached RMB134,908.4 billion in 2024, representing an increase of 5.0% over the previous year. By quarter, the year-on-year GDP growth was 5.3%, 4.7%, 4.6% and 5.4% for the first quarter, the second quarter, the third quarter and the fourth quarter, respectively. In 2024, the monetary policy was prudent, flexible, precise and effective, with increased counter-cyclical adjustments. In particular, a package of incremental financial policies has been launched since late September 2024, with an aim to support the achievement of the annual economic and social development goals. On the whole, monetary credit and the scale of social financing grew reasonably, the comprehensive financing costs decreased significantly, and the credit structure continued to optimize. The RMB exchange rate remained basically stable at a reasonable and balanced level. As of the end of the Reporting Period, the balance of broad money supply (M2) amounted to RMB313.5 trillion, representing a year-on-year increase of 7.3%; the balance of RMB loans amounted to RMB255.7 trillion, representing a year-on-year increase of 7.6%; the balance of RMB deposits amounted to RMB302.3 trillion, representing a year-on-year increase of 6.3%; and the aggregate financing to the real economy (stock) amounted to RMB408.3 trillion, representing a year-on-year increase of 8%.

During the Reporting Period, the economy of Jiangxi Province of China, where the Bank carries out its main business activities, demonstrated a solid foundation, and strong resilience and potential. With the continuing effects of national stock policies and the gradual implementation of a package of incremental policies, business expectations have been improving, and the vitality of private investment has been released at a faster pace. The economic operation has shown positive results and highlights, characterized by “upward trending economic recovery, new directions of industrial development, positive domestic demand support, and warming livelihood assurance”, indicating that the upward recovery and long-term positive trend have not changed. In 2024, Jiangxi Province achieved a gross domestic product (GDP) of RMB3,420.25 billion, an increase of 5.1% at constant prices. It vigorously implemented the “1269” action plan for the modernization of key industrial chains in the manufacturing industry to accelerate the digital transformation of the manufacturing industry, and continuously cultivate and strengthen new productive forces. In 2024, the added value of the high-tech manufacturing industry above designated size in the whole province grew by 12.5%, 3.6 percentage points higher than that of the whole country. Specifically, the output of high-tech products such as virtual reality equipment, new energy vehicles, and optoelectronic devices increased by 215.0%, 90.8%, and 59.7%, respectively. Various measures were taken to promote comprehensive expansion of domestic demand and accelerate the release of domestic demand potential for economic growth. In 2024, the growth rate of fixed asset investment in the province increased by 4.8% year-on-year, 1.6 percentage points higher than that of the whole country.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.2 GENERAL OPERATION SUMMARY

In 2024, Jiangxi Bank co-ordinated and pushed forward the key work of servicing the real economy, prevented and resolved risks, and reformed and innovation, and the Bank's various work was carried out in an orderly manner, business development made progress while ensuring stability, and overall risks were steadily reduced.

Firstly, overall scale was reasonably increased. As of the end of the Reporting Period, the total assets of the Group amounted to RMB573.6 billion, representing an increase of 3.85% as compared with the end of the previous year. The total loans and advances to customers amounted to RMB352.9 billion, representing an increase of 4.76% as compared to the end of the previous year. The total deposits from customers amounted to RMB390.9 billion, representing an increase of 2.55% as compared to the end of the previous year.

Secondly, operational efficiency was steadily improved. During the Reporting Period, the operating income amounted to RMB11.559 billion, representing a year-on-year increase of 2.32%. The net profit amounted to RMB1.098 billion, representing a year-on-year increase of 2.21%.

Thirdly, the business structure continued to be optimized. The ratio of the Group's total loans and advances to customers to total assets increased by 0.53 percentage point from the end of the previous year. The number of micro and small customers with single customer credit limit of lower RMB10 million increased 8.08% as compared with the end of the previous year, representing an increase of 1.05 percentage points of operating loans customers as compared with the end of the previous year.

Fourthly, the control and prevention of risk control was constantly enhanced. Focused on optimizing the compliance, risk and audit system, the Bank continuously enhanced its risk prevention and control and internal control management. As of the end of the Reporting Period, the non-performing loans ratio decreased by 0.02 percentage point as compared to the end of the previous year. The capital adequacy ratio, provision coverage ratio and other indicators continued to be stable.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3 PROFIT STATEMENT ANALYSIS

During the Reporting Period, the Group achieved an operating income of RMB11.559 billion, representing an increase of 2.32% as compared with the same period of the previous year. And the Group achieved a net profit of RMB1.098 billion, representing an increase of 2.21% as compared with the same period of the previous year.

	2024	2023	Amount of change	Change rate (%)
	(in millions of RMB, unless otherwise stated)			
Interest income	19,425.91	19,886.30	(460.39)	(2.32)
Interest expense	(10,823.29)	(11,114.93)	291.64	(2.62)
Net interest income	8,602.62	8,771.37	(168.75)	(1.92)
Fee and commission income	690.27	644.49	45.78	7.10
Fee and commission expense	(127.63)	(122.86)	(4.77)	3.88
Net fee and commission income	562.64	521.63	41.01	7.86
Net trading gains	145.42	102.82	42.60	41.43
Net gains arising from financial investments	2,218.97	1,516.63	702.34	46.31
Other operating income	29.58	384.19	(354.61)	(92.30)
Operating income	11,559.23	11,296.64	262.59	2.32
Operating expenses	(3,436.31)	(3,630.85)	194.54	(5.36)
Impairment losses on assets	(7,376.30)	(6,664.49)	(711.81)	10.68
Share of profits/(losses) of associates	5.71	9.05	(3.34)	(36.91)
Profit before taxation	752.33	1,010.35	(258.02)	(25.54)
Income tax expense	345.27	63.54	281.73	(443.39)
Net profit for the year	1,097.60	1,073.89	23.71	2.21
Net profit attributable to equity shareholders of the Bank	1,056.92	1,036.19	20.73	2.00
Non-controlling interests	40.68	37.70	2.98	7.90

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.1 Net Interest Income, Net Interest Spread and Net Interest Margin

The following table sets forth the average balance of the Group's interest-bearing assets and interest-bearing liabilities, the interest income and expense of such assets and liabilities, the average yield of interest-bearing assets, and the average cost rate of interest-bearing liabilities for the periods indicated.

	2024			2023		
	Average balance	Interest Income/expenses	Average annualized yield/cost ratio	Average balance	Interest Income/expenses	Average annualized yield/cost ratio
	(in millions of RMB, unless otherwise stated)					
Interest-bearing assets						
Loans and advances to customers	344,492.58	14,593.54	4.24%	326,981.81	14,645.11	4.48%
Financial investments	118,715.39	3,594.35	3.03%	117,642.87	4,278.36	3.64%
Deposits with the Central Bank	26,857.35	407.21	1.52%	30,574.93	447.13	1.46%
Deposits with banks and other financial institutions	2,198.65	17.94	0.82%	2,252.65	17.44	0.77%
Financial assets held under resale agreements	9,308.62	161.97	1.74%	14,333.54	241.48	1.68%
Placements with banks and other financial institutions	21,539.38	650.90	3.02%	8,501.67	256.78	3.02%
Total interest-bearing assets	523,111.97	19,425.91	3.71%	500,287.47	19,886.30	3.97%
Interest-bearing liabilities						
Deposits from customers	376,723.84	7,898.27	2.10%	365,155.56	8,436.13	2.31%
Deposits from banks and other financial institutions	18,300.38	420.95	2.30%	13,448.81	330.20	2.46%
Borrowing from the Central Bank ⁽¹⁾	26,859.41	633.28	2.36%	21,788.22	533.70	2.45%
Placements from banks and other financial institutions	3,436.13	76.09	2.21%	4,297.28	101.97	2.37%
Financial assets sold under repurchase agreements	30,485.92	556.51	1.83%	25,654.27	432.07	1.68%
Debt securities issued	50,965.21	1,181.77	2.32%	50,029.20	1,222.04	2.44%
Borrowing from other financial institutions	1,982.57	56.42	2.85%	1,757.41	58.82	3.35%
Total interest-bearing liabilities	508,753.46	10,823.29	2.13%	482,130.75	11,114.93	2.31%
Net interest income		8,602.62			8,771.37	
Net interest spread		1.58%			1.66%	
Net interest margin		1.64%			1.75%	

Note:

(1) Includes bill re-discounted business.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the changes in interest income and interest expense resulting from the changes in the Group's volume and interest rates during the periods indicated. Changes in volume are measured by the change in the average balance of interest-bearing assets and interest-bearing liabilities, while changes in interest rates are measured by changes in the average interest rates of interest-bearing assets and interest-bearing liabilities. The combined effect of changes in volume and interest rate is embedded in the change in interest rate.

	Compared 2024 with 2023		
	Reasons for		Net increase/ (decrease) ⁽³⁾
	increase/(decrease) Volume ⁽¹⁾	Rate ⁽²⁾	
(in millions of RMB, unless otherwise stated)			
Interest-bearing assets			
Loans and advances to customers	784.29	(835.86)	(51.57)
Financial investments	39.00	(723.01)	(684.01)
Deposits with the Central Bank	(54.37)	14.45	(39.92)
Deposits with banks and other financial institutions	(0.42)	0.92	0.50
Financial assets held under resale agreements	(84.66)	5.15	(79.51)
Placements with banks and other financial institutions	393.79	0.33	394.12
Changes in interest income	907.27	(1,367.66)	(460.39)
Interest-bearing liabilities			
Deposits from customers	267.26	(805.12)	(537.86)
Deposits from banks and other financial institutions	119.12	(28.37)	90.75
Borrowing from the central bank ⁽⁴⁾	124.22	(24.64)	99.58
Placements from banks and other financial institutions	(20.43)	(5.45)	(25.88)
Financial assets sold under repurchase agreements	81.37	43.07	124.44
Debt securities issued	22.86	(63.13)	(40.27)
Borrowing from other financial institutions	7.54	(9.94)	(2.40)
Changes in interest expense	613.75	(905.39)	(291.64)
Changes in net interest income	293.52	(462.27)	(168.75)
Including: Changes in net interest income from deposits and loans	517.03	(30.74)	486.29

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

- (1) Refer to the average balance for the Reporting Period minus the average balance for the same period of the previous year, multiplied by the average yield/cost ratio for the same period of the previous year.
- (2) Refer to the average yield/cost ratio for the Reporting Period minus the average yield/cost ratio for the same period of the previous year, multiplied by the average balance in the Reporting Period.
- (3) Refer to interest income/expense during the Reporting Period minus interest income/expense for the same period of the previous year.
- (4) Includes bill re-discounted business.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.2 Interest Income

During the Reporting Period, the Group achieved interest income of RMB19.426 billion, representing a decrease of RMB460 million or 2.32% as compared to the same period of the last year. The decrease in interest income was mainly driven by factors such as the reduction in the Loan Prime Rate.

(1) Interest income from loans and advances to customers

During the Reporting Period, the Group achieved interest income of loans and advances to customers of RMB14.594 billion, representing a decrease of RMB52 million as compared to the same period of the last year.

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

	2024			2023		
	Average balance	Interest income	Average yield	Average balance	Interest income	Average yield
(in millions of RMB, unless otherwise stated)						
Corporate loans and advances ⁽¹⁾	261,361.82	11,162.09	4.27%	243,118.12	10,763.28	4.43%
Personal loans	83,130.76	3,431.45	4.13%	83,863.69	3,881.83	4.63%
Total	344,492.58	14,593.54	4.24%	326,981.81	14,645.11	4.48%

Note:

(1) Includes discounted bills business.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(2) Interest income from financial investments

During the Reporting Period, the Group's interest income from financial investments amounted to RMB3.594 billion, representing a decrease of RMB684 million as compared to the same period of the last year. It was mainly due to the impact of the decline in the market interest rates.

(3) Interest income from deposits with the central bank

During the Reporting Period, the Group's interest income from deposits with the central bank amounted to RMB407 million, representing a decrease of RMB40 million as compared to the same period of the last year, which was mainly due to the decrease in the average balance of the deposit with the central bank.

(4) Interest income from financial assets held under resale agreements

During the Reporting Period, the Group's interest income from financial assets held under resale agreements amounted to RMB162 million, representing a decrease of RMB80 million as compared to the same period of the last year, which was mainly due to the decrease in the average balance of financial assets held under resale agreements during the Reporting Period.

(5) Interest income from placements with banks and other financial institutions

During the Reporting Period, the Group's interest income from placements with banks and other financial institutions was RMB651 million, representing an increase of RMB394 million as compared to the same period of the last year, which was mainly due to the increase in the placements with banks and other financial institutions, as well as the average balance.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.3 Interest Expense

During the Reporting Period, the interest expense of Group was RMB10.823 billion, representing a decrease of RMB292 million, or 2.62% as compared to the same period of the previous year. The decrease in the interest expense was primarily attributable to the combined effect of the Group's efforts to control interest costs and the decline in market interest rates.

(1) Interest expense on deposits from customers

During the Reporting Period, the Group's interest expense on deposits from customers was RMB7.898 billion, representing a decrease of RMB538 million, or 6.38% as compared to the same period of the previous year, which was mainly due to the Group's efforts to adjust deposit structure, strengthen internal and external pricing management and reduce interest cost on deposits.

	2024			2023		
	Average balance	Interest expense	Average cost ratio	Average balance	Interest expense	Average cost ratio
(in millions of RMB, unless otherwise stated)						
Corporate deposits						
Demand	85,653.71	781.92	0.91%	105,626.53	1,037.71	0.98%
Time	91,135.07	2,076.23	2.28%	82,241.13	2,256.64	2.74%
Sub-total	176,788.78	2,858.15	1.62%	187,867.66	3,294.35	1.75%
Personal deposits						
Demand	22,674.69	31.04	0.14%	23,137.96	63.84	0.28%
Time	177,260.37	5,009.08	2.83%	154,149.94	5,077.94	3.29%
Sub-total	199,935.06	5,040.12	2.52%	177,287.90	5,141.78	2.90%
Total	376,723.84	7,898.27	2.10%	365,155.56	8,436.13	2.31%

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(2) Interest expense on deposits from banks and other financial institutions

During the Reporting Period, the Group's interest expense on deposits from banks and other financial institutions was RMB421 million, representing an increase of RMB91 million as compared to the same period of the previous year, mainly due to the increase of the average balance of the Group's deposits from banks and other financial institutions during the Reporting Period.

(3) Interest expense on borrowings from the Central Bank

During the Reporting Period, the Group's interest expense on borrowings from the central bank was RMB633 million, representing an increase of RMB100 million as compared to the same period of the previous year, mainly due to the increase of average balance of borrowing from the central bank as compared to the same period of previous year as the Central Bank provided more monetary policy instruments to support the Group during the Reporting Period.

(4) Interest expense on debt securities issued

During the Reporting Period, the Group's interest expense on debt securities issued was RMB1.182 billion, representing a decrease of RMB40 million as compared to the same period of the previous year, mainly due to the decrease in the average cost ratio of the Group's issue of interbank deposit receipts during the Reporting Period.

(5) Interest expense on financial assets sold under repurchase agreements

During the Reporting Period, the Group's interest expense on financial assets sold under repurchase agreements was RMB557 million, representing an increase of RMB124 million as compared to the same period of the previous year, mainly due to the combined impact of the increase in the average balance and the increase in the market interest rate of the Group's financial assets sold under repurchase agreements during the Reporting Period.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.4 Non-interest Income

(1) Net fee and commission income

During the Reporting Period, the Group realized a net fee and commission income of RMB563 million, representing an increase of RMB41 million as compared to the same period of the previous year. The increase in the net fee and commission income was mainly due to the increase in the Group's agency and custody service fees as compared to the same period of the previous year.

	2024	2023	Amount of change	Change rate (%)
	(in millions of RMB, unless otherwise stated)			
Fee and commission income	690.27	644.49	45.78	7.10
Agency and custody service fees	386.95	354.53	32.42	9.14
Acceptance and guarantee service fees	103.59	95.39	8.20	8.60
Bank card service fees	67.52	72.46	(4.94)	(6.82)
Settlement and electronic channel business fees	109.17	109.83	(0.66)	(0.60)
Financial leasing service fees	0.49	0.49	–	–
Advisory and consulting fees	0.38	0.06	0.32	533.33
Others	22.17	11.73	10.44	89.00
Fee and commission expense	(127.63)	(122.86)	(4.77)	3.88
Platform cooperation fees	(6.52)	(6.17)	(0.35)	5.67
Financial leasing service fees	(0.59)	(1.20)	0.61	(50.83)
Settlement and clearing fees	(31.81)	(27.34)	(4.47)	16.35
Transaction fees	(88.48)	(87.71)	(0.77)	0.88
Others	(0.23)	(0.44)	0.21	(47.73)
Net fee and commission income	562.64	521.63	41.01	7.86

(2) Net trading gains

During the Reporting Period, the Group's net trading gains were RMB145 million, representing an increase of RMB43 million as compared to the same period of the previous year, mainly due to the Group's active participation in market trading during the Reporting Period and the steady improvement in bond profitability.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(3) Net gains arising from financial investments

During the Reporting Period, the Group's net gains arising from financial investments were RMB2.219 billion, representing an increase of RMB702 million as compared to the same period of the previous year, which was mainly due to the increase in fair value changes of the Group's financial investment assets recorded in profit or loss for the current period as compared with the same period of the previous year.

5.3.5 Operating Expenses

During the Reporting Period, the Group's operating expenses were RMB3.436 billion, representing a decrease of RMB195 million, or 5.36% as compared to the same period of the previous year, which was mainly due to the Group's efforts to reduce costs and increase efficiency, and continuously optimize the allocation of various resources.

	2024	2023	Amount of Change	Change of rate (%)
	(in millions of RMB, unless otherwise stated)			
Staff costs	1,970.02	2,106.47	(136.45)	(6.48)
Depreciation and amortization	416.69	460.79	(44.10)	(9.57)
Tax and surcharges	143.88	174.23	(30.35)	(17.42)
Interest expense on lease liabilities	22.04	34.22	(12.18)	(35.59)
Other general and administrative expenses	883.68	855.14	28.54	3.34
Total operating expenses	3,436.31	3,630.85	(194.54)	(5.36)



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.6 Impairment Losses on Assets

During the Reporting Period, the Group's impairment losses on assets for the period amounted to RMB7.376 billion, representing an increase of RMB712 million as compared with the same period of the previous year, which was mainly attributable to the Group's adoption of the new financial instrument standards, and made allowances for credit risk losses by using the expected credit loss model and the risk quantification parameters such as the probability of customer defaults and the loss given defaults, after taking into consideration the adjustments in macro perceptiveness, so as to continuously enhance the risk compensation capacity in key areas.

	2024	2023	Amount of change	Change rate (%)
	(in millions of RMB, unless otherwise stated)			
Loans and advances to customers	6,797.00	7,037.40	(240.40)	(3.42)
Financial investments	450.11	(496.62)	946.73	190.63
Others	129.19	123.71	5.48	4.43
Total impairment losses on assets	7,376.30	6,664.49	711.81	10.68

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.3.7 Income Tax Expense

During the Reporting Period, the Group's income tax credit was RMB345 million, and the income tax expense was a negative value, representing a decrease of RMB282 million as compared with the same period of the previous year, which was mainly due to an increase in tax-exempt income, such as interest income from treasury bonds and local government bonds held by the Bank, which was in compliance with tax laws.

	2024	2023	Amount of change	Change rate (%)
	(in millions of RMB, unless otherwise stated)			
Current income tax expense	741.81	451.97	289.84	64.13
Deferred income tax expense	(1,087.08)	(515.51)	(571.57)	110.87
Total	(345.27)	(63.54)	(281.73)	(443.39)

5.4 ANALYSIS ON MAIN ITEMS OF ASSETS AND LIABILITIES

5.4.1 Assets

As of the end of the Reporting Period, the total assets of the Group amounted to RMB573.635 billion, representing an increase of RMB21.289 billion, or 3.85% as compared with the end of the previous year. The increase of total assets was mainly due to the increase in total assets such as loans and advances to customers issued by the Group.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
(in millions of RMB, unless otherwise stated)				
Gross loans and advances to customers	352,940.26	–	336,889.50	–
Loans and advances to customers accrued interest	819.14	–	1,001.22	–
Allowances for impairment losses on loans and advances to customers	(11,670.85)	–	(12,373.85)	–
Net loans and advances to customers	342,088.55	59.64	325,516.87	58.93
Financial investments	164,042.47	28.60	163,773.16	29.65
Cash and deposits with the Central Bank	28,893.15	5.04	32,128.15	5.82
Placements with banks and other financial institutions	723.81	0.13	3,691.59	0.67
Financial assets held under resale agreements	–	–	–	–
Placements with banks and other financial institutions	27,052.60	4.72	16,694.99	3.02
Other assets ⁽¹⁾	10,834.17	1.87	10,540.62	1.91
Total assets	573,634.75	100.00	552,345.38	100.00

Note:

- (1) Primarily include interest in associates, property and equipment, deferred tax assets, goodwill, right-of-use assets and other assets.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(1) *Loans and advances to customers*

As of the end of the Reporting Period, the Group's gross loans and advances to customers amounted to RMB352.940 billion, representing an increase of RMB16.051 billion, or 4.76%, as compared with the end of the previous year. The following table sets forth the Group's distribution of loans by business types for the periods indicated.

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
(in millions of RMB, unless otherwise stated)				
Loans and advances to customers measured at amortized cost				
Corporate loans and advances	223,494.72	63.33	211,314.30	62.73
Personal loans and advances	82,070.71	23.25	85,782.77	25.46
Sub-total	305,565.43	86.58	297,097.07	88.19
Loans and advances to customers measured at FVOCI				
Corporate loans and advances	10,302.31	2.92	8,582.58	2.55
Discounted bills	37,072.52	10.50	31,209.85	9.26
Sub-total	47,374.83	13.42	39,792.43	11.81
Gross loans and advances to customers	352,940.26	100.00	336,889.50	100.00

Corporate loans and advances

As of the end of the Reporting Period, the Group's corporate loans and advances (discounted bills inclusive) amounted to RMB270.870 billion, representing an increase of RMB19.763 billion, or 7.87% as compared with the end of the previous year, mainly because the Group continued to increase loans to "five major sectors", including technology finance and green finance and key sectors, including manufacturing and rural revitalization, thereby realizing a steady growth in corporate loans.

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Personal loans and advances

As of the end of the Reporting Period, the Group's personal loans and advances amounted to RMB82.071 billion, representing a decrease of RMB3.712 billion or 4.33% as compared with the end of the previous year, mainly attributable to the decrease in the scale of personal mortgage loans due to the demand for housing loans.

(2) Financial investments

As of the end of the Reporting Period, the Group's balance of financial investments amounted to RMB164.042 billion, representing an increase of RMB269 million or 0.16% as compared with the end of the previous year.

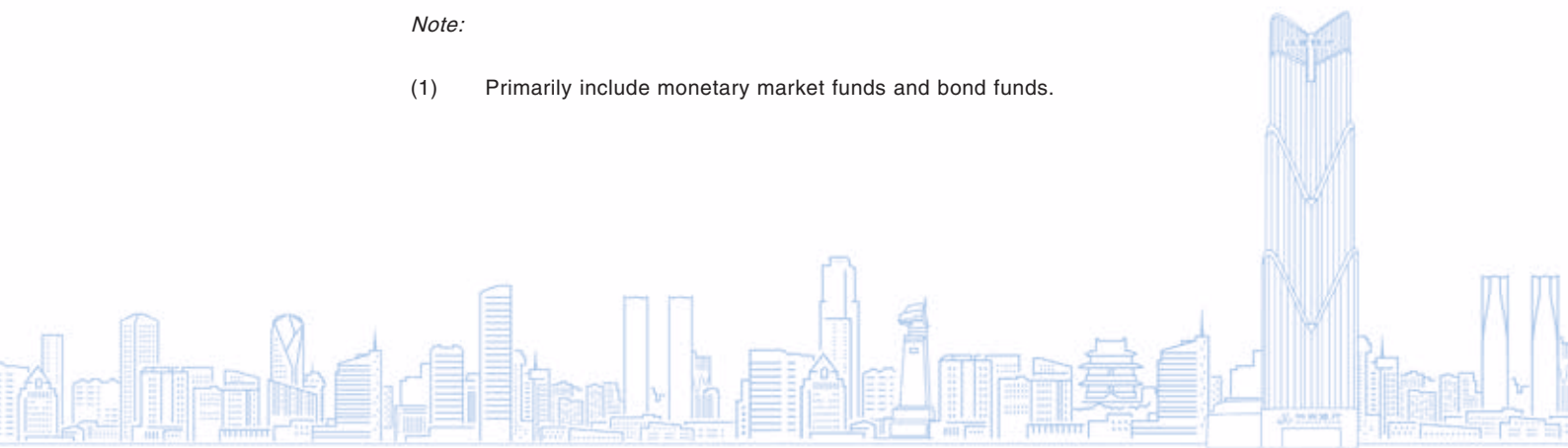
	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Financial investments				
– Financial investments at amortized cost	78,867.88	48.08	84,085.80	51.34
– Financial investments at fair value through profit or loss	47,390.78	28.89	50,954.03	31.11
– Financial investments at fair value through other comprehensive income	37,783.81	23.03	28,733.33	17.55
Total	164,042.47	100.00	163,773.16	100.00

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	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
(in millions of RMB, unless otherwise stated)				
Distribution of financial investments				
Debt securities				
Chinese government bonds	51,004.89	31.09	45,090.88	27.53
Policy bank bonds	45,479.18	27.72	47,813.11	29.19
Commercial banks and other financial institutions bonds	12,011.98	7.32	9,571.35	5.84
Corporate bonds	8,576.91	5.23	9,693.81	5.92
Sub-total	117,072.96	71.36	112,169.15	68.48
Other financial assets				
Wealth management products issued by financial institutions	–	–	–	–
Fund investments ⁽¹⁾	33,810.97	20.62	29,731.96	18.16
Equity instrument investments	1,176.53	0.72	1,035.40	0.63
Investment management products managed by securities companies and trust plans	10,351.93	6.31	19,156.13	11.70
Sub-total	45,339.43	27.65	49,923.49	30.49
Accrued interest	1,630.08	0.99	1,680.52	1.03
Total financial investments	164,042.47	100.00	163,773.16	100.00

Note:

(1) Primarily include monetary market funds and bond funds.



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5.4.2 Liabilities

As of the end of the Reporting Period, the Group's total liabilities amounted to RMB525.054 billion, representing an increase of RMB20.241 billion, or 4.01% as compared with the end of the previous year. It was mainly due to the increase in deposits from customers, borrowings from the Central Bank and debt securities issued of the Group.

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Deposits from customers	390,932.69	74.46	381,212.27	75.52
Deposits from banks and other financial institutions	16,687.13	3.18	17,200.60	3.41
Borrowing from the Central Bank	28,534.65	5.43	26,124.26	5.18
Borrowing from other financial institutions	2,030.30	0.39	1,237.97	0.25
Placements from banks and other financial institutions	2,593.62	0.49	4,002.90	0.79
Financial assets sold under repurchase agreements	15,292.68	2.91	25,731.37	5.10
Debt securities issued	65,474.42	12.47	45,371.28	8.99
Income tax payable	245.28	0.05	42.69	0.01
Other liabilities ⁽¹⁾	3,263.05	0.62	3,889.52	0.75
Total liabilities	525,053.82	100.00	504,812.86	100.00

Note:

- (1) Primarily include lease liabilities, guarantee deposits from leases, accrued staff costs, other tax payables, provisions, and other payables.

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(1) Deposits from customers

As of the end of the Reporting Period, the Group's total deposits from customers amounted to RMB390.933 billion, representing an increase of RMB9.720 billion, or 2.55% as compared with the end of the previous year.

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
(in millions of RMB, unless otherwise stated)				
Demand deposits				
Corporate deposits	77,359.69	19.79	93,778.96	24.60
Retail deposits	24,263.85	6.21	24,403.09	6.40
Sub-total	101,623.54	26.00	118,182.05	31.00
Time deposits				
Corporate deposits	64,678.14	16.54	71,382.86	18.73
Retail deposits	186,383.82	47.68	161,172.77	42.28
Sub-total	251,061.96	64.22	232,555.63	61.01
Pledged deposits				
Acceptances	24,020.61	6.14	18,331.13	4.81
Letters of guarantees	1,307.34	0.33	1,599.20	0.42
Letters of credit	3,635.50	0.93	2,560.11	0.67
Others	39.52	0.01	22.00	0.01
Sub-total	29,002.97	7.41	22,512.44	5.91
Inward and outward remittances	71.14	0.02	135.61	0.04
Interest payable	9,173.08	2.35	7,826.54	2.04
Total deposits from customers	390,932.69	100.00	381,212.27	100.00

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(2) Deposits from banks and other financial institutions

As of the end of the Reporting Period, the Group's balance of deposits from banks and other financial institutions was RMB16.687 billion, representing a decrease of RMB513 million as compared with the end of the previous year. This was mainly because the Bank optimized the debt structure according to its asset and liability allocation strategy.

(3) Borrowing from the Central Bank

As of the end of the Reporting Period, the balance of the Group's borrowing from the Central Bank amounted to RMB28.535 billion, representing an increase of RMB2.410 billion as compared with the end of the previous year. This was mainly because the increase in the Group's convenience of middle-term borrowing.

(4) Financial assets sold under repurchase agreements

As of the end of the Reporting Period, the Group's amount of financial assets sold under repurchase agreements was RMB15.293 billion, representing a decrease of RMB10.439 billion as compared with the end of the previous year. It was mainly due to the decrease in financial assets sold under repurchase agreements according to the Group's liquidity management needs.

(5) Debt securities issued

As of the end of the Reporting Period, the Group's debt securities issued was RMB65.474 billion, representing an increase of RMB20.103 billion as compared with the end of the previous year. This was mainly due to the combined impact of the increase in the scale of certificates of interbank deposit and debt securities issued.

(6) Quality of Liabilities

During the Reporting Period, the Bank continued to improve the construction of the management systems by solidly carrying out the liability quality management, optimized the size and structure of the liabilities, maintained the stable liability sources and controllable costs, which pushed the effective qualitative improvement and reasonable quantitative growth in overall liabilities. The relevant indicators and implementation of limits related to liability quality management complied with the requirements of regulatory. The size of the deposits from customers kept growing stably, laying a steady foundation for core liability sources. The Bank enriched the construction of the financial product systems, and kept the diversified liability sources. The Bank enhanced the management of the size and structure of the assets and liabilities, promoted the reasonable matching of the items of the asset and liability. The Bank successfully issued debt securities to enhance its proactivity in gaining liability and optimized the interest rate pricing management mechanism, made timely adjustments to internal and external pricing policies, and reasonably controlled the cost of the liability. The Bank improved the technology empowerment level of liability quality management, promoting the truth and compliance of the liability.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.4.3 Shareholders' Equity

As of the end of the Reporting Period, the Group's total equity was RMB48.581 billion, representing an increase of RMB1.048 billion, or 2.21% as compared with the end of the previous year. The total equity attributable to equity shareholders of the Bank was RMB47.784 billion, representing an increase of RMB1.008 billion, or 2.15% as compared with the end of the previous year.

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Share capital	6,024.28	12.40	6,024.28	12.67
Capital reserve	13,291.25	27.36	13,291.25	27.96
Surplus reserve	3,419.78	7.04	3,327.02	7.00
General reserve	7,940.40	16.34	7,645.26	16.08
Other comprehensive income	1,207.47	2.49	654.49	1.38
Retained earnings	7,903.32	16.27	7,836.47	16.49
Other equity instruments	7,997.96	16.46	7,997.96	16.83
Total equity attributable to equity shareholders of the Bank	47,784.46	98.36	46,776.73	98.41
Non-controlling interests	796.47	1.64	755.79	1.59
Total equity	48,580.93	100.00	47,532.52	100.00



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.5 OFF-BALANCE SHEET CREDIT COMMITMENTS

The Group incorporated the off-balance sheet business into the unified credit of customers, and under the management of on-balance sheet business, in accordance with the management procedures and management requirements of the preliminary investigation, review, approval, contract signing, issuance, post-loan management and mortgage and pledge guarantee.

As of the end of the Reporting Period, the balance of major off-balance sheet items was as follows:

	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Bank acceptances	35,331.60	60.36	36,790.56	59.95
Letters of credit	10,643.94	18.18	10,617.46	17.30
Unused credit card commitments	8,739.51	14.93	8,258.25	13.46
Letters of guarantees	3,704.01	6.33	5,693.68	9.28
Sub-total	58,419.06	99.80	61,359.95	99.99
Capital commitments	115.31	0.20	7.58	0.01
Total	58,534.37	100.00	61,367.53	100.00

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.6 LOAN QUALITY ANALYSIS

As of the end of the Reporting Period, the Group's gross loans and advances to customers were RMB352.940 billion, representing an increase of RMB16.051 billion, or 4.76% over the end of the previous year.

5.6.1 Distribution of Loans by Five-category Classification

Five-category classification	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Normal	331,106.66	93.81	312,553.84	92.77
Special mention	14,245.56	4.04	17,036.61	5.06
Substandard	3,721.50	1.05	2,987.83	0.89
Doubtful	800.59	0.23	3,345.98	0.99
Loss	3,065.95	0.87	965.24	0.29
Gross loans and advances to customers	352,940.26	100.00	336,889.50	100.00
Non-performing loans and non-performing loans ratio	7,588.04	2.15	7,299.05	2.17
Allowances for impairment losses	12,144.79		12,930.81	
Including: Allowances for impairment losses on loans and advances to customers at amortized costs	11,670.85		12,373.85	
Allowances for impairment losses on loans and advances to customers measured at FVOCI	473.94		556.96	



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.6.2 Distribution of Loans and Non-performing Loans by Product Type

Item	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	NPL amount	NPL ratio (%)	Loan amount	% of total (%)	NPL amount	NPL ratio (%)
(in millions of RMB, unless otherwise stated)								
Corporate loans and advances	233,797.03	66.25	5,597.09	2.39	219,896.88	65.28	6,131.11	2.79
Personal loans and advances	82,070.71	23.25	1,990.95	2.43	85,782.77	25.46	1,167.94	1.36
Discounted bills	37,072.52	10.50	-	-	31,209.85	9.26	-	-
Total	352,940.26	100.00	7,588.04	2.15	336,889.50	100.00	7,299.05	2.17

5.6.3 Distribution of Loans and Non-performing Loans by Industry

Industry	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	NPL amount	NPL ratio (%)	Loan amount	% of total (%)	NPL amount	NPL ratio (%)
(in millions of RMB, unless otherwise stated)								
Agriculture, forestry, animal husbandry and fishery	6,515.62	1.85	89.63	1.38	5,322.16	1.58	59.39	1.12
Mining	3,194.49	0.91	-	-	2,120.60	0.63	-	-
Manufacturing	23,441.77	6.64	622.89	2.66	21,146.71	6.28	934.40	4.42
Production and distribution of electricity, heating power, gas and water	4,794.31	1.36	3.04	0.06	3,258.90	0.97	-	-
Construction	27,359.28	7.75	438.27	1.60	25,132.26	7.46	1,039.08	4.13
Wholesale and retail trade	33,706.94	9.55	2,583.05	7.66	31,065.04	9.22	3,484.27	11.22
Transportation, storage and postal services	7,979.49	2.26	112.83	1.41	7,111.33	2.11	17.55	0.25
Accommodation and catering	1,031.37	0.29	17.38	1.69	766.32	0.23	26.64	3.48
Information transmission, software and information technology services	1,686.65	0.48	11.38	0.67	1,586.72	0.47	12.22	0.77
Finance	4,252.25	1.20	-	-	4,501.03	1.34	-	-
Real estate	7,295.64	2.07	1,299.13	17.81	10,473.80	3.11	344.09	3.29
Leasing and commercial services	68,746.90	19.48	229.59	0.33	66,088.55	19.62	191.89	0.29
Scientific research and technical services	4,582.32	1.30	152.88	3.34	4,326.19	1.28	-	-

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

Industry	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	NPL amount	NPL ratio (%)	Loan amount	% of total (%)	NPL amount	NPL ratio (%)
(in millions of RMB, unless otherwise stated)								
Water conservancy, environment and public facility management	34,252.17	9.70	18.78	0.05	31,901.36	9.47	4.64	0.01
Residents services, repairs and other services	798.54	0.23	11.68	1.46	630.58	0.19	10.37	1.64
Education	793.80	0.22	-	-	962.95	0.29	-	-
Health, social security and social welfare	656.24	0.19	-	-	1,499.33	0.45	-	-
Culture, sports, and entertainment	2,709.25	0.77	6.56	0.24	2,003.05	0.58	6.57	0.33
Public administration, social security and social organizations		-		-		-		-
Total amount of corporate loans and advances	233,797.03	66.25	5,597.09	2.39	219,896.88	65.28	6,131.11	2.79
Total amount of personal loans and advances	82,070.71	23.25	1,990.95	2.43	85,782.77	25.46	1,167.94	1.36
Discounted bills	37,072.52	10.50	-	-	31,209.85	9.26	-	-
Total	352,940.26	100.00	7,588.04	2.15	336,889.50	100.00	7,299.05	2.17

5.6.4 Distribution of Loans and Non-performing Loans by Collateral

Type of collateral	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	NPL amount	NPL ratio (%)	Loan amount	% of total (%)	NPL amount	NPL ratio (%)
(in millions of RMB, unless otherwise stated)								
Unsecured loans	41,779.01	11.84	602.50	1.44	36,085.58	10.71	432.85	1.20
Guaranteed loans	216,754.81	61.41	3,969.83	1.83	199,997.72	59.37	3,330.46	1.67
Collateralized loans	79,189.88	22.44	2,780.34	3.51	89,200.68	26.48	3,125.85	3.50
Pledged loans	15,216.56	4.31	235.37	1.55	11,605.52	3.44	409.89	3.53
Total	352,940.26	100.00	7,588.04	2.15	336,889.50	100.00	7,299.05	2.17

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5.6.5 Distribution of Loans and Non-performing Loans by Geographical Region

Geographical region	As of December 31, 2024				As of December 31, 2023			
	Loan amount	% of total (%)	NPL amount	NPL ratio (%)	Loan amount	% of total (%)	NPL amount	NPL ratio (%)
(in millions of RMB, unless otherwise stated)								
Nanchang area	151,229.32	42.85	5,949.74	3.93	155,959.65	46.29	4,692.81	3.01
Within Jiangxi Province (apart from Nanchang area)	183,224.35	51.91	796.74	0.43	160,759.65	47.72	1,106.85	0.69
Outside Jiangxi Province	18,486.59	5.24	841.56	4.55	20,170.20	5.99	1,499.39	7.43
Total	352,940.26	100.00	7,588.04	2.15	336,889.50	100.00	7,299.05	2.17

5.6.6 Distribution of Loans by Overdue Period

Type of overdues	As of December 31, 2024		As of December 31, 2023	
	Loan amount	% of total (%)	Loan amount	% of total (%)
(in millions of RMB, unless otherwise stated)				
Current loans	342,958.21	97.17	324,616.05	96.36
Loans past due for				
Up to 3 months	2,142.59	0.61	5,207.03	1.55
Over 3 months up to 1 year	4,733.92	1.34	2,444.02	0.73
Over 1 year up to 3 years	2,532.13	0.72	4,047.95	1.20
Over 3 years	573.41	0.16	574.45	0.16
Sub-total	9,982.05	2.83	12,273.45	3.64
Total	352,940.26	100.00	336,889.50	100.00

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5.6.7 Large Risk Exposures

(1) Large risk exposures to ten largest non-interbank single customers

In accordance with the applicable banking laws and regulations in the PRC, the Group's risk exposure to non-interbank single customers shall not exceed 15% of net Tier 1 capital. The following table sets out the Group's risk exposure to non-interbank single customers as of the date indicated.

Item	Industry	As of December 31, 2024		
		Balance of risk exposure (expressed in millions of RMB)	% of total loans	% of net tier-one capital
Borrower A	Leasing and commercial services	3,427.98	0.97	7.03
Borrower B	Finance	3,120.08	0.88	6.40
Borrower C	Leasing and commercial services	2,955.18	0.84	6.06
Borrower D	Scientific research and technical services	2,908.76	0.82	5.97
Borrower E	Construction	2,831.00	0.80	5.81
Borrower F	Leasing and commercial services	2,823.90	0.80	5.79
Borrower G	Water conservancy, environment and public facility management	2,437.40	0.69	5.00
Borrower H	Transportation, storage and postal services	2,401.13	0.68	4.93
Borrower I	Leasing and commercial services	2,399.04	0.68	4.92
Borrower J	Construction	2,284.86	0.65	4.69
Total		27,589.33	7.81	56.60

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(2) Large risk exposures to ten largest non-interbank related customers

In accordance with the applicable guidelines for banking industry in the PRC, the Group's risk exposure to non-interbank related customers shall not exceed 20% of net Tier 1 capital. The following table sets out the Group's risk exposure to non-interbank related customers as of the date indicated.

Item	Industry	As of December 31, 2024		
		Balance of risk exposure (expressed in millions of RMB)	% of total loans	% of net tier-one capital
Borrower A	Construction	5,678.10	1.61	11.65
Borrower B	Leasing and commercial services	4,637.88	1.31	9.51
Borrower C	Leasing and commercial services	4,062.88	1.15	8.33
Borrower D	Scientific research and technical services	3,884.38	1.10	7.97
Borrower E	Water conservancy, environment and public facility management	3,732.02	1.06	7.66
Borrower F	Water conservancy, environment and public facility management	3,715.70	1.05	7.62
Borrower G	Leasing and commercial services	3,623.00	1.03	7.43
Borrower H	Transportation, storage and postal services	3,493.52	0.99	7.17
Borrower I	Leasing and commercial services	3,528.09	1.00	7.24
Borrower J	Leasing and commercial services	3,320.93	0.94	6.81
Total		39,676.50	11.24	81.39

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5.6.8 Repossessed Assets and Impairment Allowances

Item	As of December 31, 2024 Amount (in millions of RMB, unless otherwise stated)	As of December 31, 2023 Amount
Land use rights and buildings	182.58	171.41
Others	—	2.25
Less: Allowances for impairment losses	(40.22)	(33.87)
Net repossessed assets	142.36	139.79



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.6.9 Movements of Allowances for Impairment Losses on Loans

	Stage 1 ⁽¹⁾ Amount	Stage 2 ⁽²⁾ Amount	Stage 3 ⁽³⁾ Amount	Total Amount
(in millions of RMB, unless otherwise stated)				
Loans and advances to customers measured at amortized cost				
As at January 1, 2024	4,546.37	1,446.98	6,380.50	12,373.85
Transferred to 12-month ECL	293.27	(293.27)	–	–
Transferred to lifetime ECL				
– not credit-impaired	(77.93)	105.41	(27.48)	–
Transferred to lifetime ECL				
– credit-impaired	(87.12)	(278.93)	366.05	–
Charged/(released) for the year	(475.26)	428.60	6,926.68	6,880.02
Transferred out for the year	–	–	–	–
Recoveries for the year	–	–	313.29	313.29
Write-offs for the year	–	–	(7,210.86)	(7,210.86)
Others	–	–	(685.45)	(685.45)
As at December 31, 2024	4,199.33	1,408.79	6,062.73	11,670.85
Loans and advances to customers measured at FVOCI ⁽⁴⁾				
As at January 1, 2024	556.96	–	–	556.96
Charged/(released) for the year	(85.08)	2.06	–	(83.02)
As at December 31, 2024	471.88	2.06	–	473.94

Notes:

- (1) Stage 1 refers to the expected credit loss for the next 12 months.
- (2) Stage 2 refers to the expected credit loss within the lifetime in which no credit impairment has occurred.
- (3) Stage 3 refers to the expected credit loss within the lifetime in which a credit impairment has occurred.
- (4) The provision for impairment losses on loans and advances at fair value through other comprehensive income is recognized in other comprehensive income.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.7 MAIN SEGMENT OPERATING INCOME

	2024		2023	
	Amount	% of total	Amount	% of total
Corporate banking	5,588.16	48.34	5,849.93	51.78
Retail banking and credit card	2,937.52	25.41	2,562.58	22.68
Financial markets business	2,992.10	25.89	2,811.27	24.89
Other business	41.45	0.36	72.86	0.65
Total	11,559.23	100.00	11,296.64	100.00

5.8 BUSINESS OVERVIEW

5.8.1 Corporate Banking

1 Corporate customers

The Bank continued to promote the three-year campaign for cultivating corporate customers, laying a more solid foundation for corporate business. The Bank adhered to the customer-centered concept and provided corporate customers with a more convenient and efficient service experience by measures such as optimizing business processes, improving service channels and strengthening employee training; adhered to customer stratification and classification for precise marketing, implemented differentiated services and improved customer satisfaction and loyalty; adhered to technology empowerment, actively connected to the “Jiangxi enterprise registration online service system”, accelerated the development of a corporate smart marketing management platform, actively broadened the channels of customer acquisition and accelerated the growth of corporate customers. As at the end of the Reporting Period, the number of Bank’s corporate customers exceeded 100,000, representing an increase of 10.57% as compared to the end of the previous year.



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2 Corporate deposits

The Bank actively responded to the impact of interest rate capitalization reform, fiscal and social security coordination and other policies, promoted the marketing of low-cost deposits, provided service solutions for investment promotion projects, major key projects, special treasury bonds, government special bonds, corporate bonds and other businesses, and marketed and expanded related project funds and bond funds; strengthened market research and judgment, seized business opportunities such as institutional business, transaction banking, and bank-rental linkage, increased the marketing of key business qualifications and account funds such as treasury agency, budgetary units, and bankruptcy administrators, and broadened channels for increasing deposit; continued to strengthen the management of the internal circulation of customer funds, focused on core customers and loan customers, and effectively strengthened the implementation of downstream extension and upstream expansion to achieve “closed-loop” retention of funds.

3 Corporate loans and advances

As of the end of the Reporting Period, the total amount of corporate loans and advances (excluding discounted bills) issued by the Group had reached RMB233.797 billion, representing an increase of 6.32% as compared to the end of the previous year. Corporate loans and advances were the largest components of the Group’s loan portfolio.

Distribution of corporate loans and advances by product type

Item	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Working capital loans	130,290.57	55.73	120,615.01	54.85
Fixed asset loans	71,536.29	30.60	71,591.10	32.56
Financial lease	6,853.97	2.93	6,012.53	2.73
Others ¹	25,116.20	10.74	21,678.24	9.86
Total amount of corporate loans and advances	233,797.03	100.00	219,896.88	100.00

Note:

1. Mainly includes trade financing, advance payment of acceptance bills and syndicated loans.

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Distribution of corporate loans and advances by contract maturity

According to their respective contract maturity, the Group's corporate loans and advances (excluding discounted bills) include short-term loans and advances as well as medium to long-term loans. The following table sets forth the Group's corporate loans and advances by contract maturity as of the dates indicated.

Item	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
Short-term loans and advances ¹	99,134.65	42.40	70,021.01	31.84
Medium to long-term loans ²	134,662.38	57.60	149,875.87	68.16
Total amount of corporate loans and advances	233,797.03	100.00	219,896.88	100.00

Notes:

1. Consists of loans and advances with contract maturity of one year or less.
2. Consists of loans with contract maturity of more than one year.



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Distribution of corporate loans and advances by customer category

The following table sets forth the Group's corporate loans and advances by the size of corporate customers as of the dates indicated.

Item	As of December 31, 2024		As of December 31, 2023	
	Amount	% of total	Amount	% of total
	(in millions of RMB, unless otherwise stated)			
Micro enterprises ¹	28,835.34	12.33	22,414.23	10.19
Small enterprises ¹	110,508.51	47.27	109,024.54	49.58
Medium enterprises ¹	57,533.89	24.61	55,245.84	25.12
Large enterprises ¹	26,613.17	11.38	24,537.70	11.16
Others ²	10,306.12	4.41	8,674.57	3.95
Total amount of corporate loans and advances	233,797.03	100.00	219,896.88	100.00

Notes:

1. Statistics on the Measures for Classification of Large, Medium, Small and Micro Enterprises (2017) stipulates that the classification of large enterprises, medium enterprises, small enterprises and micro enterprises shall be based on the number of employees, operating income and total assets.
2. Primarily includes loans to public institutions such as hospitals and schools.

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4 *Characteristic corporate credit business*

Increasing financial support to serve new quality productive forces. Focusing on the “1269” Action Plan for the modernization of key industrial chains of the manufacturing industry in Jiangxi Province, “Whitelist” clients such as technology enterprises, the Bank promoted comprehensive outreach of customers and improved the ability to acquire customers accurately. Based on the operating characteristics and full life cycle of technology enterprises, the Bank formed a product matrix including “Technology Credit Loan”, “Technology Mortgage Loan”, “Technology and Innovation Knowledge Loan”, “Loan for Transformation of Scientific and Technological Achievements”, and “Technology Transaction Loan”, supported special policies to increase credit investment, strongly supported the development of the manufacturing industry and promoted scientific and technological innovation. As of the end of the Reporting Period, the Bank’s manufacturing loan balance achieved the “three no less than” targets: the growth rate of manufacturing loans no less than all loans, the growth rate of medium – to long-term manufacturing loans no less than manufacturing loans, and advanced manufacturing loans under the “1269” Action Plan no less than manufacturing loans. The balance of science and technology enterprise loans achieved a double-digit growth compared with the end of the previous year, and we won the provincial-level “First Prize of Science and Technology Financial Development Contribution Award” (科技金融發展貢獻一等獎).

Developing green finance to promote green economic transformation. The Bank determined the “carbon peaking and carbon neutrality” goals, formulated the “New Journey” Strategic Plan for Green and Sustainable Development, proposed the strategic goal and vision of building a “benchmark bank” for green finance in Jiangxi Province and striving to become a national green finance specialty bank, clarified the Bank’s green finance development path and strategic measures; established a product series of “Green to Gold (點綠成金)”, innovatively implemented the first recognized agricultural transformation loan in Jiangxi Province, coordinated the promotion of carbon reduction, pollution reduction, green expansion, and growth; innovated financing channels, issued green financial bonds, introduced low-cost funds, and promoted Jiangxi’s low-carbon economic transformation; expanded international cooperation, joined the United Nations Principles for Responsible Banking and unveiled the “New Journey” Strategy for Green and Sustainable Development, effectively improved the green and sustainable development governance and the brand influence of green finance. The Bank’s green finance brand won the title of “high-quality financial development case” in the 2024 China Brand Forum hosted by the People’s Daily, and it is also the only city commercial bank selected. As of the end of the Reporting Period, the Bank’s green loan balance amounted to RMB39.448 billion, representing an increase of 26.45% as compared to the end of the previous year.



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Optimizing financial services to build a talent finance brand. The Bank implemented the strategy of strengthening the province through talent cultivation. On the basis of full coverage of talent services in the province, the Bank continued to deepen the cooperation between the government and the banks, jointly unveiled 23 city and county-level talent financial service centers to provide more accurate and efficient financial services for talent enterprises; launched the product policies of “Benefiting Talents in Jiangxi with Awards and Sincerity 4.0”, which upgraded the three aspects of matching the level of Jiangxi talents, optimizing product policies, and improving the scope of rights and interests. Through the two major product series “Leye” and “Anju”, the Bank supported all types of talents in innovation, entrepreneurship and living and working in peace and contentment; provided exclusive rights and interests, and made every effort to provide preferential support in the three major scenarios of financial services, transportation and hotel accommodation, and continuously improved the warmth of talent services. As of the end of the Reporting Period, the Bank served more than 3,400 talents in total, the balance of “Leye” series of corporate loans amounted to RMB5.239 billion, representing an increase of 33.41% as compared to the end of the previous year; more than 3,500 personal “Anju” series products were launched. At the same time, the Bank’s talent service was selected as a case in the 2024 Report on the Development of City Commercial Banks in China (《城市商業銀行發展報告(2024)》) issued by the China Banking Association.

5 *Investment Banking*

During the Reporting Period, the Bank gave play to the advantages of its position as the lead underwriter of debt financing instruments, provided intermediary services such as registration, issuance, and duration management for customers to issue bonds, supported the direct financing needs of enterprises in Jiangxi Province and helped enterprises reduce financing costs. During the Reporting Period, the Bank issued a total of 7 non-financial corporate debt financing instruments in Jiangxi Province, participating in the issuance of RMB4.181 billion, of which the Bank underwrote RMB1.56 billion.

The Bank promoted special bond advisory services in an orderly manner, provided consulting services to local governments in the selection, planning and declaration of special bond projects, helping the government seize the opportunities of a package of incremental policies, and its professional capabilities have been highly recognized by customers. As of the end of the Reporting Period, the Bank launched special bond advisory services in nine cities within Jiangxi Province, and actively cooperated with Jiangxi Provincial Government in the bond issuance.

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6 *Inclusive finance*

Continuing to improve the level of inclusive services for small and micro enterprises. The Bank fully implemented the coordination mechanism for supporting financing of small and micro enterprises, established three-level special working groups at the head office branch and sub-branch, actively carried out the “Visiting Thousands of Enterprises and Households (千企萬戶大走訪)” activity and innovatively launched the “393” working model of “Three Focuses (三個着力)” for implementation, “Nine Commitments (九項承諾)” to optimize services, and “Three Guarantees (三大保障)” to strengthen support. The Bank launched the “15 Financing Tips Beneficial to Enterprise” measures, supported by policies such as internal and external preferential interest rates and differentiated credit approval and delegating, increased resource allocation, continued to increase efforts to expand inclusive finance, enhanced the service capabilities for inclusive finance scenarios such as “1269 Industrial Chains” and “Industrial Parks,” promoted the expansion of the coverage and supply of inclusive loans, and benefited more small and micro enterprises, individual industrial and commercial households, and market entities in the field of rural revitalization. As of the end of the Reporting Period, the Bank’s inclusive small and micro-enterprise loan balance (with the credit granted to a single customer less than RMB10 million (inclusive)) was RMB52.602 billion, representing an increase of RMB6.461 billion or 14.00% and an increase of 4.62% in the weighted average interest rate as compared to the same period of the previous year. The customers who received inclusive small and micro-enterprise loans (with the credit granted to a single customer less than RMB10 million (inclusive)) increased by 3,099 as compared to the end of the previous year.

Continuing to promote financial services for rural revitalization. Based on the unique environment of Jiangxi Province, the Bank continuously improved the service system for rural revitalization, introduced an implementation plan for spring ploughing and ploughing preparation and financial support for rural revitalization, supported policies such as differentiated credit granting and assessment, accelerated the implementation of the overall path of “1+3+N” financial services for rural revitalization. The Bank focused on increasing credit supply to key areas such as spring ploughing and ploughing preparation, summer grain harvesting and storage, agriculture, forestry, animal husbandry and fishery, new agricultural operators and farmers; fully tapped the potential of county-level institutions, promoted the services for the lower-tier cities and door-to-door services, and opened up the “last kilometer” of financial services in rural areas. As of the end of the Reporting Period, according to the revisions of the special statistical system of agriculture-related loans of the PBOC, the Bank’s balance of agriculture-related loans amounted to RMB30.517 billion, representing an increase of RMB2.059 billion or 7.24% as compared to the end of the previous year; the weighted average interest rate on agriculture-related loans was 4.91%, serving 15,546 agriculture-related customers. The balance of inclusive agriculture-related loans amounted to RMB12.308 billion, representing an increase of RMB2.861 billion or 30.28% as compared to the end of the previous year.

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Continuing to improve the inclusive small and micro product system. According to the customers' financing needs and based on the regional market, the Bank continuously enriched its inclusive finance product system, launched inclusive finance products such as “Digital on-lending High-tech Innovation Bonus Point Loan (數轉貸高新科創積分貸)”, “Technology-Loan Link (科貸通)”, and “Tax Refund Pledge Loan (退稅質押貸)”, forming an inclusive finance product matrix integrating the three major categories of “micro” loan, “quick” loan and “easy” loan, with a total of over 50 “online + offline” and “general + characteristic” inclusive finance products, effectively meeting the diversified financing needs of the inclusive customer base. In 2024, the “Rural Insurance Loan (農保貸)” and “Government Procurement E-loan” products of the Bank were awarded the Sixth China Digital Inclusive Finance Innovation Achievement and Excellent Case Award from the MIIT, and the “Public Welfare Forest Compensation Revenue Right Pledge Loan (公益林補償收益權質押貸)” was awarded the “Top 10 Outstanding Cases of Online Influential Banks (十大網絡影響力銀行優秀案例)” and “Typical Case of National Inclusive Finance in 2024 (2024 年全國普惠金融典型案例)” awards. The project “Jiangxi Bank Rural Insurance Loan Make Waiting for a Loan a Second Loan” won the “Second Prize for Inclusive Finance Excellent Project” in the 2024 Regional Financial Reform Excellent Project Exhibition of Jiangxi Province.

5.8.2 Retail Banking

1 Retail customers

During the Reporting Period, the Bank vigorously acquired elder customers through services of “Jiangxi Bank Caring the Elderly” and enhanced the ability to provide differentiated services for individual payroll customers, upgrading the digital and online service experience for individual loan customers, and enriching service channels and scenario for credit card customers, thus promoting stable increase in the total number of customers. As of the end of the Reporting Period, the total individual customers of the Bank were 6,572,200, representing an increase of 350,500 as compared to the end of the previous year.



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The Bank deeply cultivated a brand of financial services for the elderly like “Jiangxi Bank Caring the Elderly”, continuously enriched the supply of financial products for middle-aged and elderly customer groups, promoting the savings products like “happy saving” (only for pension), increased cooperation with wealth management companies, and selected and launched the agency sales of wealth management products that meet the needs of the elderly. The Bank vigorously promoted cooperation with the communities to build activity centers, organized and carried out special brand activities such as “Jiangyin Respect for the Elderly Season (江銀敬老季)”, “Jiangyin Wealth Season (江銀財富季)” and “Jiangyin Helping the Elderly Season (江銀助老季)”. The Bank selected outlets with middle-aged and elderly customer groups to optimize elderly-friendly services and build a “Model Elderly Healthcare Demonstration Outlet”, which was awarded the title of “the Most Beautiful Bank Branch for Elderly-Friendly Payment Services in Jiangxi Province for 2024” by the Jiangxi Branch of the People's Bank of China.

The Bank created a standardized service model for individual customers of agency payment, formulated the Standardized Marketing Guidelines for Customer Group of Payroll Business under Personal Business of Jiangxi Bank (《江西銀行個人業務代發客群標準化營銷指引》), carried out an operating pilot for payroll individual customers, implemented standardized operation for payroll individual customers of some key enterprises, launched exclusive deposit and wealth management products for payroll customer groups, and enriched the value-added service rights and interests of payroll customer groups.

The Bank optimized the loan functions of mobile banking, comprehensively upgraded the mobile banking loan module, and actively promoted the digital and online transformation of loan customer service. The Bank launched the “Provincial Individual Industrial and Commercial Households Service Month” campaign, visiting individual industrial and commercial households in business districts, streets and communities to enhance the service experience of individual industrial and commercial households.

To boost residents’ consumption, the Bank has continued to enrich its credit card installment business channels by accessing installment channels such as Jingdong Cashier Installment (京東收銀台分期) and UnionPay Commodity Installment (銀聯商品分期). In view of the automobile consumption scenario, the Bank launched the “zero down payment” policy for automobile installments to provide customers with more quality and convenient credit card installment services.

2 Personal deposits

During the Reporting Period, the Bank strengthened its daily maintenance services with the goal of increasing customer deposits and assets. The Bank carried out online activities such as “Upgrading Customer Level to Receive Benefits (客戶等級提升領權益)”; launched the “Elderly Club (養老俱樂部)” WeChat applet, used the online platform to reach customers, and improved the traffic driving effect of offline activities; and facilitated the construction of acquiring business scenarios, and promoted the settlement deposit retention of individual business owners. As of the end of the Reporting Period, the balance of the Group's personal deposits reached RMB210.648 billion, representing an increase of RMB25.072 billion or 13.51% as compared to the end of the previous year.

The interest payment rate on personal deposits was 2.52%, representing a decrease of 0.38 percentage point as compared to the previous year.

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3 *Personal loans*

During the Reporting Period, the Bank continued to optimize the policies and business processes of individual comprehensive consumer loan products to support consumption growth and meet customers' diversified consumption needs. During the Reporting Period, the amount of issued individual comprehensive consumer loans over RMB13 billion, supporting the consumption needs of over 50,000 local residents in total. The number of customers and loan balance of "Jiangyin Express Loan," the Bank's key consumption loan product, both increased. The loan balance increased by over RMB1.9 billion or over 38% as compared to the end of the previous year. The number of granted customers increased by over 28,000, or more than 35%, as compared to the end of the previous year. The Bank deeply implemented the central government's prudent regulation and control policy on the real estate market, uniformly lowered the minimum down payment ratios for the first and second housing, and proactively lowered the interest rates on existing and newly issued personal housing loans to support the resident's housing demand.

Accelerating its research and development of characteristic products, the Bank released novel umbrella products "Hui Nong Quick Loan (惠農快貸)" and "Hui Min Quick Loan (惠民快貸)," while marketing 46 niche products including "Homestay Loan (民宿貸)," "Orange Industry Loan (橙意貸)," "Zhangshu Medical Loan (樟樹醫藥貸)," thereby propping up the development of specialty industries through Jiangxi Province's programs of "One County One Icon (一縣一品)" and "One Industry One Policy (一業一策)." The Bank continued to accelerate the advancement of financial services for new citizens, which significantly enhanced the efficiency and quality of the services for new citizens and continuously improved its availability and convenience.



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4 *Bank cards*

During the Reporting Period, the Bank focused on the debit card payment for the operation of customer groups. Focusing on high-frequency consumption scenes of customers such as movie watching, travel and consumption, the Bank launched “rights packages” for debit card customers to bind and activate their cards through segmentation and categorization, and launched activities such as “Immediate Discounts for Opening Social Security Cards (開社保卡送立減金)” and “Travel for Just One Penny (出行低至一分錢)”. As of the end of the Reporting Period, the number of customers who signed up for four or more Internet payment channels increased by 15.54% as compared to the end of the previous year. The Bank strengthened the expansion of the social security card issuance business in Jiangxi Province. As of the end of the Reporting Period, the Bank issued a total of 276.3 thousand social security cards, representing an increase of 11.3 thousand as compared to the end of the previous year. The number of valid social security cards with financial assets of more than RMB500 increased by 22.2 thousand as compared to the previous year.

Based on the perspective of big retail, the Bank has been actively explored new digital driving forces for operation with Jiangxi characteristics through the refinement of operation by tiers, groups and levels. In 2024, “Open Stratified Operation System of Customers – One Beauty Life” won the “Full Glory Award” of the “7th (2024) Digital Finance Innovation Competition” from www.cebnet.com.cn.



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5 *Wealth management*

During the Reporting Period, the Bank aimed to improve “customer base maintenance, cross-selling and asset allocation”, optimized the assessment and incentive mechanism for the wealth management team, created the wealth customer management and maintenance mechanism, formulated initial allocation rules for customer management accounts above platinum level to clarify the number of customers maintained by personnel in each position and the hierarchical management rules and ensure that customer maintenance responsibilities are assigned to each person. In view of the differentiated investment needs of customers, the Bank has carefully selected cooperation institutions for agency-sold wealth management products, aimed for steady investment, and introduced cash management agency-sold wealth management products, agency-sold wealth management products with minimum holding periods and other agency-sold wealth management products to further enrich asset allocation products. As of the end of the Reporting Period, the number of customers at the platinum level and above holding financial assets worth RMB500,000 or more in the Bank increased by 11.99% as compared to the end of the previous year. The balance of financial assets of customers at the platinum level and above increased by 8.70% as compared to the end of the previous year.



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5.8.3 Financial markets business

1 *Financial markets business*

The Bank actively implemented the monetary policy requirements, used various money market instruments, and continuously enhanced the service capabilities as a money market trader. The trading volume of the money market ranked among the top in the market. At the same time, the Bank optimized the overall debt structure through multiple channels and measures by strengthening market research and analysis, ensured smooth liquidity across the Bank, promoted cost reduction and efficiency improvement in money market business, and promoted high-quality development. It was honored as the 2024 “Annual Market Influence Institution” and “Market Innovation Business Institution” by the China Foreign Exchange Trade System and the National Interbank Funding Center.

2 *Financial investment business*

The Bank has always focused on the overall development strategy, adhered to taking the financial markets business as the key task, was committed to improving the overall development quality, enhanced the quality and efficiency of serving entities, optimized the investment structure of financial assets, and continuously promoted the flexible allocation of standardized assets. The Bank actively fulfilled the functions of an interbank market dealer and a market maker, promoted the in-depth and refined development of various financial asset investment and trading businesses, and maintained an improvement in the quality and efficiency of various investment and trading businesses.

3 *Inter-bank business and customer management*

The Bank was committed to deepening the construction of a cooperation network with the interbank customers, continuously expanding the depth and width of the cooperation. Through enhancing business collaboration and service synergy, the Bank achieved inter-bank resources sharing and dual-directional empowerment, so as to promote the stable development of businesses in the financial market. At the same time, The Bank continued to optimize an inter-bank customer service management system, and implemented the customer segmentation and group strategy, which effectively enhanced the industry influence. And the efforts on client expansion and service achieved remarkable results, further strengthening the Bank’s position in the financial market.



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5.8.4 Assets management business

During the Reporting Period, the Bank focused on implementing national strategies, serving the real economy, supporting the transformation and upgrading of industries, strengthened digital transformation, and enhanced technological empowerment, thus being recognized as the “Outstanding Institution for Wealth Management Information Registration” by the China Banking Wealth Management Registration & Depository Center. Furthermore, the Bank operated wealth management products steadily, comprehensively improved the quality of customer service and continuously enhanced customer experience and satisfaction by actively launching investor education, which was awarded the “Golden Bull Award for Wealth Management Products of Banks” by China Securities Journal, the “Excellent Institution” award and “Five-star Bank Wealth Management Product” award by the China Investment Association, and “Excellent Investment Return Bank” by PYSTANDARD and “Annual Outstanding Social Responsibility Product” awards.

As of the end of the Reporting Period, the subsisting balance of the Bank’s wealth management products was RMB19.586 billion, of which 98.40% and 1.60% were funds of individual and institutional customers, respectively.

5.8.5 Transaction Banking Business

During the Reporting Period, the Bank actively served the real economy, promoted digital transformation in an orderly manner, and took well-targeted steps to digital finance of “the priority” to innovatively launch various digital products, including industrial platform “i” series, payment and settlement “e” series, comprehensive service “butler” series, and scene customization “smart” series. At the same time, the Bank implemented the requirements for trade receipts and payments facilitation, and successfully obtained approval for the filling for the qualification of foreign exchange receipts and payments facilitation business on trade in goods for quality enterprises, providing high-quality enterprises with efficient and convenient cross-border settlement services. In terms of online channel construction, the Bank achieved several firsts among provincial city commercial banks: the first cross-border financial service platform business “connecting banks and enterprises for financing”, and the first registration business for the “Directory of Enterprises with Foreign Exchange Receipts and Payments in Trade”, launched the “Mobile Foreign Exchange Butler (掌上外匯管家)” online service for small and medium-sized foreign trade enterprises, created the “Jiangyin Any Settlement (江銀隨心結)” and “Jiangyin Zhihui (江銀智匯)” series of products, and launched the “Single Window (單一窗口)” customs tax payment business, providing customers with convenient services for all online foreign exchange business.

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In regard to digital platforms, our exploration of “Finance + Technology + Scenario” has proved beneficial to some extent to our cause of supporting rural revitalization through financial services. The Bank promoted the upgrading of the “Jiangyin iNong” industrial platform by focusing on online products, credit granting by batch, operation specialization and scene digitalization. As of the end of the Reporting Period, the platform has issued 30 inclusive loan products related to the agricultural industrial chain, created four branch specialized areas, delivered cases of digital scenes serving the food industry chain, and completed the connection with the SaaS platform of agricultural technology, thanks to which the Bank won the third prize of the Financial Technology Development Award issued by the head office of the People’s Bank of China. In regard to digital services, the Bank has launched the enterprise payroll management SaaS service “Payroll Manager”, providing small- and medium-sized enterprises with a holistic digital solution covering human resources, finance, and administrative affairs and thus assisting in their digital transformation. Financial Computerization, a magazine administered by the People’s Bank of China, awarded the Bank the Technological Innovation Prize in the Forth “Financial Industry Technology Innovation and Popularization Contest – Video Contest (金融業科創科普大賽 – 短視頻賽)”. In regard to digital distribution, the Bank deeply advanced the factoring of electronic certificates for accounts receivable, known as the “Cloud Enterprise Chain” business, through which a total of 2,205 customers were served, and the financing provided increased by 19.95% as compared with the end of the previous year.

During the Reporting period, the Bank actively guided enterprises to use cross-border RMB settlement. The number of the Bank’s cross-border RMB customers increased by 45% as compared to the end of the previous year, and the proportion of cross-border RMB settlement volume in local and foreign currency settlement volume was 66.1%. The Bank actively assisted enterprises in establishing a risk-neutral concept and continuously expanded its business coverage. International trade financing, foreign currency loans, domestic letters of credit and forfeiting and other domestic trade and foreign trade integration financing increased by 20.09% as compared to the end of the previous year; and the indicators of cross-border RMB settlement, export accounts receivable financing, credit insurance financing and exchange rate hedging realized the enhancement of quality and increase of quantity and catching up with the peers.



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5.8.6 Channel Construction

1 Channel Construction

As of the end of 2024, the Bank had a total of 229 self-service banking service zones (outlets) and 763 units of automatic services machines (including 479 units of cash recycling systems and 284 units of smart self-service terminals).

2 Electronic Channels

During the Reporting Period, the Bank strengthened the construction of electronic channels, enhanced the operation of electronic channels, continued to gain insights into the online service needs of customers, and continuously improved user experience and service quality and efficiency.

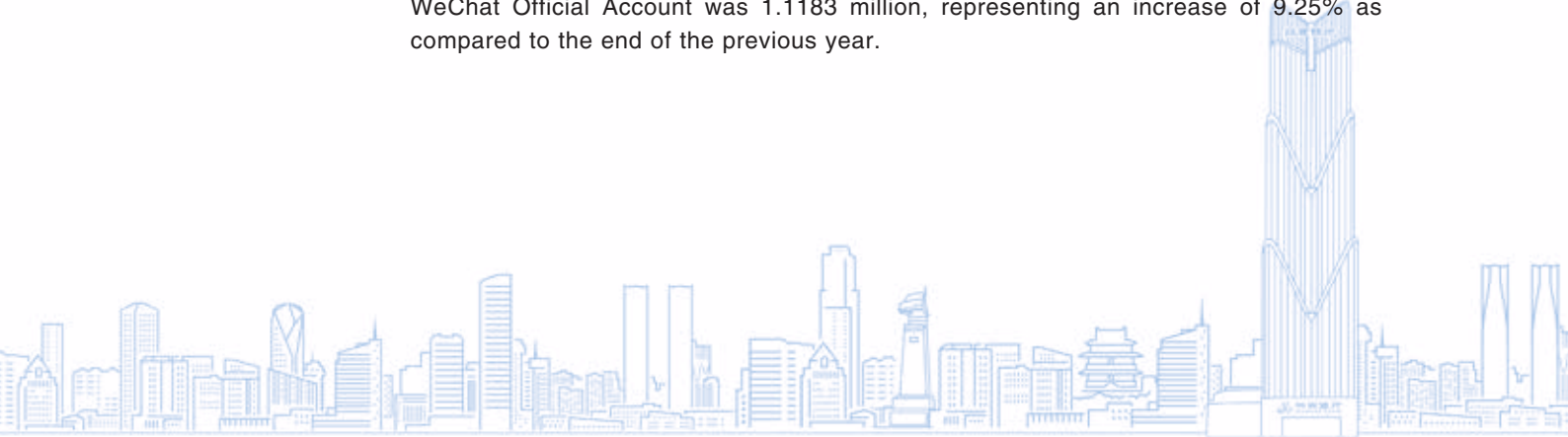
Individual e-banking: During the Reporting Period, the Bank continued to enhance our individual e-banking service capabilities in four major areas: “New Technology, New Experience, Heartfelt Service, and Heart-warming Security (新科技、新體驗、心服務、心安全)”. The Bank deeply used digital technology and devoted itself to building the 4.0 version of personal mobile banking. The Bank launched more than 20 exclusive services for entrepreneurs and employees, local small and micro businesses, foreigners coming to China, and silver-haired customers, launched 16 new functions in total, comprehensively upgraded more than 400 transaction processes, built a new security center, and established a three-in-all online transaction whole-process prevention and control system before, during, and after the online transaction. Focusing on the entire process of customer service, the Bank strengthened digital operations, providing customers with a more efficient and intelligent service experience. As of the end of the Reporting Period, the online rate of individual electronic banking reached 91%, and the channel activity increased by 13.15% as compared to the previous year. Personal mobile banking won the “2024 Innovation Case Award on Finance for the People of Digital Financial Innovation Competition (2024 數字金融創新大賽金融為民創新案例獎)” awarded by www.cebnet.com.cn, the “2024 Mobile Banking Leap Forward Award (2024 手機銀行飛躍成長獎)” awarded by the China Financial Certification Authority, and the “2024 Demonstration Institution of the Annual Security Management of Mobile Finance Customer APP Award (2024 移動金融客戶端年度安全管理示範機構獎)” awarded by the National Financial Technology Certification Center (Beijing).

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Corporate e-bank: During the Reporting Period, the enterprise electronic channel aimed at serving enterprises and continued to optimize relevant functions. The Bank introduced new functions such as “Smart Payroll Disbursement (智慧薪企代發);” super-network payment by batch, small-amount regular debit, credit payment, and pre-paid account payments to enrich fund settlement scenarios of customers; realized correlation and connection of SaaS service in the industry, and one-click access to comprehensive financial services; supported customers to update the expiration date of corporate certificates online, set up channel deduction accounts, and changed transfer limits of online banking, further enriched the types of online business functions of outlets, and helped improve the service efficiency of outlets; continued to optimize risk control rules of transaction, strengthened security verification of electronic channels, improved capabilities of risk prevention and control; created a new enterprise cloud service function, broadened application channels for Jiangxi Bank financial product, and assisted branches and sub-branches in marketing and promotion. As of the end of the Reporting Period, the total number of the Bank’s corporate e-banking customers increased by more than 10% as compared to the end of the previous year. The Bank’s new version of the corporate online banking and mobile banking system won the 2024 IDC Best in Future of Industry Ecosystems Award – Certificate of Excellence.

Remote banking: During the Reporting period, the Bank promoted the construction of remote banking and established a remote banking service system integrating four application scenarios: remote customer service, remote counter service, remote marketing and remote credit, and launched more than 10 service scenarios including card password modification, remote dual recording, loan due diligence, online business hall, etc., exploring and building more diversified service operation models.

WeChat official account: During the Reporting Period, the Bank strengthened the content operation of the “Micro Bank of Jiangxi Bank (江西銀行微銀行)” service account, created a series of mini-theater tweets, and delivered financial knowledge through down-to-earth and interesting forms such as comic sitcoms and original videos, continuously expanding the coverage of financial education and enhancing its influence. As at the end of the Reporting Period, the number of followers of the “Micro Bank of Jiangxi Bank” WeChat Official Account was 1.1183 million, representing an increase of 9.25% as compared to the end of the previous year.



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5.8.7 Digital Transformation

During the Reporting Period, the Group focused on the “digitalized, online, intelligent and ecological” goal requirements, continued to enhance its financial technology capabilities, deeply promoted the integration of technology and business, carried out digital transformation in a solid manner, and strengthened the support role of financial technology in business development.

1 *Forward-looking layout, exploring the boundaries of future technologies*

The Bank published the “Digital Transformation Planning Report”, identified and planned a total of 43 digital transformation projects across ten major project groups from 2024 to 2026, completed 18 digital transformation projects as of the end of 2024, and promoted the “digital operating, digital operation, digital management, and digital risk control” of the Bank. Based on enterprise-level structure and cloud native, distributed and other technologies, the Bank launched the new generation credit system projects group and became the first bank in Jiangxi Province to realize the all-in-one localization and completely independence and control of the credit management system and the credit core system. The Bank set up the digital and product innovation laboratory, established an innovative platform for the exploration and application of digital technologies, and continued to explore the application boundaries of large model in the financial field, continuously injecting innovative vitality into the construction of a new engine for high-quality development.

2 *Technology-driven, reshaping the financial service model*

Guided by “scenario + ecology”, the Bank constructed a digital financial service paradigm. The construction of the RPA platform is being continuously promoted. A total of 52 various scenarios have been launched, saving business personnel approximately 14 thousand working hours throughout the year. Relying on the new-generation intelligent on-the-counter dual-recording system, the efficiency of audio-visual service has been improved, reducing video recording time by 45%. The remote video banking supports the new-generation credit video investigation and signing services. The Bank actively promoted the development of HarmonyOS native applications to become the first city commercial bank in Jiangxi Province to complete the adaptation to Huawei’s HarmonyOS native system, continuously strengthened transaction security, enhanced the protection of customers’ privacy, and further expanded the digital service channels to meet the diversified needs of customers and actively promotes the construction of various financial product matrices.

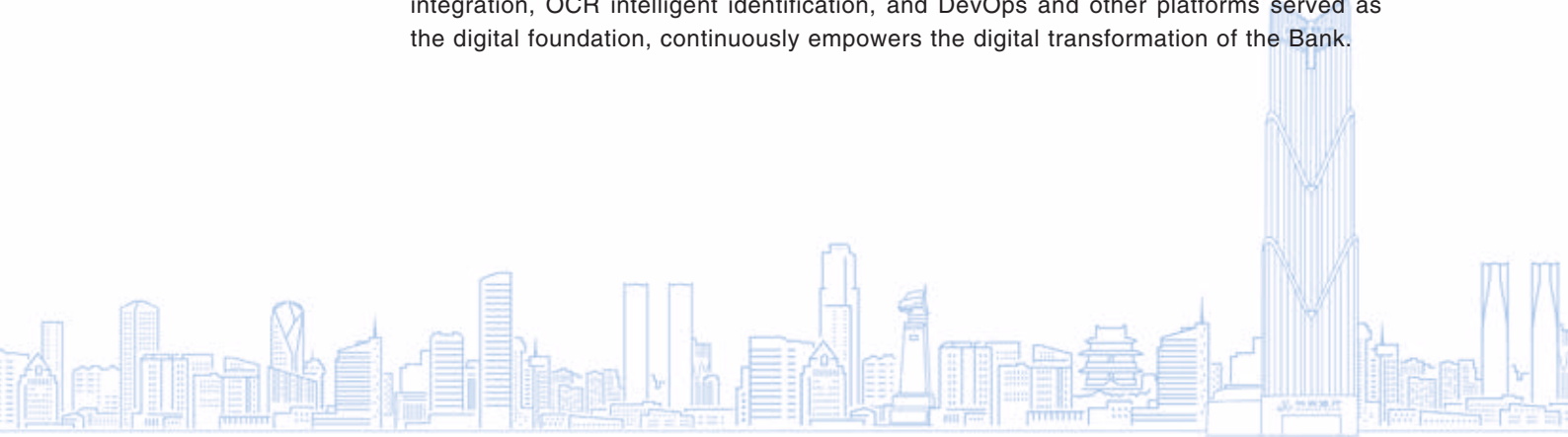
CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

3 *Innovative breakthroughs, strengthening risk prevention and control capabilities*

The Bank constructed a “technology + risk control” two-wheel drive system. The digital intelligent operation and maintenance system provides comprehensive monitoring that encompasses both hardware and software, from the ground up. Seven dedicated operation and maintenance support teams were established for critical customer-facing systems (including Core, Payment, New Generation Credit, etc.), achieving a zero-failure rate. Continuous improvements in network monitoring and handling capabilities ensured there were no cybersecurity incidents throughout the year, solidifying security defenses for stable business operations. The Bank won the Second Prize, Third Prize, and Excellent Organization Award in the 2024 Jiangxi financial industry “Gan Banking Trophy” network security attack and defense competition and the Third Prize for Group and Excellent Organization Award in the 2024 Jiangxi financial system “Tiangong Cup” network security skills competition. The Bank built an intelligent risk control defense line and continued to promote anti-money laundering all-channel transaction risk control and other important business systems, and constructed a comprehensive, multi-level risk prevention and control system, driving the Bank’s risk prevention and control to comprehensively leapfrog from “human prevention” to “technology prevention”.

4 *Strategic leading and solidifying the foundation of digital infrastructure*

The Group actively practiced the concept of green low-carbon development, completed the online intelligent expansion and transformation of the data center of Jiangxi Bank, achieved deployment when necessary and flexible expansion, and effectively enhanced the quality and efficiency of operation and maintenance through digital and intelligent operation and maintenance as well as automated resource management model, constructing a new-generation financial infrastructure that is more secure, reliable, flexible, expandable, green and energy-saving, and it was awarded the “Zero Carbon Data Center” standard pilot by the Research Center of Zero Carbon Center (零碳中國研究中心) and the Energy Investment Committee (能源投資專業委員會) of the China Investment Association (中國投資協會). The enterprise-level technology-empowered foundation platform system, with the lakehouse integration, research and investment integration, OCR intelligent identification, and DevOps and other platforms served as the digital foundation, continuously empowers the digital transformation of the Bank.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.8.8 Subsidiary Business

1 Subsidiary Business

(1) Jiangxi Financial Leasing Co., Ltd.

Jiangxi Financial Leasing Corp., Ltd. (“Jiangxi Financial Leasing”) was established in November 2015 with a registered capital of RMB1 billion, which is held as to 51% by Jiangxi Bank. In March 2018, the registered capital of Jiangxi Financial Leasing was changed to RMB2.02 billion, and the shareholding ratio of Jiangxi Bank increased from 51% to 75.74%. Since its establishment, Jiangxi Financial Leasing has always adhered to the development strategy of “professionalization and specialization,” and firmly served the development of the local real economy.

As at the end of the Reporting Period, Jiangxi Financial Leasing recorded total assets of RMB7.104 billion, and a net profit of RMB176 million. All regulatory indicators of the Company met the standards. During the Reporting Period, the company adhered to the principle of prudent and stable operation, gave full play to its own functional advantages, assisted local economic development, strengthened comprehensive risk management, actively practiced new development concepts, and achieved new results in the transformation and development of clean energy and construction machinery business.

In the future, Jiangxi Financial Leasing will make the best of the characteristics of “financing capitals + financing goods”, consolidate the traditional leasing business, consolidate and expand the advantages of business development in the province, continue to expand the business markets of new energy and factory leasing, stick to the sustainable development path featuring localization, specialization and professionalization, unswervingly promote the high-quality development of the Company, and comprehensively serve the development of the real economy in the province.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

(2) *Jinxian Ruifeng County Bank*

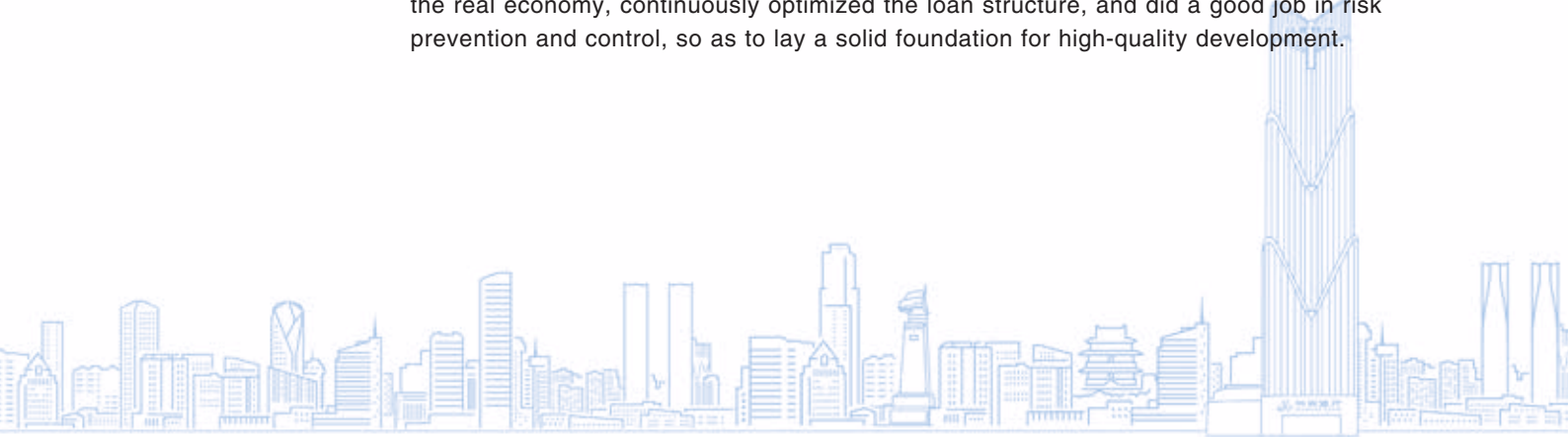
Jinxian Ruifeng County Bank Co., Ltd. (“Jinxian Ruifeng”) was incorporated on June 15, 2012 at Jinxian County, Jiangxi Province, with a registered capital of RMB50 million, 30% of which was held by Jiangxi Bank. At the end of December 2020, the registered capital of Jinxian Ruifeng was changed to RMB100 million, and the shareholding ratio of Jiangxi Bank increased from 30% to 69.5%. The principal activities of Jinxian Ruifeng are the provision of corporate and retail banking services.

As at the end of the Reporting Period, the total assets of Jinxian Ruifeng were RMB317 million, total liabilities were RMB275 million and total loans were RMB231 million. During the Reporting Period, Jinxian Ruifeng adhered to the business philosophy of combining development with risk prevention and control, followed the general principle of “controlling risks, lowering costs, and stabilizing growth,” improved efficiency and made improvements to solidly push forward all tasks.

2 *Business of immaterial affiliated enterprises*

As at the end of the Reporting Period, the Bank’s immaterial affiliated enterprises were 4 village and township banks, namely, Nanchang Dafeng County Bank Co., Ltd. (南昌大豐村鎮銀行有限責任公司), Si Ping Tie Dong De Feng County Bank Co., Ltd. (四平鐵東德豐村鎮銀行股份有限公司), Nanfeng Judu County Bank Co., Ltd. (南豐桔都村鎮銀行有限責任公司) and Guangchang Nanyin County Bank Co., Ltd. (廣昌南銀村鎮銀行股份有限公司). As of the end of the Reporting Period, the total assets of the 4 village and township banks were RMB3.682 billion, total liabilities were RMB3.162 billion and total loans were RMB2.541 billion.

The village and township banks initiated by the Bank actively implemented the overall development strategy of the Group, and followed the general principle of seeking progress while maintaining stability. The Bank adhered to the market positioning of supporting agriculture and small enterprises, rooted itself in the county areas to serve the real economy, continuously optimized the loan structure, and did a good job in risk prevention and control, so as to lay a solid foundation for high-quality development.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.9 PLEDGED ASSETS OF THE GROUP

Details of the Group's pledged assets are set out in Note 39(e) to the financial statements.

5.10 RISK MANAGEMENT

The Bank adheres to a stable and moderate risk appetite. By establishing and improving a comprehensive risk governance structure with clear responsibilities, the Bank improved the risk management process of classification and grading, joint prevention and control, and established a risk management capability rating mechanism that takes into account the effect of risk management and control and collaborative support capabilities, so as to comprehensively promote effective risk control and healthy business development, and boost the high-quality development of the Bank.

The comprehensive risk management of the Bank includes credit risk, market risk, liquidity risk, operational risk, country risk, bank book interest rate risk, reputational risk, strategic risk, information technology risk, and other risks.

The Bank has established an organizational structure for risk management featuring “centralized management and matrix distribution” and three defense lines of risk management: “business unit to control by itself, risk department to manage, and audit department to supervise”. The Board assumes the ultimate responsibility for comprehensive risk management.

5.10.1 Credit Risk Management

Credit risk refers to the risk of economic losses caused by the counterparty's failure to fulfill the obligations in the contract, which mainly comes from various loan portfolios, investment portfolios, guarantees and other on-balance-sheet and off-balance-sheet credit risk exposures.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Bank improved the credit risk management by taking the following measures:

Optimizing the risk management system. The Bank developed the implementation plan for the optimization of risk line management, further consolidated the main responsibilities of risk management from the aspects of optimizing the risk management structure, clarifying risk management responsibilities, and improving the management and assessment mechanism, enhanced the supervision and management effectiveness of “two lines of defense”, and continued to promote the optimization and transformation of the risk management model from “post-event resolution” to “forward-looking prevention and control”.

Strengthening the process control of credit risk. The Bank optimized the control model for credit granting, implemented the differentiation authorization mechanism, and further fortified the defense line of credit risk from the source. The Bank established a professional credit risk management team with coordination between the Head Office and branches, set up management mechanisms such as credit asset inventory, active post-loan management and reporting of significant credit risk matters, and implemented “four-early” risk control. The Bank optimized the accountability system, drew up the “three investigations” responsibility chain diagram, established hierarchical matrix of accountability and built a scientific accountability system of “accountability for dereliction of duty and exemption from liability in case of duty fulfillment”.

Stepping up the collection and disposal of non-performing loans. The Bank focused on the goals and tasks, clarified the key points of the collection, optimized the collection and management, and promoted efficient and accurate disposal by the method of “one category, one strategy”. The Bank carried out special actions, focused on the key large accounts, implemented list-based management and project-based promotion, and enhanced the effectiveness of asset disposal through innovative disposal methods. The Bank improved the multi-level and standardized debt collection system, utilized multi-level and normalized scheduling mechanisms to provide support and guarantee.

Strengthening digital risk control technology. The Bank successfully launched the new-generation credit system group, developed models such as anti-fraud and corporate customer limit, optimized the credit risk monitoring system, built an enterprise-level unified risk control and decision-making platform, comprehensively promoted the online, automatic and intelligent transformation of credit business.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.10.2 Liquidity Risk Management

Liquidity risk refers to the risk of loss or bankruptcy caused by the failure of commercial banks to promptly provide financing for the reduction of liabilities and (or) the increase of assets. During the Reporting Period, the Group adhered to prudent and neutral liquidity risk management strategies, and the liquidity level remained reasonable and sufficient, all liquidity regulatory indicators met the regulatory requirements. As of the end of the Reporting Period, the Group's liquidity ratio was 98.82%, NSFR was 147.19%, and liquidity coverage ratio was 403.22%. Among them, the balance of qualified high-quality liquid assets was RMB71.17 billion, and the amount of net cash outflow in the next 30 days was RMB17.651 billion. The Group mainly adopted the following measures to manage liquidity risk:

1. The Group continued to optimize and improve the liquidity risk management system, improved top-level system design, strengthened the proactive management of the asset and liability structure, and deepened the cooperative relationship between strategic customers and other banks and financial institutions while making significant efforts to excel in the “five major sectors” of finance, actively diversified the sources of debt, effectively utilized the borrowing from the Central Bank, issued green financial bonds in due time, balanced the maturity gap of assets and liabilities in each time window, and sustained the coordinated development of the aggregate amount and structure of the asset and liability.
2. The Group independently researched and developed the system for liquidity monitoring, created the monitoring models from different dimensions, improved monitoring and early warning mechanisms of all outlets, consolidated the position managing responsibility of each branch, and made forward-looking plans for capital planning. With the trend of the cost reduction and efficiency enhancement, the Group the efficiency of capital utilization, and ensured the safety and orderliness of the Group's daytime payment. The Group insisted on conducting liquidity stress tests on a quarterly basis, simulated the impact of different scenarios, made up for its own shortcomings, stuck to bottom-line thinking, and continuously improved the emergency response strategies to ensure the liquidity risk-free accidents.
3. By continuously enriching the multi-layer liquidity reserve mechanism and taking into account the market dynamics, the Group constantly promoted policy tools to make forward efforts, opportunely allocated treasury bonds, policy financial bonds, local government bonds and other high-liquidity assets, reasonably the size of bond pledges on the basis of the orderly daily operation, and promoted the proportion of qualified high-quality liquidity assets to remain stable to continuously consolidate the Group's capacities of defending liquidity risk.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.10.3 Market Risk Management

Market risk refers to the risk of losses in banks' on – and off-balance sheet businesses arising from adverse movements in market rates including interest rates, exchange rates, commodity prices stock prices and other prices, which exists in the trading and non-trading businesses of banks.

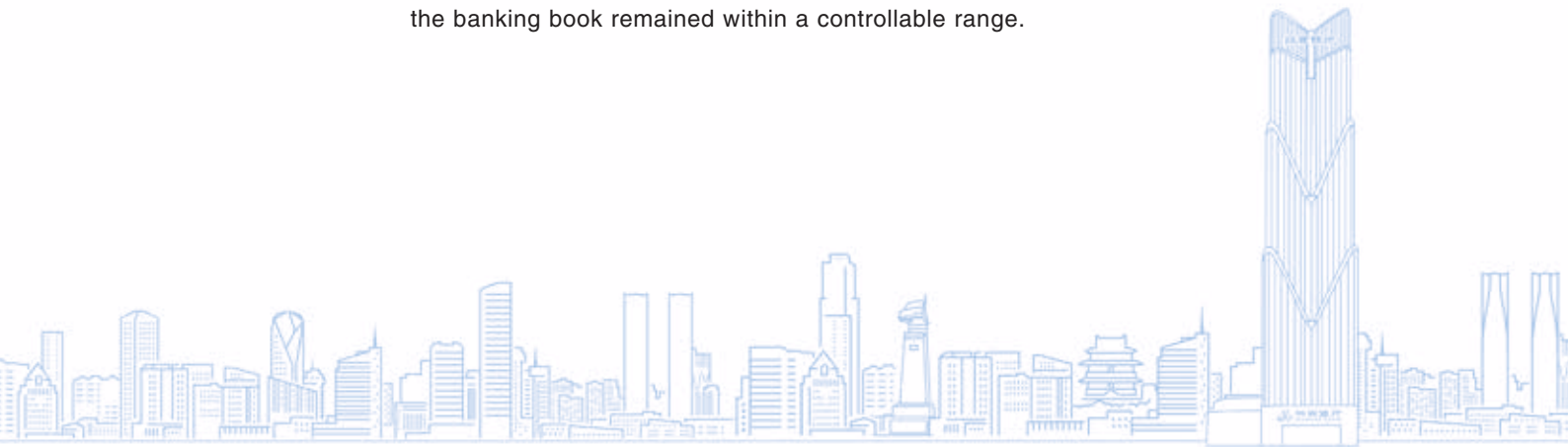
The major market risks faced by the Bank include transaction book interest rate risk, bank book interest rate risk and bank book exchange rate risk.

1 *Transaction Book Interest Rate Risk Management*

During the Reporting Period, the Bank revised and improved its market risk management system, further clarified management requirements and standardized management processes; strengthened daytime monitoring and end-of-day analysis by optimizing the risk limit plan for financial market business to ensure that the risk exposure is kept within the prescribed limits; regularly conducted risk assessment and stress testing, reviewed weak links in market risks in the fields of capital measurement, and information systems, and established the improvement and optimization plan to address deficiencies on management to ensure that the transaction book interest rate risk remained within a controllable range.

2 *Bank Book Interest Rate Risk Management*

During the Reporting Period, the Bank measured and monitored the interest rate risk associated with the Bank's assets, liabilities and off-balance sheet business positions through stress testing, and adjusted the risk strategy in a timely manner according to the stress testing results; established the management framework and process of interest rate risk limit of banking book, and set interest rate risk appetite and limit indicators of banking book. The Bank adjusted internal and external pricing policies in a timely manner, adjusted the business term in a timely manner, and controlled the allocation of the term of assets and liabilities within a reasonable range to ensure that the interest rate risk of the banking book remained within a controllable range.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

3 *Bank Book Exchange Rate Risk Management*

During the Reporting Period, the Bank mainly engaged in RMB business, with some transactions involving USD, HK\$, Euro, AUD and JPY. The Bank's foreign exchange risk exposure was relatively small, and the Bank had not carried out derivatives trading business. The Bank managed and controlled exchange rate risk mainly by setting exposure limits for foreign exchange risk and increasing the frequency of operation of trading positions on behalf of customers. The Bank dynamically tracked and monitored the operation of the proportion of accumulated foreign exchange exposure positions to ensure that the bank book exchange rate risk remained within a controllable range.

5.10.4 Operational Risk Management

Operational risks refer to the risks of losses caused by defects in internal processes, employees and information technology systems as well as external events.

During the Reporting Period, the Bank improved the operational risk management by taking the following measures:

Improving the operational risk management system. The Bank improved the organizational structure of operational risk management, strengthened the personnel in each position, established a two-line reporting mechanism for operational risk management reports and events, enriched operational risk management tools, cultivated an operational risk management culture, and continuously optimized the operational risk management system.

Improving the operational risk management mechanism. The Bank launched an analysis of operational risk management gaps, revised the operational risk management systems, established a standardized method of measuring operational risk capital, formulated a business continuity plan that adapts to the scale and complexity of the business, organized drills for important business emergency processes, and optimized the assessment scheme for operational risk management, and continued to improve the operational risk management mechanism.

Strengthening internal control and compliance management. The Bank improved the rules and regulations system, launched the rule of law education through various measures to continuously build up the awareness of cadres and staff of the compliance and discipline of the law, established a reporting mechanism for employee behavior and personal affairs, optimized rules for monitoring and prewarning abnormal employee behaviors, and paid timely attention to situations of monitored employees.

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5.10.5 Information Technology Risk Management

Information technology risk refers to the operational risk, legal risk, reputational risk and other types of risks caused by natural or human factors, technical vulnerabilities and management defects during the use of information technology in the operation of commercial banking.

During the Reporting Period, the Bank improved the information technology risk management by taking the following measures:

Strengthening data security control. The Bank continued to optimize the data security control of the whole Bank, strictly restricted the use of unauthorized software, strengthened the management of internal and external data of the whole Bank, strictly controlled the use of internal and external networks, comprehensively upgraded the Bank's software, hardware and network security control, strengthened data security inspections and data security operation monitoring, and comprehensively improved data security control capabilities.

Strengthening risk inspection and assessment. The Bank stepped up efforts to monitor information technology risk key indicators, did a good job in the whole life cycle management of major projects, launched regular information technology risk assessment, conducted on-site inspection on information technology risk for important non-resident outsourcers and on-site outsourced personnel, and continued to implement regularized risk control work.

Strengthening business continuity management. The Bank regularly carried out business impact analysis and organized and implemented drills for the off-site disaster recovery switch, drills for the city-wide disaster recovery switch and drills for the host-backup computers switch for important information systems, and effectively strengthened the Bank's ability to respond to and handle emergencies.



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5.10.6 Reputational Risk Management

Reputational risk refers to the risk of negative comments on banking institutions from stakeholders, the public and the media arising from the acts of banking institutions, the acts of practitioners or external events, which may damage their brand value, adversely affect their normal operations, and even affect market stability and social stability.

During the Reporting Period, the Bank diligently implemented the requirements of reputational risk management, continuously improved the reputational risk management system and effectively enhanced the quality and efficiency of reputational risk management. The Bank strengthened the working mechanism for emergency response and joint resolution of reputational risk events, clarified the responsibility for public opinion control of institutions at all levels, and standardized the path and time limit of public opinion reporting process, so as to enhance the ability of rapid response to public opinion. The Group released a series of reports by comprehensively using various media platforms to showcase the Bank's development achievements and enhance its brand image.

5.10.7 Strategic Risk Management

Strategic risks refer to the risks caused by improper business strategy or changes in the external business environment.

The Bank followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, prioritized the goal of “staying at the forefront of the times, contending for first place and being adept in making efforts (走在前、勇爭先、善作為)”, comprehensively strengthened the construction of the Party, effectively enhanced the quality and efficiency of serving the real economy, proactively responded to various risk challenges, coordinated the advancement of various reform and development tasks, focused on serving Jiangxi in the development of “three highlands” and implementation of “five strategies”, supported the “1269” Action Plan for the modernization of key manufacturing industrial chains, promoted the development of the “five major sectors” of finance, actively explored the characteristic management road, and successfully completed the objectives and tasks for the year. The whole Bank's foundation for “stability” has been continuously consolidated, the momentum for “progress” has become more powerful, the momentum for “improvement” has continued to consolidate, the ecosystem for “excellence” has been thickening, and solid steps have been taken towards high-quality development. As of the end of the Reporting Period, the Bank's strategic risks were stable and controllable on the whole.

CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.10.8 Country Risk Management

Country risk represents the risk due to changes and incidents occurred in the economy, politics and society of a specific country or region, which results in the borrowers or debtors in that country or region incapable of or unwilling to pay their debts owed to the Bank or otherwise leads to business losses or other losses to the Bank in that country or region.

During the Reporting Period, the Bank further refined the key points of country risk assessment and risk rating levels by revising and improving the Administrative Measures for Country Risk Management of Jiangxi Bank (《江西銀行國別風險管理辦法》), clarified the scope and proportion of country risk capital provision, set the country risk exposure limits, and enhanced the prevention and control of country risk exposure.

5.10.9 Capital Management

As of December 31, 2022, December 31, 2023, and December 31, 2024, the adequacy ratios of the Group's core tier-one capital were 9.65%, 9.37% and 9.30%, respectively; the adequacy ratios of the Group's tier-one capital were 12.82%, 12.37% and 12.31%, respectively; the adequacy ratios of the Group's capital were 14.00%, 13.55% and 13.47%, respectively. As of December 31, 2024, the asset-liability ratio of the Group was 91.53% (calculated by dividing liabilities by assets).

As of December 31, 2022, December 31, 2023 and December 31, 2024, the Group's leverage ratios were 8.68%, 8.25% and 7.87% respectively, which were in compliance with relevant regulatory requirements in China.

Since January 1, 2024, the Group has measured its capital adequacy ratios and leverage ratios according to the Administrative Measures for the Capital of Commercial Banks issued by the National Financial Regulatory Administration in 2023.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

Capital Adequacy Ratios Table

Item	As of December 31, 2024 (in millions of RMB, unless otherwise stated)	As of December 31, 2023
Net core tier-one capital	36,828.39	37,227.26
Net tier-one capital	48,746.06	49,160.70
Net tier-two capital	4,596.18	4,669.44
Net capital base	53,342.24	53,830.14
Risk-weighted assets	395,972.93	397,301.60
Credit risk-weighted assets	372,974.37	372,475.76
Market risk-weighted assets	3,567.31	2,929.01
Operational risk-weighted assets	19,431.25	21,896.83
Core tier-one capital adequacy ratio	9.30%	9.37%
Tier-one capital adequacy ratio	12.31%	12.37%
Capital adequacy ratio	13.47%	13.55%



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

5.11 SOCIAL RESPONSIBILITIES

Engaging in public welfare and charity initiatives. In response to the severe flooding in the mid-year, the Bank has actively participated in flood prevention and disaster relief efforts to mitigate flooding impacts. To support urban sanitation workers, the Bank established comfort stations, providing drinking water and rest areas. It also offered caring services for the elderly, including escorted assistance and door-to-door financial services, building a "youth levee" at the frontline of disaster relief. For two consecutive years, the Bank has partnered with the provincial blood center to organize the "blood unites strength, love spreads hope" voluntary blood donation campaign. Additionally, the Bank, in collaboration with the Luoxi Village Task Force and other partners, jointly launched a new-era civilization practice activity titled "Technology Illuminates Young Minds, Wisdom Inspires the Future — Science Caravan Enters Schools" at the Children's Harbor. This initiative provided students with engaging and interactive science education experiences. Furthermore, the Bank mobilized its employees to actively participate in the "One-Day Charity Donation" campaign organized by the Jiangxi Charity Federation, earning a donation certificate from the Federation in recognition of its contributions.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

Fully supporting rural revitalization. The Bank implemented the decisions and arrangements of the CPC Central Committee and the State Council on rural revitalization, focusing on deepening financial services for micro and small businesses in counties and towns. Through the deployment of support personnel, allocation of dedicated funds, and development of infrastructure, the Bank has worked to consolidate and expand the achievements of poverty alleviation. Additionally, the Bank completed the establishment of 139 inclusive financial service stations (including agricultural assistance withdrawal points), achieving full coverage across all districts, cities and counties in the province. Notably, the Bank's inclusive financial service stations were selected for on-site research and demonstration sites at the National Inclusive Financial Reform Work Exchange Conference.

Continuing to promote fee reduction and interest concession. The Bank has implemented and refined the policies to ease the difficulties of enterprises, reducing 24 service fees, such as interest and transfer and settlement fees, for small and micro enterprises, and implementing preferential measures for payment settlements, benefiting over 50,000 small and micro enterprises and individual businesses, with a reduction of approximately RMB20 million. The Bank provided policy support such as principal-free renewal loans, extension and adjustment of the repayment plans, and the principal-free renewal loans for small and micro enterprises amounted to RMB9,669 million in aggregate in 2024. In accordance with our preferential interest rate policies for inclusive small and micro enterprises, the Bank provided exclusive preferential interest rates. In 2024, the weighted average interest rate of inclusive small and micro loans decreased by 0.28 percentage point from the same period last year, effectively reducing the financing cost of small and micro enterprises and individual businesses.



CHAPTER V MANAGEMENT DISCUSSION AND ANALYSIS

Strengthening the protection of consumer rights and interests. The Bank developed a “full-process” consumer protection system, implemented a “one-stop” rights protection processing mechanism, and formed a “one-chain” customer service model. The Bank set up a dedicated consumer protection hotline to listen to customers' voices in the first place, and implemented a “top leader” responsibility system when dealing with dispute resolution. The Bank established a “four-tier management” handling mechanism to clearly define responsibilities, proactively communicate with customers, understand their aspirations, and provide solutions for them. The Bank conducts preliminary consumer protection reviews in its business processes and product services to safeguard the legitimate rights and interests of consumers. The Bank strengthened financial literacy by organizing “Jiangyin iYou” thematic publicity activities every month to spread the good voice of finance. In 2024, the Bank has carried out 7,678 offline publicity activities through its business outlets and “Five Entry” and other forms, reaching approximately 469,600 consumers, creating and releasing 142 original propaganda and education works, and publishing 926 reports on relevant activities through internal and external media platforms, covering about 808,500 people. The Bank produced a number of short videos on the prevention of illegal fundraising, which won a number of honors issued by Jiangxi Provincial Local Financial Supervision and Administration Bureau, including the “Outstanding Organization Award” and the “Outstanding Popularity Award”.

5.12 FUTURE DEVELOPMENT PROSPECTS

The adverse impact of changes in the current external environment has intensified, while challenges such as insufficient domestic demand and lingering risks remain. However, China's economic fundamentals remain solid, with numerous advantages, strong resilience, and vast potential. The long-term drivers supporting stable growth and the overall positive trajectory remain unchanged. Looking ahead to 2025, the Bank will continue to be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implementing the guiding principles of the 20th National Congress of the Communist Party of China, the Second and Third Plenary Sessions of the 20th Central Committee, as well as the Central Financial Work Conference and the Central Economic Work Conference. We will comprehensively implement the key directives from General Secretary Xi Jinping's important speech during his visit to Jiangxi, as well as his significant insights on financial work. In alignment with the resolutions of the Seventh Plenary Session of the 15th Jiangxi Provincial Committee and the Provincial Economic Work Conference, the Bank will adhere to the general principle of pursuing progress while maintaining stability. We will fully and accurately implement the new development philosophy, focusing on the establishment of the “three highlands” and the execution of the “five strategies.” Our core operational approach will be centered on “strengthening, refining, stabilizing, and optimizing” the Bank. Leveraging the “ten major initiatives” as an entry point, we will make every effort to support the real economy, comprehensively enhance risk prevention and control measures, and vigorously drive forward key reforms to ensure tangible results. We are committed to evolving into a local corporate bank that is “more closely aligned with the province's overall strategic priorities, more segmented industry sectors and resource endowments, more deeply integrated into communities and counties, and more responsive to customer needs.” Through concrete actions and measurable achievements, we will advance the Bank's distinctive operations, taking solid steps toward high-quality growth and making a greater contribution to strive to write the chapter of Jiangxi in Chinese modernization.

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

6.1 CHANGES IN SHARE CAPITAL

There were no changes in the share capital of the Bank during the Reporting Period. As of December 31, 2024, the total issued share capital of the Bank amounted to RMB6,024,276,901, including 1,345,500,000 H Shares with a par value of RMB1.00 each and 4,678,776,901 Domestic Shares with a par value of RMB1.00 each.

(Unit: share)

Item		As of December 31, 2023	Changes in the Reporting Period	As of December 31, 2024
Domestic Shares	State Fund	211,320,108	(1,800,000)	209,520,108
	Corporate Fund	4,392,317,924	1,639,866	4,393,957,790
	Individual Fund	75,138,869	160,134	75,299,003
H Shares		1,345,500,000	–	1,345,500,000
Total		6,024,276,901	–	6,024,276,901

Note: The Bank has no controlling Shareholder or de factor controller.

6.2 SHAREHOLDER DATA

6.2.1 Total Number of Shareholders

As of December 31, 2024, the Bank had 8,847 domestic shareholders, including 26 state shareholders, 283 corporate shareholders and 8,538 natural person shareholders. The Bank had 727 H Share shareholders.

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

6.2.2 Particulars of Shareholdings of the Top 10 Domestic Shareholders of the Bank

No.	Name of Shareholder	Nature of shareholder	Total number of shares held as of December 31, 2024 (share)	Changes as compared to December 31, 2023 (share)	Percentage of total share capital as of December 31, 2024 (%)	Pledged or frozen shares Status of shares	Number (share)
1	Jiangxi Provincial Communications Investment Group Co., Ltd.	State-owned corporate shareholder	937,651,339	0	15.56	Normal	-
2	Jiangxi Financial Holding Group Co., Ltd.	State-owned corporate shareholder	349,346,956	1,800,000	5.80	Normal	-
3	Nanchang Industrial Investment Group Co., Ltd.	State-owned corporate shareholder	289,710,670	0	4.81	Normal	-
4	Pingxiang Huixiang Construction Development Co., Ltd.	State-owned corporate shareholder	241,088,500	0	4.00	Normal	-
5	China National Tobacco Corporation Jiangxi Branch	State-owned corporate shareholder	180,000,000	0	2.99	Normal	-
6	Jiangxi Province Investment Group Co., Ltd.	State-owned corporate shareholder	180,000,000	0	2.99	Normal	-
7	Ganshang Union (Jiangxi) Co., Ltd.	General corporate shareholder	148,308,400	0	2.46	Pledged	74,000,000
8	Jiangxi Copper Company Limited	State-owned corporate shareholder	140,000,000	0	2.32	Normal	-
9	Jiangxi Provincial Water Conservancy Investment Group Co., Ltd.	State-owned corporate shareholder	99,830,800	0	1.66	Normal	-
10	Jiangxi Blue Sky Automobile Driving School	General corporate shareholder	97,289,259	0	1.61	Normal	-

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

6.2.3 Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares under Hong Kong Regulations

To the knowledge of the Bank and the Directors, as at December 31, 2024, the following substantial Shareholders of the Bank and other persons (other than the Directors, Supervisors and chief executive of the Bank) had or were deemed to have interests and short positions in the shares and underlying shares of the Bank which would be required to be disclosed to the Bank or the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO:

Name of Shareholder	Class of shares	Nature of interest	Number (share) and nature of shares ¹	Changes as compared to December 31, 2023 (share)	Approximate percentage of the total issued share capital of the Bank ²	Approximate percentage of the total issued share capital of the Bank ²
Jiangxi Provincial Communications Investment Group Co., Ltd. ³	Domestic Shares	Beneficial owner	937,651,339 (L)	0	20.04%	15.56%
Jiangxi Financial Holding Group Co., Ltd. ⁴	Domestic Shares	Beneficial owner	349,346,956 (L)	1,800,000	7.47%	5.80%
		Interest of controlled corporation	20,763,200 (L)	20,763,200	0.44%	0.34%
Nanchang Industrial Investment Group Co., Ltd. ⁵	Domestic Shares	Beneficial owner	296,876,170 (L)	0	6.35%	4.93%
	H Shares	Beneficial owner	31,970,000 (L)	0	2.38%	0.53%
Hua An Fund Management Co., Ltd represent Hua An Fund-Track Group QDII, Hua An Fund-Municipal Group QDII, Hua An Fund-Track City Investment Company QDII, Hua An Fund-Industrial Holdings QDII, Hua An Fund-High and New Municipal QDII, Hua An Fund-Honggu Tan City Investment QDII, Hua An Fund-Jinkai Capital QDII, Hua An Fund-County investment QDII and other asset management plans ⁶	H Shares	Others	272,084,000 (L)	0	20.22%	4.52%
China National Tobacco Corporation Jiangxi Branch ⁷	Domestic Shares	Beneficial owner	180,000,000 (L)	0	3.85%	2.99%
		Interest of controlled corporation	83,000,000 (L)	0	1.77%	1.38%
Pingxiang Huixiang Construction Development Co., Ltd. ⁸	Domestic Shares	Beneficial owner	241,088,500 (L)	0	5.15%	4.00%
Luso International Banking Limited ⁹	H Shares	Beneficial owner	134,602,500 (L)	0	10.00%	2.23%

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

Name of Shareholder	Class of shares	Nature of interest	Number (share) and nature of shares ¹	Changes as compared to December 31, 2023 (share)	Approximate percentage of the total issued share capital of the class of the Bank ²	Approximate percentage of the total issued share capital of the Bank ²
Chiyu Banking Corporation Limited ⁹	H Shares	Beneficial owner	123,248,500 (L)	0	9.16%	2.05%
Xiamen International Bank Co., Ltd. ⁹	H Shares	Interest of controlled corporation	257,851,000 (L)	0	19.16%	4.28%
AMTD Asia Limited ¹⁰	H Shares	Beneficial owner	111,149,500 (L)	0	8.26%	1.85%
AMTD Group Company Limited ¹⁰	H Shares	Interest of controlled corporation	111,149,500 (L)	0	8.26%	1.85%
CITIC Guoan Group ¹¹	H Shares	Interest of controlled corporation	105,968,000 (L)	0	7.88%	1.76%
Road Shine Developments Limited ¹¹	H Shares	Beneficial owner	105,968,000 (L)	0	7.88%	1.76%
Yichun Yuanzhou Guotou Group Co., Ltd. ¹²	H Shares	Beneficial owner	103,701,000 (L)	0	7.71%	1.72%
Yichun Development Investment Group Co., Ltd. ¹³	H Shares	Beneficial owner	94,840,500 (L)	0	7.05%	1.57%
Representative of Guotai Asset Management Co., Ltd.: Guotai-Global Investments Asset Management Plan No. 10/Guotai Asset Management Co Ltd-CHINA GUANG FA BANK CO. LTD-GTFUND-QDII1-10 Principal: Yichun Development Investment Group Co., Ltd. ¹³	H Shares	Trustee	94,840,500 (L)	0	7.05%	1.57%

Notes:

1. (L) represents long position, and (S) represents short position.
2. As at December 31, 2024, the total issued share capital of the Bank was 6,024,276,901 shares, including 4,678,776,901 Domestic Shares and 1,345,500,000 H Shares.
3. Jiangxi Communications Investment Group Co., Ltd is a state-owned corporate shareholder, whose legal representative is XIE Jianfa. Regarding Jiangxi Communications Investment Group Co., Ltd, its controlling shareholder and de facto controller are both Department of Transportation of Jiangxi Province (江西省交通運輸廳).



CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

4. Jiangxi Financial Holding Group Co., Ltd. directly holds 349,346,956 shares of the Bank, and holds 40% interest in Jiangxi Financial Asset Management Co., Ltd. directly and through its wholly-owned subsidiaries. Jiangxi Financial Asset Management Co., Ltd. holds 62.5% interest in Jiangxi Xinglu Asset Management Co., Ltd. (江西興廬資產管理有限公司) which holds 20,763,200 shares of the Bank. Therefore, Jiangxi Xinglu Asset Management Co., Ltd. is deemed to be interested in the Domestic Shares of the Bank held by Jiangxi Financial Holding Group Co., Ltd. Jiangxi Financial Holding Group Co., Ltd. is a state-owned corporate shareholder, whose legal representative is was officially changed on January 24, 2025, from QI Wei (齊偉) to JIANG Shangwen (江尚文). Regarding Jiangxi Financial Holding Group Co., Ltd., its controlling shareholder is Jiangxi Provincial Financial Assets Center (江西省財政資產中心) and its de facto controller is the People's Government of Jiangxi Province (江西省人民政府).
5. Nanchang Industrial Investment Group Co., Ltd. (including HuaAn Fund Management Co., Ltd., the trustee of the Trust, holding 31,970,000 H Shares of the Bank) and its wholly-owned subsidiaries, including Nanchang Guojin Industrial Investment Co., Ltd. (南昌市國金工業投資有限公司), Nanchang Jinchang State-owned Assets Operation Co., Ltd. (南昌市金昌國有資產運營有限責任公司) and Jiangxi Huayuan Jiangfang Co., Ltd. (江西華源江紡有限公司), jointly holding 328,846,170 shares of the Bank. Nanchang Industrial Investment Group Co., Ltd. is a state-owned corporate shareholder, whose legal representative is LI Shuiping. Regarding Nanchang Industrial Investment Group Co., Ltd., its controlling shareholder and de facto controller are both People's Government of Nanchang Municipality.
6. HuaAn Fund Management Co., Ltd. is the manager of eight QDII Single Asset Management Plans, and holds shares of the Bank through the above-mentioned eight asset management plans to achieve its investment plans on behalf of its asset trustees.
7. China National Tobacco Corporation Jiangxi Branch holds 263,000,000 shares of the Bank jointly with its wholly-owned subsidiary Jiangxi Jinfeng Investment Management Co., Ltd. It is a state-owned corporate shareholder and its legal representative is JIANG Kai. Regarding China National Tobacco Corporation Jiangxi Branch, its controlling shareholder and de facto controller both are China National Tobacco Corporation (中國煙草總公司).
8. Pingxiang Huixiang Construction Development Co., Ltd. is a state-owned corporate shareholder, whose legal representative is OUYANG Dian (歐陽淀). Regarding Pingxiang Huixiang Construction Development Co., Ltd., its controlling shareholder is Pingxiang Huifeng Investment Co., Ltd. (萍鄉市滙豐投資有限公司), its de facto controller is Pingxiang State-owned Assets Supervision and Administration Commission (萍鄉市國有資產監督管理委員會).
9. Luso International Banking Limited directly holds 134,602,500 shares of the Bank, and Xiamen International Bank Co., Ltd. indirectly holds 49.01% interest in Luso International Banking Limited through its wholly-owned subsidiary; Chiyu Banking Corporation Limited directly holds 123,248,500 shares of the Bank, and Xiamen International Bank Co., Ltd. indirectly holds 69.63% interests of Chiyu Banking Corporation Limited through its wholly-owned subsidiaries. Therefore, Xiamen International Bank Co., Ltd. is deemed to be interested in the H Shares of the Bank held by Luso International Banking Limited and Chiyu Banking Corporation Limited.

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

10. AMTD Asia Limited directly holds 111,149,500 shares of the Bank, and 100% of its interests is indirectly held by AMTD Group Company Limited through AMTD Asia (Holdings) Limited. Therefore, AMTD Group Company Limited is deemed to be interested in the H Shares of the Bank held by AMTD Asia Limited.
11. CITIC Guoan Group indirectly holds 105,968,000 H Shares of the Bank held by Road Shine Developments Limited through Guoan (HK) Holdings Limited, its controlled corporation. Therefore, according to the SFO, CITIC Guoan Group and Guoan (HK) Holdings Limited are deemed to be interested in the Bank's H Shares held by Road Shine Developments Limited.
12. Yichun Yuanzhou Guotou Group Co., Ltd. is wholly owned by Yichun Yuanzhou District State-owned Assets Supervision and Administration Office (宜春市袁州區國有資產監督管理辦公室). Yichun Yuanzhou Guotou Group Co., Ltd. holds 103,701,000 shares of the Bank.
13. Yichun Development Investment Group Co., Ltd. is wholly owned by Yichun Stated-owned Assets Supervision and Administration Commission (宜春市國有資產監督管理委員會). Yichun Development Investment Group Co., Ltd. holds 94,840,500 shares of the Bank through the trustee Guotai Asset Management Co., Ltd.

6.2.4 Shareholders Holding 5% or More of the Bank's Shares

See 6.2.3 Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares under Hong Kong Regulations in this chapter.

6.2.5 Other Substantial Domestic Shareholders

According to the Interim Measures for the Equity Management of Commercial Banks (《商業銀行股權管理暫行辦法》) (former CBRC Order 2018 No. 1), substantial shareholders of a commercial bank mean shareholders who hold or control 5% or above shares or voting right of the commercial bank, or who hold less than 5% of total capital or total shares of the commercial bank but have significant impacts on the operation and management of the commercial bank. The significant impacts mentioned above include but are not limited to dispatching directors, supervisors or senior executives to a commercial bank.



CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

Other than those disclosed in the section 6.2.3 “Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares under Hong Kong Regulations” in this chapter, i.e., Jiangxi Provincial Communications Investment Group Co., Ltd., Jiangxi Financial Holding Group Co., Ltd., Nanchang Industrial Investment Group Co., Ltd. and China National Tobacco Corporation Jiangxi Branch, there are no other substantial Domestic Shareholders who hold less than 5% of total capital or total shares of the Bank but dispatch Directors, Supervisors or senior executives to the Bank.

6.2.6 Related Parties of Substantial Shareholders at the End of the Reporting Period

No.	Name of substantial shareholders	Related parties of substantial shareholders
1	Jiangxi Provincial Communications Investment Group Co., Ltd.	Jiangxi Highway Development Co., Ltd. (江西公路開發有限責任公司), Jiangxi JiaoTou Property Development Co., Ltd. (江西省交投置業發展有限責任公司), Jiangxi Transportation Engineering Group Co., Ltd. (江西省交通工程集團有限公司), Jiangxi Communications Investment New Energy Group Co., Ltd (江西省交投新能源集團有限責任公司), Jiangxi Transportation Consulting Co., Ltd., Jiangxi Ganyue Expressway Co., Ltd., Jiangxi Lutong Real Estate Development Co., Ltd. (江西路通房地產開發有限公司), Jiangxi Changtong Expressway Co., Ltd. (江西昌銅高速公路有限責任公司), Jiangxi Expressway Petrochemical Co., Ltd. (江西高速石化有限責任公司), Jiangxi Changtai Expressway Co., Ltd. (江西昌泰高速公路有限責任公司), Jiangxi Jiujiang Yangtze River Highway Bridge Co., Ltd., Jiangxi Provincial Expressway Investment and Supply Chain Co., Ltd. (江西省交投供應鏈有限公司), Jiangxi Provincial Expressway Investment Group Materials Co., Ltd. (江西省高速公路投資集團材料有限公司), etc.

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

No.	Name of substantial shareholders	Related parties of substantial shareholders
2	Jiangxi Financial Holding Group Co., Ltd	Jiangxi Financial Holding Group Co. Ltd, Jiangxi Province Credit Financing Guarantee Group Co., Ltd. (江西省信用融資擔保集團股份有限公司), Jiangxi Financial Asset Management Co., Ltd., Jiangxi Financial Holding Leasing Co., Ltd., Jiangxi Pratt & Whitney Financing Guarantee Co., Ltd. (江西省普惠融資擔保有限公司), Jiangxi Fanc Supply Chain Financial Service Co., Ltd. (江西省財通供應鏈金融集團有限公司), Jiangxi Financial Holding Supply Chain Services Co., Ltd. (江西金控供應鏈服務有限公司), Jiangxi Zhongbang Land Development Co., Ltd. (江西省中邦土地開發有限公司), Jiangxi Financial Holding Urban Development Investment Co., Ltd. (江西省金控城鎮開發投資有限公司), Jiangxi Financial Holding Foreign Trade Group Co., Ltd. (江西省金控外貿集團股份有限公司), Jiangxi Finance Holding Industrial Development Co. Ltd. (江西省金控實業發展有限公司), etc.
3	Nanchang Industrial Investment Group Co., Ltd.	Nanchang Guojin Industrial Investment Co., Ltd.(南昌市國金產業投資有限公司), Nanchang Guosheng Industrial Investment Co., Ltd. (南昌國晟產業投資有限公司), Nanchang Guowei Industrial Investment Co., Ltd. (南昌國微產業投資有限公司), Jiangxi Production and Investment Business Development Co., Ltd. (江西產投商貿發展有限公司), Nanchang State-owned Venture Capital Management Co., Ltd. (南昌國資創業投資管理有限公司), Nanchang Ruidonghui Industrial Investment Co., Ltd. (南昌瑞東匯產業投資有限公司), Jiangxi Jiulong Trading Co., Ltd. (江西久隆貿易有限公司), Nanchang State-owned Supply Chain Financial Management Co., Ltd. (南昌市國資供應鏈金融管理有限公司), Nanchang State-owned Industrial Operation Group Investment Development Co., Ltd. (南昌國資產業經營集團投資發展有限公司), etc.



CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

No.	Name of substantial shareholders	Related parties of substantial shareholders
4	China National Tobacco Corporation Jiangxi Branch	China National Tobacco Corporation (中國煙草總公司), Jiangxi Tobacco Corporation Nanchang Branch (江西省煙草公司南昌市公司), Jiangxi Tobacco Corporation Jiujiang Branch (江西省煙草公司九江市公司), Jiangxi Tobacco Corporation Fuzhou Branch (江西省煙草公司撫州市公司), Jiangxi Tobacco Corporation Ji'an Branch (江西省煙草公司吉安市公司), Jiangxi Jinfeng Investment Management Co., Ltd., etc.
5	Jiangxi Copper Company Limited (江西銅業股份有限公司) ¹	Jiangxi Copper Corporation Limited, JiangXi Copper Lead & Zinc Metals Co., Ltd (江西銅業鉛鋅金屬有限公司), Jiangxi Copper Hotel Management Co., Ltd. (江西銅業酒店管理有限公司), JCC Financial Co., Ltd. (江西銅業集團財務有限公司), Jiangxi Copper Industry Group Yinshan Mining Industry Co., Ltd. (江西銅業集團銀山礦業有限責任公司), Jiangxi Copper Corporation Construction Limited (江西銅業集團建設有限公司), etc.



CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

6.2.7 Related Party Transactions between the Bank and the Substantial Shareholders and Controlling Shareholders, De Facto Controllers, Related Parties, Persons Acting in Concert, and Ultimate Beneficiaries thereof in the Reporting Period

Unit: in millions

NO.	Name of Shareholder	Credit balance	Controlling shareholder of the enterprise	Credit balance	De facto controller	Credit balance	Persons acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party	Credit balance	Total
1	Jiangxi Provincial Communications Investment Group Co., Ltd.	2,435.26	Department of Transportation of Jiangxi Province	-	Department of Transportation of Jiangxi Province	-	None	-	Jiangxi Provincial Communications Investment Group Co., Ltd.	2,435.26	Jiangxi Provincial Expressway Investment Group Materials Co., Ltd. Jiangxi Provincial Expressway Investment and Supply Chain Co., Ltd. Jiangxi Hengrui Traffic Technology Co., Ltd. (江西省恒瑞交通科技有限公司)	725.39 362.10 10.00	3,542.75
											Jiangxi Gujiao Commercial Factoring Co., Ltd.	10.00	



CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

NO.	Name of Shareholder	Credit balance	Controlling shareholder of the enterprise	Credit balance	De facto controller	Persons acting in concert	Credit balance	Ultimate beneficiary	Credit balance	Related party	Credit balance	Total
2	Jiangxi Financial Holding Group Co., Ltd.	70.00	Jiangxi Provincial Financial Assets Center (江西省財政資產中心)	-	The People's Government of Jiangxi Province	- None	-	Jiangxi Financial Holding Group Co., Ltd.	70.00	Jiangxi Financial Asset Management Co., Ltd.	450.36	1,355.36
										Jiangxi Fanc Supply Chain Financial Service Co., Ltd.	150.00	
										Jiangxi Financial Holding Investment Group Co., Ltd. (江西省金控投資集團有限公司)	155.00	
										Jiangxi Financial Holding Urban Development Investment Co., Ltd.	10.00	
										Jiangxi Financial Holding Foreign Trade Group Co., Ltd.	100.00	
										Jiangxi Finance Holding Industrial Development Co., Ltd.	400.00	
										Jiangxi Financial Holding and Commercial Factoring Co., Ltd. (江西金控商業保理有限公司)	10.00	
										Jiangxi Financial Holding Technology Industry Group Co., Ltd.	10.00	

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

NO.	Name of Shareholder	Credit balance	Controlling shareholder of the enterprise	Credit balance	De facto controller	Persons		Credit balance	Ultimate beneficiary	Credit balance	Related party	Credit balance	Total
						Credit balance	acting in concert						
3	Nanchang Industrial Investment Group Co., Ltd.	1,660.70	The People's Government of Nanchang Municipality	-	The People's Government of Nanchang Municipality	-	None	-	Nanchang Industrial Investment Group Co., Ltd.	1,660.70	Jiangxi Production and Investment Business Development Co., Ltd. Jiangxi Jiulong Trading Co., Ltd. Nanchang Guowei Industry Investment Co., Ltd. (南昌國微產業投資有限公司) Nanchang State-owned Industrial Operation Group Investment Development Co., Ltd. Nanchang State-owned Supply Chain Financial Management Co., Ltd. Jiangxi Qijia International Logistics Park Co., Ltd. (江西奇佳國際物流園有限公司)	200.00 96.78 150.00 90.00 29.80 10.00	2,297.28

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

Name of Shareholder NO.	Credit balance	Controlling shareholder of the enterprise	Credit balance	De facto controller	Persons			Credit balance	Ultimate beneficiary	Credit balance	Related party	Credit balance	Total
					Credit balance	acting in concert	Credit balance						
											Shanghai Ganxunda International Trade Co., Ltd. Nanchang Branch (上海贛訊達國際貿易有限公司南昌分公司)	10.00	
											Jiangxi Qijia Fertilizer Industry Co., Ltd. (江西奇佳肥業股份有限公司)	10.00	
											Jiangxi Jiangnai Decoration Building Materials Co., Ltd. (江西江耐裝飾建材有限公司)	10.00	
											Nanchang Construction Material Market Co., Ltd. (南昌建材大市場有限公司)	10.00	
											Jiangxi Simamiao Building Materials Service Center Co., Ltd. (江西司馬廟建材服務中心有限公司)	10.00	
											Jiangxi Printing Co., Ltd. (江西印刷股份有限公司)	10.00	

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

NO.	Name of Shareholder	Credit balance	Controlling	Credit balance	De facto	Persons		Credit balance	Ultimate	Credit balance	Related	Credit balance	Total
			of the enterprise		controller	acting in concert	beneficiary		party				
4	China National Tobacco Corporation Jiangxi Branch	-	China National Tobacco Corporation	-	China National Tobacco Corporation	-	None	-	China National Tobacco Corporation Jiangxi Branch	-	-	-	0.00
5	Jiangxi Copper Company Limited	-	Jiangxi Copper Corporation Limited	-	State-owned Assets Supervision and Administration Commission of Jiangxi Province	-	None	-	Jiangxi Copper Company Limited	-	-	-	0.00
Total		4,165.96	-	-	-	-	-	-	-	4,165.96	-	3,029.43	7,195.39

6.2.8 Pledge of Equity in the Bank by Substantial Domestic Shareholders

None

Pledge of the Bank's Equity by any of the Substantial Shareholders

None

6.2.9 Nomination of Directors and Supervisors by the Shareholders

Mr. DENG Yonghang was nominated as a Director of the Bank by Jiangxi Provincial Communications Investment Group Co., Ltd.;

Ms. XIONG Jiemin was nominated as a Director of the Bank by Jiangxi Financial Holding Group Co., Ltd.;

Mr. PENG Xiyuan was nominated as a Director of the Bank by China National Tobacco Corporation Jiangxi Branch;

Mr. LI Shuiping was nominated as a Director of the Bank by Nanchang Industrial Investment Group.

CHAPTER VI CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

6.2.10 The Number of Pledged Shares of the Bank Reaching or Exceeding 20% of All Its Shares

None

6.2.11 The Number of Shares Pledged by Substantial Domestic Shareholders Reaching or Exceeding 50% of the Total Shares Held by Them in the Bank

None

6.2.12 The Bank's Pledged Shares being Frozen, Judicially Auctioned, Restricted from Voting Right or Other Rights

As of the end of the Reporting Period, the Bank had a total of 6,024,276,901 shares, and a total of 427,584,745 shares held by 19 Domestic Shareholders were pledged, accounting for 7.10% of the Bank's total shares. 133,830,000 pledged shares were judicially frozen and 1,465,649 shares were judicially auctioned.

According to the Articles of Association, when the number of shares pledged by a shareholder reaches or exceeds 50% of the total shares held by him/her in the Bank, the said shareholder is required to issue a commitment letter of giving up his/her voting right at the general meeting. As at the end of the Reporting Period, 18 Shareholders pledged 50% or more of the Domestic Shares held by him/her in the Bank, and voting rights represented by 353,692,745 shares were restricted, accounting for 5.87% of the total shares.



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

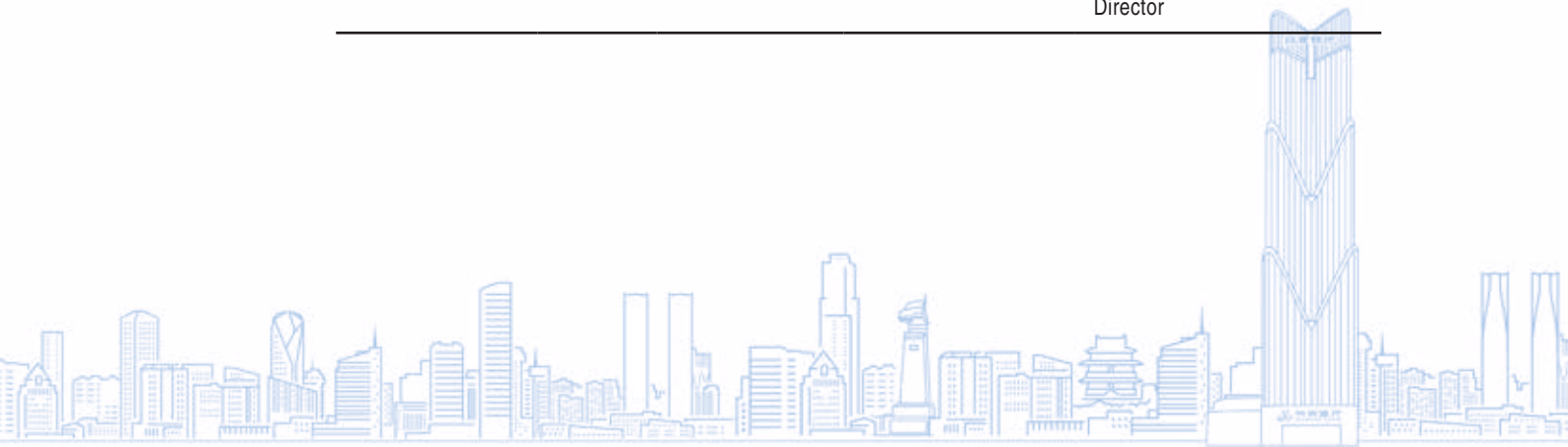
7.1 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS

7.1.1 Directors

As of the end of the Reporting Period, the Board consists of ten Directors, including two executive Directors, four non-executive Directors and four independent non-executive Directors. The Directors are elected for a term of three years and are subject to re-election, provided that the cumulative term of an independent non-executive Director shall not exceed six years pursuant to the relevant PRC laws and regulations. The following table sets forth certain information regarding the Directors.

Current Directors

Name	Gender	Date of birth	Date of appointment of the third session of the Board	Title
ZENG Hui	Female	September 1970	August 4, 2022	Executive Director, Chairman
LUO Xiaolin	Male	March 1971	August 3, 2022	Executive Director, Vice Chairman
DENG Yonghang	Male	June 1974	September 5, 2022	Non-executive Director
XIONG Jiemin	Female	November 1985	September 5, 2022	Non-executive Director
LI Shuiping	Male	October 1968	September 5, 2022	Non-executive Director
PENG Xiyuan ¹	Male	November 1976	August 9, 2024	Non-executive Director
LIU Xinghua	Male	July 1972	August 25, 2022	Independent Non-executive Director
YANG Ailin	Male	May 1969	August 25, 2022	Independent Non-executive Director
HE Enliang ¹	Male	June 1964	August 9, 2024	Independent Non-executive Director
WANG Feimilan ¹	Female	January 1979	August 13, 2024	Independent Non-executive Director



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

Resigned Directors

Name	Gender	Date of birth	Commencement of term of office of the third session of the Board	Title
YU Minxin	Male	October 1977	June 28, 2022	Non-executive Director
ZHUO Liping	Female	December 1972	September 5, 2022	Non-executive Director
WANG Yun	Female	May 1966	June 28, 2022	Independent Non-executive Director
WONG Hin Wing	Male	December 1962	June 28, 2022	Independent Non-executive Director

Note:

1. Mr. PENG Xiyuan, Mr. HE Enliang and Ms. WANG Feimilan have obtained the legal opinions referred to in Rule 3.09D of the Hong Kong Listing Rules dated August 5, 2024, August 5, 2024 and August 13, 2024, respectively, and confirmed that they understand their responsibilities as directors of the Bank.

7.1.2 Supervisors

As of the end of the Reporting Period, the Board of Supervisors consists of three Supervisors, including one employee representative Supervisor and two external Supervisors. The Supervisors are elected for a term of three years and are subject to re-election, provided that the cumulative term of an external Supervisor shall not exceed six years, pursuant to the relevant PRC laws and regulations. The following table sets forth certain information regarding the Supervisors.



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

Current Supervisors

Name	Gender	Date of birth	Commencement of term of office of the third session of the Board of Supervisors	Title
LUO Ping	Male	October 1957	June 28, 2022	External Supervisor
LI Xunlei	Male	September 1963	June 28, 2022	External Supervisor
WANG Wei	Male	November 1989	June 28, 2022	Employee representative Supervisor

Resigned Supervisors

Name	Gender	Date of birth	Commencement of term of office of the third session of the Board of Supervisors	Title
LIU Fulin	Male	November 1963	June 28, 2022	Chairman of the Board of Supervisors, employee representative Supervisor
ZHOU Minhui	Male	June 1964	June 28, 2022	Shareholder representative Supervisor



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

7.1.3 Senior management members

The following table sets forth certain information regarding the senior management of the Bank.

Name	Gender	Date of birth	Title
LUO Xiaolin	Male	March 1971	President
CHENG Zongli	Male	September 1966	Vice president
CAI Xiaojun	Male	November 1966	Vice president
WANG Yichen ¹	Male	December 1978	Vice president

Note:

1. On January 26, 2025, the Board of the Bank approved the proposal to appoint Mr. WANG Yichen as the vice president of the Bank, subject to approval by the National Financial Regulatory Administration Jiangxi Office for his qualification.

7.2 CHANGES OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE DURING THE REPORTING PERIOD

7.2.1 Changes of Directors during the Reporting Period

1. On September 14, 2024, due to work unit adjustment, Mr. YU Minxin submitted a written resignation to the Board of Directors to resign as a non-executive Director of the Bank, a member of the Strategic Development and Digital Transformation Committee of the Board with effect from the date of resignation.
2. The directorships of Mr. HE Enliang and Mr. PENG Xiyuan took effect from August 9, 2024, and the directorship of Ms. WANG Feimilan took effect from August 13, 2024, the above Directors have been approved by the National Financial Regulatory Administration Jiangxi Office for their qualifications as Directors. Ms. WANG Yun and Mr. WONG Hin Wing ceased to be independent non-executive directors of the Bank since the effective date of appointment of Ms. WANG Feimilan and Mr. HE Enliang, respectively, and Ms. ZHUO Liping ceased to be a non-executive director of the Bank since the effective date of appointment of Mr. PENG Xiyuan.

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7.2.2 Changes of Supervisors during the Reporting Period

1. On February 2, 2024, Mr. LIU Fulin submitted his resignation letter to the Board of Supervisors of the Bank, as he has reached retirement age, resigning as the chairman of the Board of Supervisors, the member of the Nomination Committee under the Board of Supervisors and the employee representative Supervisor of the Bank. The resignation of Mr. LIU Fulin as the chairman of the Board of Supervisors was effective from February 2, 2024. Due to his resignation, the proportion of employee representative supervisors of the Bank was less than one-third. According to the relevant laws and regulations, Mr. LIU Fulin continued to perform the duties of employee representative Supervisor after submitting his resignation letter, and ceased to perform the duties of employee representative Supervisor from June 12, 2024.
2. On June 12, 2024, Mr. ZHOU Minhui submitted his resignation letter to the Board of Supervisors of the Bank due to work adjustments, resigning as the shareholder representative Supervisor and a member of the Supervision Committee of the Board of Supervisors of the Bank, effective from June 12, 2024.

7.2.3 Change of Chief Executive during the Reporting Period

During the Reporting Period, there was no change in the chief executive of the Bank.

7.3 BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS DURING THE REPORTING PERIOD

7.3.1 Directors

Ms. ZENG Hui (曾暉) An executive Director and the chairman of the Board

Ms. ZENG has served as the secretary to the Party Committee, chairman, and executive director of the Bank since August 2022, and as the secretary to the Party Committee of the Bank since March 2022. Since July 1992, she successively served as a section chief of the PBOC Jiangxi Branch, deputy director, director, secretary of the Youth League Committee and director of the division of CBRC Jiangxi Bureau. Since December 2014, she successively served as a member of the Party Committee and deputy director of CBRC Jiangxi Bureau and CBIRC Jiangxi Bureau. She has served as the secretary of the Party Committee and director of CBIRC Xiamen Bureau since May 2020. Since January 2023, she has been a member of the 13th Jiangxi Provincial Committee of the Chinese People's Political Consultative Conference (CPPCC). Ms. Zeng graduated with a bachelor's degree from Jiangxi University of Finance and Economics in June 1992 and obtained a master's degree in June 1999.



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Mr. LUO Xiaolin (駱小林) An executive Director, vice chairman and the president

Since August 2022, he has been serving as a deputy secretary of the Party Committee, vice chairman and president of the Bank; from January 2022 to August 2022, he served as a deputy secretary to the Party Committee and president of the Bank; from December 2021 to January 2022, he served as a deputy secretary to the Party Committee of the Bank; from July 1992 to March 2002, he worked for Agricultural Bank of China and successively served in: Hukou County Subbranch, Jiangxi Province, Credit Division in Jiujiang Branch and office of Jiangxi Branch. From March 2002 to May 2017, he successively served as below positions in China Development Bank: deputy office director of Jiangxi Branch, deputy director of Credit Management Division of Jiangxi Branch, deputy director of Customer Division One of Jiangxi Branch, deputy director of the International Cooperation Division and deputy group leader of the Congo (DRC) Working Group of Jiangxi Branch, deputy director and director of the Appraisal Division of Jiangxi Branch, director of Operation and Management Division of Jiangxi Branch, and director of Risk and Management Division of Jiangxi Branch. From May 2017 to October 2018, he served as deputy director in the Financial Office of Jiangxi Provincial Government. From October 2018 to December 2021, he served as deputy director of the bureau in the Local Financial Supervision and Administration Bureau of Jiangxi Province. He obtained a bachelor's degree in major of rural finance from Beijing Agricultural University in July 1992. He holds a master's degree and the title of senior economist.

Mr. DENG Yonghang (鄧永航) A non-executive Director

Mr. DENG has served as a non-executive director of the Bank since September 2022. He served as an assistant engineer at Jiangxi Paper Holdings Limited (江西紙業股份公司), a staff of the human resource department of Jiangxi Ganyue Expressway Co., Ltd., the manager of the remuneration welfare division of the human resource department of Jiangxi Provincial Expressway Investment Group Co., Ltd. (江西省高速公路投資集團有限責任公司), the deputy head of the human resource department of Jiangxi Provincial Expressway Investment Group Co., Ltd., and the deputy head of the strategic development department (deputy director of Board office, presiding over the work) of Jiangxi Provincial Communications Investment Group Co., Ltd. (江西省交通投資集團有限責任公司). Currently, he serves as the secretary of the board of directors of Jiangxi Provincial Communications Investment Group Co., Ltd., head of the strategic development department (director of Board Office) of Jiangxi Provincial Communications Investment Group Co., Ltd., and concurrently as the the secretary of the Party Committee and Chairman of Jiangxi Communications Investment Digital Intelligence Technology Co., Ltd. (江西省交投數智科技有限公司), as well as a director of Jiangxi United Equity Center Co., Ltd. (江西聯合股權中心股份有限公司). Mr. DENG obtained a master's degree in MBA from the School of Management of Zhejiang University from September 2002 to March 2005 and holds the title of senior economist.

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Ms. XIONG Jiemin (熊潔敏) A non-executive Director

Ms. XIONG has served as a non-executive Director of the Bank since September 2022. Ms. XIONG served as a staff of the corporate business department of Agricultural Bank of China, Jiangxi Province Branch (during the period: she communicated to Nanchang Xiangnan Subbranch of Agricultural Bank of China), a commissioner of the corporate business department of Agricultural Bank of China, Jiangxi Province Branch, and a senior commissioner of the investment banking and financial interbank department of Agricultural Bank of China, Jiangxi Province Branch from July 2010 to August 2018; the unit manager of the investment banking department and the financial market department of Agricultural Bank of China, Jiangxi Province Branch (from April 2019 to November 2020, she served as the deputy secretary of the Party Committee and the vice president of Nanchang Hongcheng Subbranch of Agricultural Bank of China (temporary)) from August 2018 to November 2020; the unit manager of the corporate and investment banking business department of Agricultural Bank of China, Jiangxi Province Branch (she served as the deputy secretary of the Party Committee and the vice president of Nanchang Xihu Subbranch of Agricultural Bank of China (temporary) from November 2020 to January 2021, the deputy director of finance department of Jiangxi Financial Holding Group Co., Ltd. (temporary) from January 2021 to January 2022) from November 2020 to January 2022, and has been the deputy director of the finance department of Jiangxi Financial Holding Group Co., Ltd. (江西省金融控股集團有限公司) since January 2022. She is a senior economist with doctorate degree.



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Mr. PENG Xiyuan (彭曦遠) A non-executive Director

Mr. PENG has served as a non-executive Director of the Bank since August 2024. Mr. PENG served as an officer of Donghu District Company of Nanchang Tobacco Branch, an officer of Nanchang Branch of Jiangxi Tobacco Company, and an officer, deputy director officer and director officer of the Finance Department of Jiangxi Tobacco Monopoly Bureau (Company) from July 1999 to April 2011; served as a detachment chief of Jiangxi Tobacco Monopoly Bureau's Inspection Headquarters (during the period from September 2013 to December 2013, he studied at the Young Cadre Training Course of the Party School of the Working Committee of the CPC Jiangxi Provincial Organs; during the period from April 2014 to April 2015, he served temporary positions of the deputy director and deputy manager of Fengcheng City Bureau (branch) of Yichun Tobacco Monopoly Bureau) from April 2011 to May 2015; served as the deputy chief of the Inspection Headquarters of Jiangxi Tobacco Monopoly Bureau, and a member of the Party group and deputy director of Yichun Tobacco Monopoly Bureau (Company) from May 2015 to January 2019; served as the deputy director (deputy chief captain) (presiding over the work) of the Monopoly Department (Inspection Headquarters) and the director of the Policy, Law and System Reform Department of Jiangxi Tobacco Monopoly Bureau (Company) from January 2019 to August 2023; has been serving as the director of the Financial Management Department of Jiangxi Tobacco Monopoly Bureau (Company) since August 2023. He holds a bachelor's degree.



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Mr. LI Shuiping (李水平) A non-executive Director

Mr. LI has served as a non-executive Director of the Bank since September 2022. Mr. LI served as a teacher of Tuanlin Primary School in Yugan County (余干縣團林小學) from August 1988 to July 1992. From July 1992 to September 1994, he was a cadre of Youth League Committee of Jiangxi Institute of Education (江西教育學院) (during the period: he studied the political history in Jiangxi Institute of Education from September 1992 to July 1994). From September 1994 to March 2001, he served as a cadre of Nanchang Economic System Reform Committee of Jiangxi province (江西省南昌市經濟體制改革委員會) (during the period: he was assigned to Yunqiao Township, Jinxian County to help disaster-stricken areas resume production, rebuild the areas and develop the economy from October 1998 to January 1999). From March 2001 to November 2002, he served as a senior staff member of Nanchang Economic System Reform Committee (from August 1999 to December 2001, he studied economics and management at the Correspondence Institute of the Party School of the Central Committee of C.P.C (中央黨校函授學院)). From November 2002 to March 2005, he served as a deputy director of the enterprise listing division (enterprise system division) of Nanchang Economic System Reform Committee of Jiangxi province. From March 2005 to August 2005, he served as the deputy director of the enterprise listing division of Nanchang City Development and Reform Commission of Jiangxi province. From August 2005 to January 2006, he served as the director of the enterprise listing division of Nanchang City Development and Reform Commission of Jiangxi province. From January 2006 to July 2007, he served as the director of the planning division of Nanchang City Development and Reform Commission of Jiangxi province. From July 2007 to December 2007, he served as the director of the planning division of Nanchang City Development and Reform Commission and the head of the Nanchang Finance (Enterprise Listing) Working Office of Jiangxi province (南昌市金融(企業上市)工作辦公室). From December 2007 to November 2010, he served as the director of Nanchang Finance (Enterprise Listing) Working Office of Jiangxi province (Deputy county level) (during the period: he studied at the county cadre class of Party School of Nanchang Municipal, Jiangxi Province from November 2008 to January 2009). From November 2010 to October 2019, he served as the Party Secretary and director of the Nanchang Municipal People's Government Finance Working Office (南昌市人民政府金融工作辦公室) of Jiangxi province (during the period: he studied at the training course for young and middle-aged cadres of the Party School of Jiangxi Provincial Committee of C.P.C from September 2013 to December 2013, and from April 2019 to June 2019, he studied at the county-level class of Party School of Nanchang Municipal, Jiangxi Province). From October 2019 to August 2021, he served as the deputy secretary of the Party Committee, general manager and director of Nanchang Industrial Holdings Group Co., Ltd. (南昌工業控股集團有限公司); from August 2021 to May 2022, he served as the secretary of the Party committee and chairman of Nanchang Industrial Holding Group Co., Ltd. From May 2022 to present, he has served as the Party Secretary and chairman of Nanchang Industrial Investment Group Co., Ltd. He graduated from the Party School of the Central Committee of CPC.



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Mr. YANG Ailin (楊愛林) An independent non-executive Director

Mr. YANG has served as an independent non-executive director of the Bank since August 2022. Mr. YANG studied in the Department of Information Management & Science of Nanchang University from September 1990 to June 1994. From July 1994 to October 2005, he served as a teaching assistant and an assistant researcher of Jiangxi University of Finance and Economics (during which he studied in Jiangxi University of Finance and Economics for a master's degree in economics from September 1996 to June 1999; he studied in Xiamen University for a doctoral degree in economics from September 2001 to December 2004). From November 2005 to August 2011, he served as an associate professor and the head of department of Jiangxi University of Finance and Economics. From September 2011 to August 2013, he served as a professor of finance and the deputy dean of the School of Finance of Jiangxi University of Finance and Economics. From September 2013 to September 2021, he served as a professor of finance, a doctoral tutor and the deputy dean of the School of Finance of Jiangxi University of Finance and Economics. From October 2021 to present, he has been a professor of finance and a doctoral tutor at Jiangxi University of Finance and Economics. He holds a doctoral degree.

Mr. LIU Xinghua (劉興華) An independent non-executive Director

Mr. LIU has served as an independent non-executive director of the Bank since August 2022. Mr. LIU served as a lawyer of Jiangxi Fazheng Law Firm (江西法正律師事務所) from July 1995 to June 1998 (during which he studied at the Party School of the Jiangxi Provincial Committee of C.P.C and obtained a postgraduate degree from September 1996 to June 1998). He served as a lawyer of Jiangxi Huabang Law Firm from July 1998 to August 2010 (during which he studied in Jiangxi University of Finance and Economics for a part-time master's degree in law from February 2006 to January 2009 and obtained a master's degree in law in January 2009). He studied at the Law School of Renmin University of China from September 2010 to June 2013 and obtained a doctoral degree in law in June 2013. He has been a lawyer of Jiangxi Huabang Law Firm from July 2013 to present and the director of Jiangxi Huabang Law Firm from February 2019 to present. He has also been an external director of Jiangxi Military Industry Holding Co., Ltd. since June 2021. He holds a doctoral degree.



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Mr. HE Enliang (何恩良) An independent non-executive Director

Mr. HE has served as an independent non-executive director of the Bank since August 2024. From September 1982 to July 1986, he studied in the Department of Mathematics at Jiangxi Normal University. From July 1986 to August 1989, he successively served as a teacher of Gao'an Middle School and Gao'an Teachers' Further Training School. From September 1989 to July 1991, he pursued studies in the Department of Management Engineering of Hohai University. From October 1991 to June 1993, he served as a teacher of the Department of Economics of Jiangxi University (during which he was a visiting scholar at the Central University of Finance and Economics for one year). From July 1993 to August 1999, he worked as a teacher in the School of Economics and Trade of Nanchang University. From September 1999 to December 2000, he worked as the audit assistant and project manager of Guangdong Chenganxin Certified Public Accountants LLP. From January 2001 to December 2011, he served as a lecturer, associate professor, and master's student supervisor of the School of Economics and Management of Nanchang University, while also working part-time as an auditor at Jiangxi Renhe Certified Public Accountants Co., Ltd. Since January 2012, he has been a professor and master's student supervisor in the Department of Accounting at the School of Economics and Management of Nanchang University. Mr. HE holds a bachelor's degree and is a non-practicing member of the Chinese Institute of Certified Public Accountants.

Ms. WANG Feimilan (王菲米蘭) An independent non-executive Director

She has served as an independent non-executive director of the Bank since August 2024. From August 2004 to December 2011, she served as the legal advisor to China Merchants Group. From January 2012 to the present, she has been a partner and a member of the management committee of Hylands Law Firm. From April 2017 to the present, she has served as the China Business Director of Nixon Peabody CWL. From January 2023 to the present, she has been a member of the 13th Jiangxi Provincial Committee of the Chinese People's Political Consultative Conference. Currently, she is a partner and a member of the management committee of Hylands Law Firm, as well as the China Business Director of Nixon Peabody CWL. She holds a doctoral degree.



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7.3.2 Supervisors

Mr. LUO Ping (羅平) An external Supervisor

Mr. Luo has successively served as a staff member, deputy director and director of the International Department, Department I and Department of Banking Administration of the People's Bank of China, the deputy director of the International Department and the director of the training center of the China Banking Regulatory Commission. He was the chairman of the supervisory committee of Bank of Kunlun from 2014 to 2017. He has been an independent director of Fudian Bank from 2020 to present; an external supervisor of Bank of Tangshan from 2020 to present.

Mr. Luo obtained a master's degree in banking and finance from the University of Wales, United Kingdom in 1990.

Mr. LI Xunlei (李迅雷) An external Supervisor

Mr. Li served as a staff member of the library of Shanghai University of Finance and Economics from September 1985 to September 1993, and as an assistant researcher of Institute of Finance of Shanghai University of Finance and Economics from September 1993 to September 1996. Mr. Li was the deputy director of research institute of Junan Securities Co., Ltd. (君安證券公司) from September 1996 to August 1999, deputy director of the research institute of Guotai Junan Securities Co., Ltd. from August 1999 to May 2000, director of the research institute and general manager of sales and trading department of Guotai Junan Securities Co., Ltd. From May 2000 to December 2008 (during the period from October 2006 to December 2008, he was the assistant to president of Guotai Junan Securities Co., Ltd.), chief economic manager and chief economist of Guotai Junan Securities Co., Ltd. and director of CPIC Fund Management Co., Ltd. from January 2009 to October 2011. Mr. Li was the chief economist and director of the research and institutional business committee of Haitong Securities Co., Ltd from October 2011 to March 2012, the Vice President and chief economist of Haitong Securities Co., Ltd from March 2012 to December 2016, currently is the chief economist and director of the Institutional Business Committee of Zhongtai Securities, vice chairman of the China Chief Economist Forum and a member of the Central Committee of the Jiusan Society.

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Mr. Li obtained a bachelor's degree in statistics from Shanghai University of Finance and Economics in July 1985 and a master's degree in international trade from Shanghai University of Finance and Economics in July 1991.

Mr. WANG Wei (王威) An employee representative Supervisor

Mr. Wang served as a clerk of the Jiangxi Audit Office of China Construction Bank from July 2014 to April 2018; the on-site audit officer of the audit department of Jiangxi Bank from June 2018 to July 2020; and the manager of the audit department and the office of the Board of Supervisors of Jiangxi Bank from July 2020 to September 2024. Since September 2024, he has served as the deputy director of the office of Jiangxi Bank. Mr. Wang obtained a bachelor's degree in statistics from Zhejiang Gongshang University in June 2010 and a master's degree in economics from Shanghai University of Finance and Economics in June 2014. In November 2019, he obtained the intermediate economic professional and technical qualification certificate and the intermediate audit professional and technical qualification certificate issued by the Ministry of Human Resources and Social Security of the People's Republic of China. In July 2020, he was awarded the certificate of Certified Internal Auditor by the Institute of Internal Auditors.

7.3.3 Senior management members

Mr. CHENG Zongli (程宗禮) The vice president

He served as the vice president of the Bank since December 2010. Mr. Cheng joined the Bank when it was established and took various positions in the Bank, including: a deputy director of asset risk management division; a deputy manager of special assets management department; a vice president of Yongxing Sub-branch and Minde Sub-branch; a deputy general manager of corporate business department (taking charge); the general manager of credit management department; the president of Railway Sub-branch; and a vice president and member of Party committee of the Bank. Mr. Cheng's previous working experiences also include serving as a clerk in Nanchang City Credit Union (南昌城市信用社) from October 1994 to August 1997 and a physician at Nanchang No. 9 Hospital (南昌市第九醫院) from August 1989 to October 1994.



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Mr. Cheng obtained a bachelor's degree in clinical medicine from Jiangxi Medical College (江西醫學院) (currently known as the Medical School of Nanchang University) in July 1989. He also obtained a bachelor's degree in money and banking by completing the correspondence course offered by Peking University in July 1999 and a master's degree of business administration from Nanchang University in January 2010. Mr. Cheng was qualified as a senior economist by the General Office of Professional Title in Jiangxi Province in November 2016.

Mr. CAI Xiaojun (蔡小俊) The vice president

He has served as the vice president of the Bank since August 2011. Prior to joining the Bank, Mr. Cai was with the CBRC Jiangxi Office (中國銀行業監督管理委員會江西監管局) from October 2003 to August 2011 and held various positions successively, including: a principal staff member of supervision division of Industrial and Commercial Bank of China (工行監管處), a deputy director of supervision division of Industrial and Commercial Bank of China, a deputy director and party committee member of CBRC Jingdezhen Bureau (景德鎮銀監分局), a deputy director of statistical and information division (統計信息處), and a deputy director of supervision division of city commercial banks (城市商業銀行監管處). From September 1994 to October 2003, Mr. Cai was with PBOC and successively served as: a staff member of the planning division of Financial Research Institution of PBOC Jiangxi Branch (中國人民銀行江西省分行金融研究所), a vice president of PBOC Jiangxi Xiushui County Subbranch (中國人民銀行江西省修水縣支行), a deputy section chief of the general department of planning and fund division in PBOC Nanchang Supervision Office (中國人民銀行南昌監管辦計劃資金處綜合科), a deputy section chief of the general division in PBOC Nanchang Supervision Office (中國人民銀行南昌監管辦綜合處) and a principal staff member of the general division in PBOC Nanchang Supervision Office, supervision division of banks in PBOC Nanchang Supervision Office (中國人民銀行南昌監管辦銀行檢查處) and supervision division of Industrial and Commercial Bank of China.

Mr. Cai obtained a bachelor's degree in applied mathematics, a master's degree in operational research and cybernetics and a master's degree of business administration from Huazhong College of Engineering (華中工學院) (currently known as Huazhong University of Science and Technology), Fudan University, and Southwestern University of Finance and Economics (西南財經大學) in July 1986, July 1994 and December 2002, respectively. Mr. Cai was qualified as a senior economist by Senior Professional and Technical Qualification of Economist Review Committee of PBOC (中國人民銀行經濟系列高級專業技術資格評審委員會) in October 2004.

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7.3.4 Company Secretaries

Dr. NGAI Wai Fung (魏偉峰) The joint company secretary

He is currently a director and the chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. Dr. Ngai has over 30 years of professional practice and senior management experience including acting as the executive director, chief financial officer and company secretary, most of which are in the areas of finance, accounting, internal control and regulatory compliance, corporate governance and company secretarial work for listed issuers including major red chips companies.

Dr. Ngai is a fellow member of the Hong Kong Chartered Governance Institute, a fellow member of the Chartered Governance Institute, a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants in the United Kingdom, and a member of the Chartered Institute of Arbitrators.

Dr. Ngai holds a master's degree in business administration from Andrews University in the United States, a bachelor's degree (Honors) in law from the University of Wolverhampton in the United Kingdom, a master's degree in corporate finance from the Hong Kong Polytechnic University, and a doctoral degree in economic majoring in finance from the Shanghai University of Finance and Economics.

Ms. ZHANG Na (張娜) The joint company secretary

She joined the Bank in June 2014 and currently serves as an executive in Board Affairs of the office of the Board and the Board of Supervisors of the Bank. Ms. Zhang graduated from the Queen Mary University of London with a master's degree in Economics in December 2013.

7.4 CONFIRMATION OF INDEPENDENCE FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Bank has received annual confirmation of independence from each independent non-executive Director, confirming all independent non-executive directors are independent pursuant to Rule 3.13 of Hong Kong Listing Rules.



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7.5 INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

As at December 31, 2024, the interests and short positions of the Directors, Supervisors and chief executives of the Bank in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Bank and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) which were required to be notified to the Bank and the Stock Exchange pursuant to the Model Code, were as follows:

- I) Directors: Nil
- II) Supervisors: Nil
- III) Chief executives: Nil



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7.6 INFORMATION OF EMPLOYEES

7.6.1 Composition of Employees

As of the end of the Reporting Period, the Bank has a total of 5,406 official employees.

By age

The Bank has 1,404 employees aged 30 or under, accounting for 25.97% of the total number of employees; 2,991 employees aged 31 to 40, accounting for 55.33% of the total number of employees;

718 employees aged 41 to 50, accounting for 13.28% of the total number of employees; and 293 employees aged over 51, accounting for 5.42% of the total number of employees.

By education

The Bank has 5,140 employees with a bachelor's degree or above, accounting for 95.08% of the total number of employees, and 266 employees with a college degree or below, accounting for 4.92% of the total number of employees.

By gender

The Bank has 2,516 male employees and 2,890 female employees. The Bank attaches great importance to gender diversity. As of the end of the Reporting Period, the ratio of male employees to female employees (including senior management) of the Bank was 46.54% and 53.46%, respectively. The Bank believes that gender diversity at the level of employees (including senior management) has been achieved during the Reporting Period. The Bank will continue to implement measures to support the gender diversity of employees.



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7.6.2 Employee Training Plan

During the Reporting Period, the education and training of all officers of the Bank focused on aligning with core objectives and serving the broader context, strengthening the Party's innovative theoretical martial arts, and enhancing the planning and system construction of the Bank's training system. Efforts were made to improve the relevance of education and training. The Bank organized and managed training for all officers at various levels across the Bank, continually expanding the scope and depth of education and training for officers.

Focusing on the key tasks of the Bank, the Bank adhered to the full coverage of employees at all levels and in all lines of work, strengthened theoretical martial arts and Party education, solidly launched the professional training of talents, focused on enhancing the abilities of officers to promote high-quality development, serve the people and prevent and resolve risks.

7.6.3 Employee Remuneration Policy

Remuneration policy

The Bank strictly complied with the remuneration concepts of “unified position and salary, salary changes for ranking changes and bonus based on performance”, the Bank established a remuneration management system that is compatible with the dual-channel occupational development system. Employee remuneration consists of basic remuneration, performance-based remuneration and welfare guarantee. Employees enjoy the enterprise annuity, supplementary medical insurance and other welfare, in addition to the basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, housing provident fund and other various legal welfare specified by the state.



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Linkage between remuneration policy and risk

In order to further strengthen risk management, enhance risk awareness, give full play to the guiding role of remuneration in risk management and control, and promote the stable operation and sustainable development of the Bank, the Bank has established the deferred payment and recourse and deduction mechanism of performance-based remuneration in accordance with the Provisional Regulations on Remuneration Recourse and Deduction for Persons in Charge of Provincial State-owned Enterprises, the Supervisory Guidelines on Sound Compensation in Commercial Banks issued by the former CBRC and the Notice on the Guidance on the Establishment and Improvement of the Recourse and Deduction Mechanism of Performance-based Remuneration of Banking and Insurance Institutions issued by the former CBIRC. In 2024, the Bank's total amount of accrued unpaid deferred compensation was RMB361.2131 million, and the total amount of paid deferred compensation was RMB79.2281 million. Relevant personnel who have been subject to disciplinary or other actions due to violations of laws, regulations, disciplinary offences or the occurrence of excessive exposure to risk and loss within their duties have been subject to the deduction, withholding or recourse of the corresponding performance-based remuneration in accordance with the relevant measures.

Formulation and filing of remuneration plans

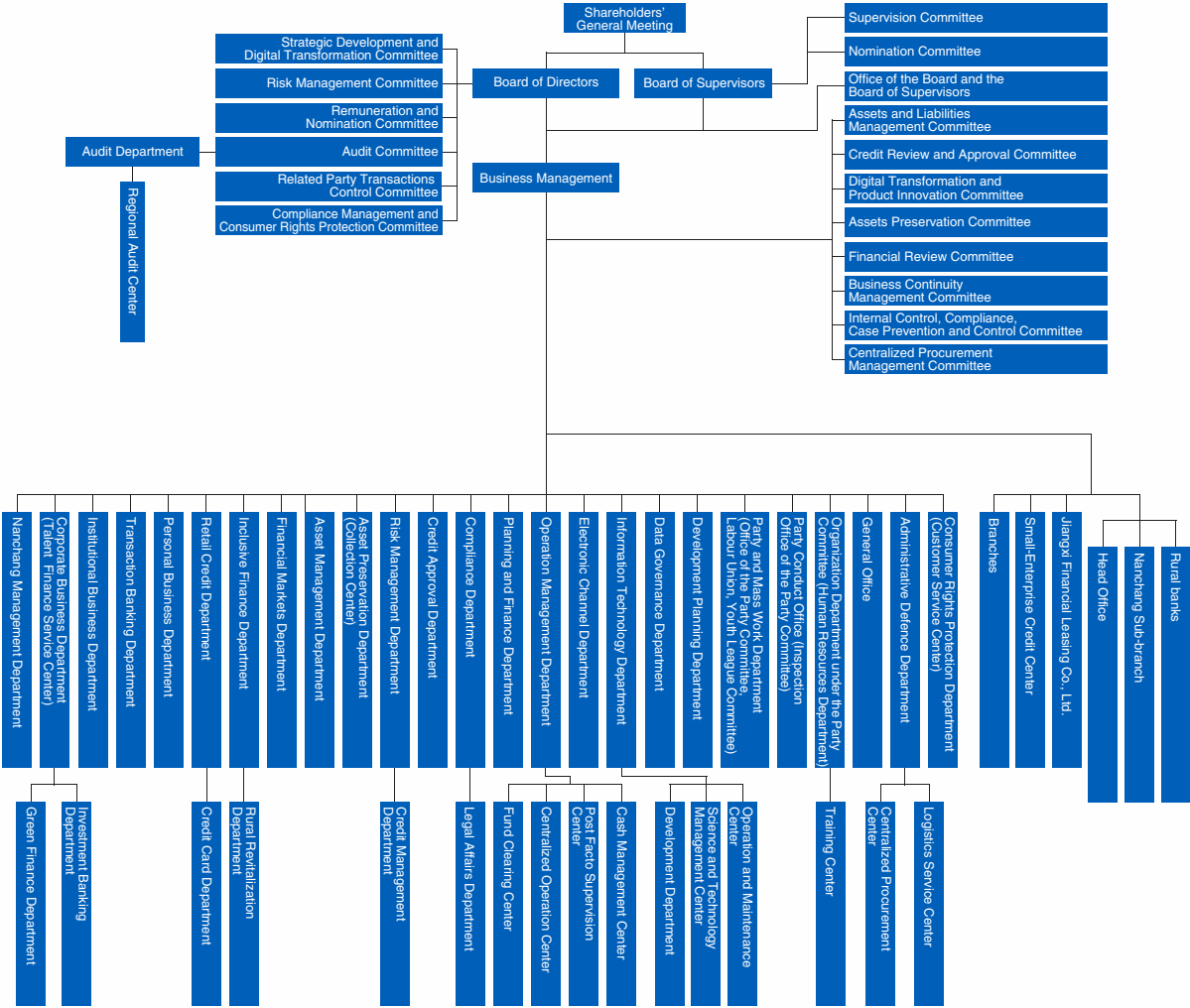
Based on the mechanism linking remuneration and benefit, the Bank rationally formulated the annual remuneration budget plan by comprehensively considering factors such as the annual operating objectives issued by the Board of Directors, economic benefits, labor cost tolerance, and the annual guidelines for enterprise wage issued by government functional departments. The Bank implemented the reform of the wage determination mechanism for state-owned enterprises, and the annual total wage budget and settlement were submitted to the capital contribution supervision department for filing and approval in accordance with regulations.

The Bank's performance appraisal policy strictly implements the regulatory requirements and promotes the implementation of strategic development objectives. The performance evaluation indicators include internal control and compliance, risk management, service to national development goals and the real economy, operational efficiency, development and transformation, and social responsibility, etc., which comprehensively reflect the current operating results and risk profile and promote the Bank's high-quality and sustainable development.



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

7.7 ORGANIZATIONAL STRUCTURE



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

7.8 BASIC INFORMATION OF BRANCHES AND SUB-BRANCHES

As of the end of the Reporting Period, the Bank had a total of 13 branches and 1 small enterprise credit center, of which 12 were located in Jiangxi Province and 2 were located in other provinces. Details of the branches and sub-branches of the Bank are set out below:

Area	Name of entity	Business address (in China)	Note
Nanchang, Jiangxi	Head office	No. 699 Financial Street, Honggutan New District, Nanchang, Jiangxi Province	Governing 72 licensed branches and sub-branches in Nanchang (including Ganjiang New District branch)
Pingxiang, Jiangxi	Pingxiang branch	No. 198 Jianshe Middle Road, Anyuan District, Pingxiang, Jiangxi Province	Governing 8 licensed institutions in Pingxiang
Jiujiang, Jiangxi	Jiujiang branch	No. 248 Changhong Avenue, Lianxi District, Jiujiang, Jiangxi Province	Governing 13 licensed institutions in Jiujiang
Ganzhou, Jiangxi	Ganzhou branch	Building 8, Shenghui City Center, Ganxian Road, Zhanggong District, Ganzhou, Jiangxi Province	Governing 23 licensed institutions in Ganzhou
Yichun, Jiangxi	Yichun branch	No. 636 Yichun North Road, Yichun, Jiangxi Province	Governing 14 licensed institutions in Yichun
Xinyu, Jiangxi	Xinyu branch	No. 69 Zhongshan Road, Yushui District, Xinyu, Jiangxi Province	Governing 4 licensed institutions in Xinyu
Shangrao, Jiangxi	Shangrao branch	Block 20, No. 32 Xingyuan Avenue, Shangrao Economic and Technical Development Zone, Jiangxi Province	Governing 14 licensed institutions in Shangrao



CHAPTER VII DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, EMPLOYEES AND INSTITUTIONS

Area	Name of entity	Business address (in China)	Note
Ji'an, Jiangxi	Ji'an branch	1/F, Tianhong Shopping Plaza, West of Jinggangshan Avenue and North of Guangchang South Road, Jizhou District, Ji'an, Jiangxi Province	Governing 16 licensed institutions in Ji'an
Fuzhou, Jiangxi	Fuzhou branch	No. 618 Gandong Avenue, Fuzhou, Jiangxi Province	Governing 13 licensed institutions in Fuzhou
Yingtian, Jiangxi	Yingtian branch	No. 1 Yuqing Road, Xinjiang New District, Yingtian, Jiangxi Province	Governing 5 licensed institutions in Yingtian
Jingdezhen, Jiangxi	Jingdezhen branch	Building 1, West Area 1, Crown Shopping Plaza, Guangchang South Road, Zhushan District, Jingdezhen, Jiangxi Province	Governing 16 licensed institutions in Jingdezhen
Guangzhou	Guangzhou branch	Room 101, 201, 301, No. 38 Machang Road, Tianhe District, Guangzhou City, Guangdong Province	Governing 7 licensed institutions in Guangzhou
Suzhou	Suzhou branch	Rongsheng Business Center, No. 135 Wangdun Road, Suzhou Industrial Park, Jiangsu Province	Governing 5 licensed institutions in Suzhou
Nanchang, Jiangxi	Small Enterprise Credit Center	No.96 Zhanqian Road, Xihu District, Nanchang, Jiangxi Province	Governing 8 licensed institutions in Jiangxi

CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.1 OVERVIEW OF CORPORATE GOVERNANCE

During the Reporting Period, the Bank continued to improve the transparency of corporate governance to protect the interests of shareholders and enhance corporate value.

The Bank has established a relatively comprehensive corporate governance structure pursuant to the provisions of the Hong Kong Listing Rules. The composition of the Board and the special committees under the Board complies with the requirements of the Hong Kong Listing Rules. The Bank clearly defines the responsibilities of the shareholders' general meeting, the Board, the Board of Supervisors, and senior management. The shareholders' general meeting is the highest authority of the Bank, and the Board is responsible to the shareholders' general meeting. The Board has set up six special committees that operate under the leadership of the Board and offer opinions on the Board's decision-making. The Board of Supervisors supervises the performance of duties by the Board and senior management as well as the Bank's financial activities, risk management, and internal control. Under the leadership of the Board, senior management is responsible for implementing the resolutions of the Board and for daily business and management of the Bank, and reports to the Board and the Board of Supervisors on a regular basis. The President of the Bank, appointed by the Board, is responsible for the overall business operation and management of the Bank.

The Bank has adopted Appendix C1 to the Hong Kong Listing Rules headed Corporate Governance Code. The Bank has met the requirements of the regulation of domestic commercial banks and the corporate governance and has established a sound corporate governance system. During the Reporting Period, the Bank has complied with all applicable code provisions as set forth in Appendix C1 to the Hong Kong Listing Rules.

The Bank continues to pursue financial development with Chinese characteristics, deeply understands the basic essence of "eight do's", always adheres to the positioning of "serving urban and rural residents, serving small and medium-sized enterprises and serving local economy". The Bank adheres to the leadership of Party building, continues to strengthen corporate governance, does a good job in the "five major sectors" of finance, carries forward the financial culture with Chinese characteristics, integrates the "five musts and five don'ts" into the whole process of operation and management, coordinates the development and safety, actively fulfills its social responsibilities, constantly enriches the brand connotation of "Sincere Service of a New Jiangxi Bank", and endeavors to realize high-quality development.

The Bank commits itself to maintaining high-standard corporate governance. The Bank will continue to strengthen its corporate governance to ensure compliance with the Corporate Governance Code and live up to the expectations of shareholders and potential investors.



CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.2 SHAREHOLDERS' GENERAL MEETING

In 2024, the Bank convened the 2023 Annual General Meeting in Nanchang, Jiangxi Province, details of which are set out below:

On May 29, 2024, the Bank held the 2023 Annual General Meeting and considered and approved the 2023 Board of Directors' Report, 2023 Board of Supervisors' Report, 2023 Annual Financial Account Report, 2024 financial budget plan, 2023 profit distribution proposal, etc.

The above general meeting was convened in line with the procedures specified by relevant laws and regulations. For details of the attendance, main issues and voting of the general meeting, please refer to the announcement of Poll Results of the 2023 Annual General Meeting dated May 29, 2024 published by the Bank on the websites of the Hong Kong Stock Exchange and the Bank.

For the attendance rate of each Director at the general meeting, please refer to section 8.3.5 in this chapter.

8.3 BOARD OF DIRECTORS

8.3.1 Operation of the Board

Regular meetings of the Board shall be convened at least once each quarter and extraordinary meetings shall be scheduled if necessary. A meeting of the Board may be held on site or by circulation of a written resolution. The Board shall notify all Directors prior to Board meetings and provide sufficient information (including background information on the proposals presented and other information that will help directors make reasonable, prompt and prudent decisions) to all Directors in a timely manner. For regular meetings of the Board, all directors and supervisors must be notified in writing 14 days before the convening of the meetings, and the meeting agenda and relevant meeting documents shall be sent to all directors 3 days before the convening of the meetings; and for extraordinary Board meetings, a notice shall be sent to all directors 5 days before the convening of the meetings. A good communication and reporting mechanism has been established between the Board and senior management. The President is responsible to the Board and reports to the Board on a regular basis, and is subject to the supervision by the Board of Supervisors. At the Board meetings, all directors are free to express their opinions, and discuss important decisions in detail before making such decisions. The Board has the office of the Board and the Board of Supervisors that serves as the daily office of the Board. The Board office is responsible for preparing the general meetings and Board meetings and meetings of special committees under the Board and processing the tasks assigned by the general meetings, Board meetings, and meetings of the special committees under the Board. The Board and senior management exercise their respective powers corresponding to their responsibilities contained in the Articles of Association. Directors who have a material interest in the proposals must give up the right of participating in the discussion and voting on relevant proposals and must not be included in the quorum of the relevant proposals.

CHAPTER VIII CORPORATE GOVERNANCE REPORT

The Board has established relevant mechanisms to ensure that the Board receives independent views and opinions. According to the Articles of Association and the Work Rules for Independent Directors formulated by the Bank, the number of independent non-executive Directors shall be no less than three and shall not be less than one-third of the total number of Directors. The Work Rules for Independent Directors of the Bank stipulates the qualifications, powers and obligations of independent non-executive Directors, and clearly stipulates that in order to ensure the effective exercise of the functions and powers of independent non-executive Directors, the Bank shall provide necessary conditions for independent non-executive Directors.

In addition, independent non-executive Directors shall also express objective, fair and independent opinions on the matters discussed by the Bank. The independent non-executive Directors of the Bank do not hold any positions in the Bank other than that of Directors, do not have any relationship with the Bank and its substantial Shareholders that may affect their independent and objective judgments, and do not have any business or financial interests in the Bank and its subsidiaries. The Board also assesses the independence of independent non-executive Directors annually. As such, the participation of independent non-executive Directors also ensures the presence of a sufficient independent element on the Board. The Board will review the implementation and effectiveness of the aforesaid mechanism on an annual basis.

8.3.2 Composition of the Board

As of the Latest Practicable Date, the Board of the Bank consists of ten Directors, including two executive Directors, namely, Ms. ZENG Hui and Mr. LUO Xiaolin; four non-executive Directors, namely, Mr. DENG Yonghang, Ms. XIONG Jiemin, Mr. LI Shuiping and Mr. PENG Xiyuan; and four independent non-executive Directors, namely, Mr. LIU Xinghua, Mr. YANG Ailin, Mr. HE Enliang and Ms. WANG Feimilan.

For the biographies and terms of office of Directors, please refer to Chapter VII “Directors, Supervisors, Senior Management, Employees and Institutions” in this annual report. None of the Board members are associated with other members.

8.3.3 Authority of the Board

The Board is responsible to the shareholders’ general meeting and exercises the following functions and powers:

to convene a shareholders’ general meeting and report to the meeting on the work of the Board;

to implement the resolutions of the shareholders’ general meetings;

to decide on the business plans and investment plans of the Bank;

CHAPTER VIII CORPORATE GOVERNANCE REPORT

to formulate the Bank's annual financial budget plan and final settlement plan;

to establish the basic management system of the Bank; to formulate proposals for any amendment to the Articles, formulate the rules of procedures for shareholders' general meetings and rules of procedures of meetings of the Board of Directors, and examine and approve the rules for the work of the special committees of the Board of Directors;

to propose to the shareholders' general meeting the appointment or dismissal of the accounting firm that conducts regular statutory audit of the Bank's financial reports;

to safeguard the legitimate rights and interests of financial consumers and other stakeholders;

to establish the identification, investigation and management mechanism for conflicts of interest between the Bank and Shareholders especially substantial Shareholders;

to take responsibility for the management of Shareholders' affairs;

to listen to the work report of senior management and check its work, supervise and ensure that senior management personnel fulfill their management duties effectively;

to listen to the senior management's opinions on the supervision of the regulatory authorities, management suggestions put forward by the external auditors, etc.;

to evaluate the performance of duties by Directors and appraise the due diligence of senior management members;

other functions and powers as set forth in laws and regulations, the listing rules of the stock exchange(s) where the stocks of the Bank are listed or the Articles of Association of the Bank, and granted by the shareholders' general meeting;

to formulate the Bank's profit distribution plan and the plan for making up losses;

to decide on the establishment of the internal management organizations, primary branches and franchisees of the Bank;

to formulate proposals for increases in or reductions of registered share capital, issuance of bonds or other securities and listing;

to formulate proposals for material acquisitions, purchase of the Bank's shares, merger, division, dissolution and change of corporate form of the Bank;

CHAPTER VIII CORPORATE GOVERNANCE REPORT

to appoint or dismiss senior management personnel, decide on their remuneration, rewards and punishments, and supervise the performance of duties by senior management in accordance with regulatory provisions;

to consider and approve the Bank's external investment, assets purchase, assets disposal and write-off, assets mortgage, related party transactions, data management, and external donations in accordance with laws and regulations, regulatory provisions and the Articles of Association of the Bank;

to formulate the development strategies of the Bank, and supervise the implementation of the strategies;

to formulate the capital planning of the Bank, and assume the ultimate responsibility for capital or solvency management;

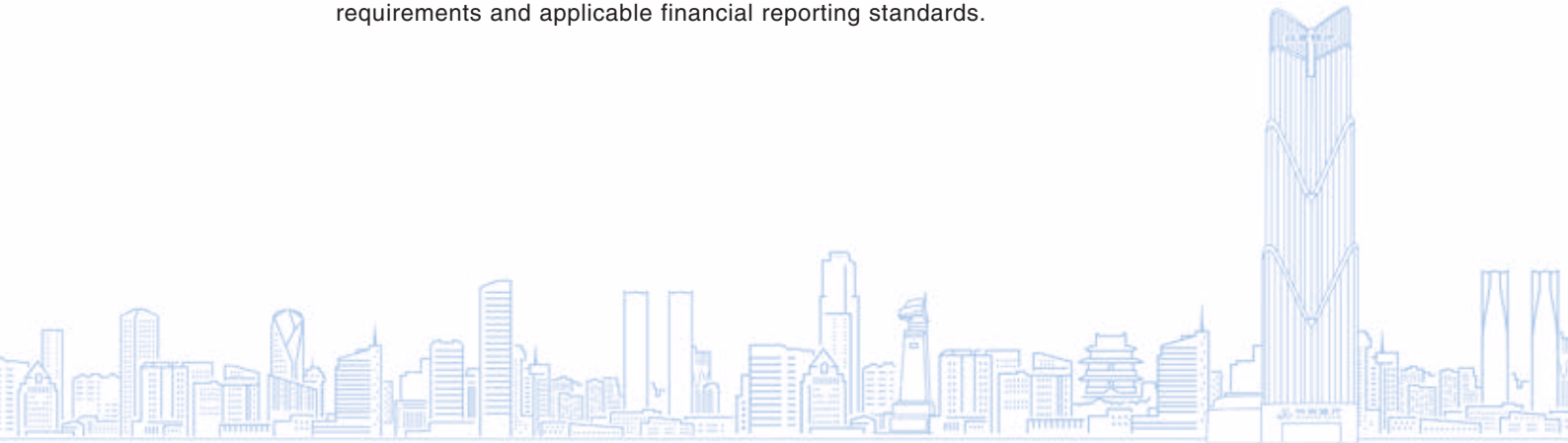
to formulate the risk tolerance, risk management and internal control policies of the Bank, and assume the ultimate responsibility for overall risk management of the Bank;

to be responsible for the disclosure of information of the Bank, and bear ultimate responsibility for the authenticity, accuracy, completeness and timeliness of the Bank's accounting and financial report;

to regularly evaluate and improve the governance of the Bank.

8.3.4 Directors' Responsibilities for Preparing Financial Statements

The Directors confirm that they are responsible for preparing financial statements for the year ended December 31, 2024 which should truly and fairly reflect the business status and performance of the Bank. To prepare financial statements, the Directors shall select and apply appropriate accounting policies, and use accounting estimates that are appropriate for relevant circumstances. With the assistance of accounting and finance personnel, the Directors ensure that they have prepared the financial statements for the Bank in accordance with statutory requirements and applicable financial reporting standards.



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8.3.5 Board Meetings and the Attendance of Directors

During the Reporting Period, the Board convened a total of 10 Board meetings, at which the Bank debriefed on, considered and approved 97 proposals mainly involving topics such as adoption and/or revision of various corporate governance measures, profit distribution plans, development plans, and business performance. Details of the Board meetings convened during the Reporting Period are set out below:

Session	Date	Form
Periodic meetings		
The twenty-fifth meeting of the third session of the Board	March 28, 2024	On-site meeting
The twenty-sixth meeting of the third session of the Board	April 26, 2024	On-site meeting
The twenty-ninth meeting of the third session of the Board	August 30, 2024	On-site meeting
The thirty-second meeting of the third session of the Board	December 20, 2024	On-site meeting
Extraordinary meetings		
The twenty-fourth meeting of the third session of the Board	March 8, 2024	Circulating written resolutions
The twenty-seventh meeting of the third session of the Board	June 24, 2024	Circulating written resolutions
The twenty-eighth meeting of the third session of the Board	August 16, 2024	Circulating written resolutions
The thirtieth meeting of the third session of the Board	September 30, 2024	Circulating written resolutions
The thirty-first meeting of the third session of the Board	November 15, 2024	Circulating written resolutions
The thirty-third meeting of the third session of the Board	December 27, 2024	Circulating written resolutions

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The attendance of each Director at the Shareholders' general meetings and Board meetings during the Reporting Period is as follows:

Members of the Board	Number of Attendance Required at Board Meetings	Number of Attendances in Person at Board Meetings	Number of Attendances by Proxy at Board Meetings	Attendance Rate at Board Meetings ¹	Number of Attendances/Attendances Required at Shareholders' General Meetings
ZENG Hui	10	10	0	100%	1/1
LUO Xiaolin	10	10	0	100%	1/1
DENG Yonghang	10	9	1	90%	1/1
XIONG Jiemin	10	10	0	100%	1/1
LI Shuiping	10	10	0	100%	1/1
PENG Xiyuan	6	6	0	100%	0/1
LIU Xinghua	10	10	0	100%	1/1
YANG Ailin	10	10	0	100%	1/1
HE Enliang	6	6	0	100%	0/1
WANG Feimilan	6	6	0	100%	0/1
Resigned Directors					
YU Minxin	6	3	3	50%	0/1
ZHUO Liping	4	3	1	75%	1/1
WANG Yun	4	4	0	100%	1/1
WONG Hin Wing	4	4	0	100%	0/1

Note: During the Reporting Period, attendance by way of proxy was not treated as attendance, and it is the same below.



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8.3.6 Independent Non-executive Director

The Board of the Bank has four independent non-executive Directors and the number is in compliance with the requirements of the Hong Kong Listing Rules concerning the appointment of at least three independent non-executive Directors (representing at least one-third of the Board members), with at least one possessing appropriate professional qualifications or accounting or related financial management expertise.

During the Reporting Period, the independent non-executive Directors fulfilled their fiduciary duties, due diligence responsibilities, and those obligations required by the Articles of Association and safeguarded the overall interests of the Bank and its shareholders. The independent non-executive Directors of the Bank duly attended the Board meetings and the meetings of special committees, at which they provided objective and independent opinions on the related matters, and participated in the decision-making of the Board and supervised the Board.

All independent non-executive Directors have confirmed their independence pursuant to the factors set out in Rule 3.13 of the Hong Kong Listing Rules. Therefore, the Bank considers all independent non-executive Directors are independent.

8.3.7 Special Committees of the Board

The Board of the Bank has six special committees, including the Strategic Development and Digital Transformation Committee, Risk Management Committee, Remuneration and Nomination Committee, Audit Committee, Related Party Transactions Control Committee, and Compliance Management and Consumer Rights Protection Committee.

1 Strategic Development and Digital Transformation Committee

As of the end of the Reporting Period, the Strategic Development and Digital Transformation Committee consists of three Directors, namely Ms. ZENG Hui, Mr. LUO Xiaolin and Mr. LIU Xinghua. Ms. ZENG Hui and Mr. LUO Xiaolin are executive Directors, and Mr. LIU Xinghua is an independent non-executive Director. Ms. ZENG Hui is the chairperson of the Strategic Development and Digital Transformation Committee.

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The duties of the Strategic Development and Digital Transformation Committee primarily include:

to draw up the Bank's development strategy and business objectives and supervise the implementation thereof, and regularly evaluate the implementation thereof;

to focus on the goal of serving the real economy and major national strategic deployment, scientifically formulate and implement the digital transformation strategy, incorporate it into the overall strategic planning of the organization, clarify the phased implementation goals, and make long-term investment and continuous promotion. The Strategic Development and Digital Transformation Committee shall urge the senior management to promote digital transformation and regularly listen to digital work reports, including but not limited to the overall structure and mechanism design of digital transformation, management evaluation and assessment system of digital transformation, digital culture construction, and the collaborative promotion of transformation of various business lines;

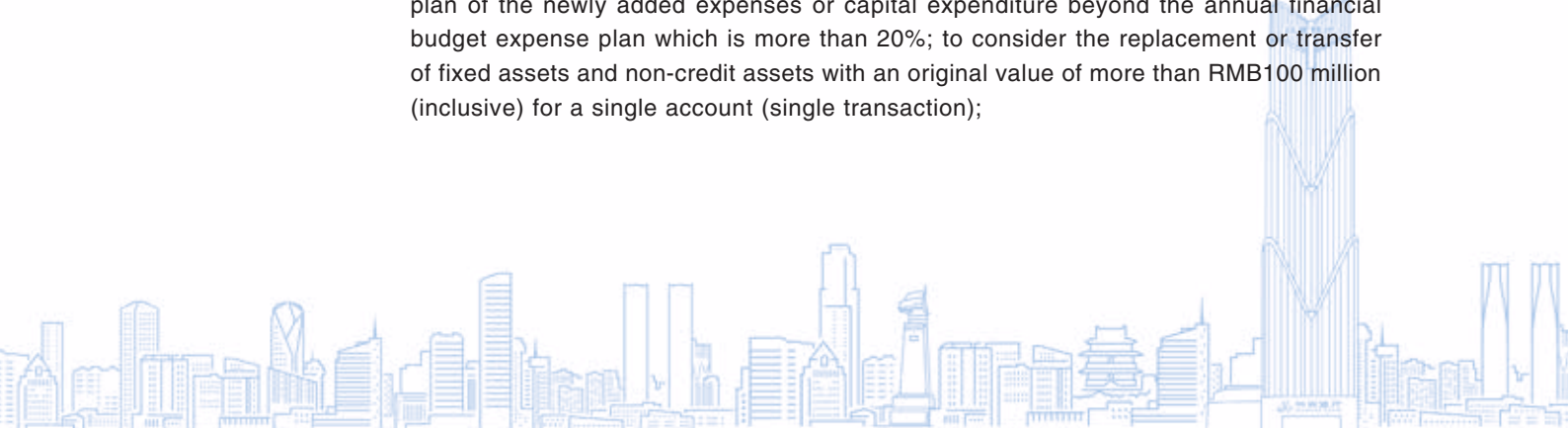
to review and approve information technology strategies to ensure that they are consistent with the overall business strategies and major strategies of the Bank;

to consider the annual work report of the Information Technology Committee of the Bank on a regular basis, including but not limited to the implementation of the strategic plan of information technology, the information technology budget and actual expenditure, and overall status of information technology;

to consider the construction and operation of major information technology and listen to important work reports; to supervise and inspect the implementation of the annual business plan;

to consider the establishment of the internal management organizations, primary branches and franchisees of the Bank;

to formulate the Bank's financial budget and final settlement plan, and to consider plan of the newly added expenses or capital expenditure beyond the annual financial budget expense plan which is more than 20%; to consider the replacement or transfer of fixed assets and non-credit assets with an original value of more than RMB100 million (inclusive) for a single account (single transaction);



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to consider the qualifications of Shareholders and equity transfer;

to consider the donations in which a single external donation amounts to more than RMB10 million and total donations amount to more than RMB30 million for the year;

to perform other duties as set forth in laws, regulations, rules, normative documents, listing regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

During the Reporting Period, the Strategic Development and Digital Transformation Committee of the Board convened a total of 8 meetings, at which the Bank, considered and approved 34 proposals mainly involving topics such as Report on Digital Transformation Plan of Jiangxi Bank, Environmental, Social and Governance Report 2023, 2024 Capital Expenditure Plan of Jiangxi Bank and 2023 Group Annual Financial Statements and 2024 Group Financial Budget Report of Jiangxi Bank Co., Ltd.

The attendance of each committee member at the related meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Strategic Development and Digital Transformation Committee of the third session of the Board				
ZENG Hui	8	8	0	100%
LUO Xiaolin	8	8	0	100%
LIU Xinghua	8	8	0	100%
Resigned Member				
YU Minxin	5	3	0	60%

Note:

During the Reporting Period, attendance by way of proxy was not treated as attendance, and it is the same below.

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2 Risk Management Committee

As of the end of the Reporting Period, the Risk Management Committee consists of four Directors, namely, Mr. LUO Xiaolin, Mr. YANG Ailin, Mr. LIU Xinghua and Mr. PENG Xiyuan. Mr. LUO Xiaolin is the chairperson of the Risk Management Committee. Mr. LUO Xiaolin is an executive Director, Mr. YANG Ailin and Mr. LIU Xinghua are independent non-executive Directors, and Mr. PENG Xiyuan is a non-executive Director.

The duties of the Risk Management Committee primarily include:

to establish risk culture;

to formulate risk management strategy;

to set risk preference and ensure the establishment of risk limits;

to examine and approve the significant risk management policies and procedures;

to review the comprehensive risk management report and supervise the senior management to carry out comprehensive risk management;

to formulate the consolidated management policy and risk preference of the Group, to review the corporate governance and operation of major subsidiaries; and to approve and supervise significant matters related to consolidated management;

to examine the significant asset disposal matters involving an amount of more than 30% of the latest audited total assets of the Bank for 12 consecutive months;

to review credit risk management reports and understand the credit risk, changes in large risk exposures and the management of the Bank;

to consider the market risk management reports, and examine and approve the strategies, policies, and procedures for market risk management;

to review liquidity risk management reports and stress testing reports, and examine and approve management strategies, important policies and procedures for liquidity risk;

to review the management reports on capital adequacy ratio and evaluation reports on internal capital adequacy, and examine and approve the management plan for capital adequacy ratio and other important policies and procedures;

to review relevant reports on data governance, make suggestions for improvement to the Board of Directors, conduct annual evaluation on data governance, make suggestions for improvement to the Board of Directors, and urge the senior management to implement the rectification;

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to review the risk report of bank's book interest rate, and examine and approve risk management policies of bank's book interest rate;

to consider management reports on business continuity, and examine and approve management strategies, policies, and procedures for business continuity;

to consider information technology risks management annual reports, information technology outsourcing risk assessment reports and other special reports, and approve the information technology risks management system and policies;

to consider management reports on reputational risks, and examine and approve the policies and overall goals of reputational risk management;

to consider operational risk management reports, and examine and approve the duties, permission and system of operational risks;

to review anti-money laundering reports, and keep abreast of significant money laundering risk incident and its handling;

to review new products and new business-related plans with major innovations in the business model;

to consider management reports on strategic risks, and examine and approve the policies and overall goals of strategic risk management;

to perform other duties as set forth in laws, regulations, rules, normative documents, listing regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

The Bank reviewed the Bank's risk management and internal control system at least once a year to ensure the effectiveness of the existing system. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. During the Reporting Period, the Risk Management Committee convened a total of 10 meetings, at which it reviewed, considered and approved 74 proposals mainly involving topics such as the 2023 Comprehensive Risk Management Report of Jiangxi Bank, the 2024 Risk Appetite Statement of Jiangxi Bank, 2023 Asset and Liabilities Management Report of Jiangxi Bank, and the Administrative Measures for Comprehensive Risk Management of Jiangxi Bank (2024 Revision). The Risk Management Committee believed that the Bank's existing risk management and internal control system is sufficient and effective.

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The attendance of each committee member at the Risk Management Committee meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Risk Management Committee of the third session of the Board				
LUO Xiaolin	10	10	0	100%
PENG Xiyuan	5	5	0	100%
YANG Ailin	10	10	0	100%
LIU Xinghua	10	10	0	100%
Resigned Member				
ZHUO Liping	5	5	0	100%

3 *Remuneration and Nomination Committee*

As of the end of the Reporting Period, the Remuneration and Nomination Committee consists of three Directors, namely, Mr. LIU Xinghua, Mr. HE Enliang and Mr. DENG Yonghang. Mr. LIU Xinghua is the chairperson of the Remuneration and Nomination Committee. Mr. LIU Xinghua and Mr. HE Enliang are independent non-executive Directors, and Mr. DENG Yonghang is a non-executive Director. More than half of the members of the Remuneration and Nomination Committee of the Bank are independent non-executive Directors and the chairperson is an independent non-executive Director.

The duties of the Remuneration and Nomination Committee primarily include:

to advise the Board on the management system, policies, and structure of the remuneration of the entire Bank, and supervise the implementation of the remuneration system;

to advise the Board on the establishment of formal and transparent procedures for formulating remuneration policies;

to formulate remuneration schemes for directors and senior management in accordance with the corporate policies and objectives set by the Board, advise the Board on remuneration plans, and supervise the implementation of the plans;

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to advise the Board on the remuneration packages of individual executive directors and senior management personnel; to advise the Board on the remuneration of non-executive directors;

to make reference to salary level, working time and responsibility requirements of companies of similar nature and the actual need of the Bank to determine employment conditions;

to review and approve the compensation payable to executive directors and senior management personnel for their loss or termination of their duties or appointments, to ensure that such compensation is in conformity with the terms of the contract or the compensation is fair and reasonable;

to review and approve the compensation arrangements arising from the dismissal of certain directors or removal of certain directors from office due to the misconduct of the directors, to ensure that the arrangements are in conformity with the terms of the contract or the compensation is reasonable and appropriate;

to ensure that any director or any of its associates (as defined in the Hong Kong Listing Rules) will not participate in determining his own remuneration; to review and/or approve the matters in relation to share schemes as referred in Chapter 17 of the Hong Kong Listing Rules;

to evaluate the performance of duties by Directors, appraise the due diligence of senior management personnel, and make recommendations for evaluation and appraisal to the Board;

to advise the Board on the scale and composition of the Board based on the Bank's business activities, asset size, and equity structure and review the structure, number of people, and composition of the Board (including skills, knowledge, experience, and diversity) at least annually, and make recommendations on proposed changes to the Board in line with the Bank's strategy;

to work out the procedure and standard for appointing members of the Board and senior management, identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;

to initially review the qualifications and credentials of directors and senior management personnel (reviewing the qualifications of independent director candidates, with the focus on independence, professional knowledge, experience, and ability) and make recommendations to the Board;

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to develop and review the Board Diversity Policy; review the measurable objectives that the Board has set for implementing the Board Diversity Policy and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually;

to assess the independence of independent Directors;

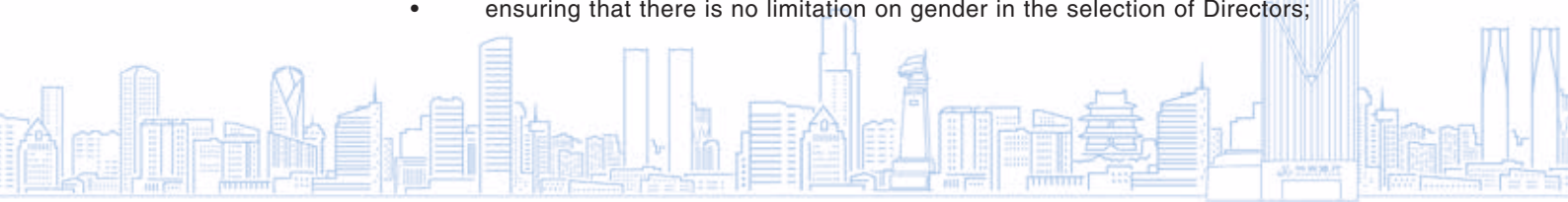
to advise the Board on the appointment or re-appointment of directors and the succession plan of the directors (particularly the chairman of the Board and president);

to perform other duties as set forth in laws, regulations, rules, normative documents, listing regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

During the Reporting Period, the Remuneration and Nomination Committee convened a total of five meetings, at which it considered and approved 11 proposals mainly involving topics such as revising Measures for the Evaluation of the Performance of Duties of the Directors of Jiangxi Bank (《江西銀行董事履職評價辦法》), Implementation Plan for Comprehensive Assessment for 2023 of Jiangxi Bank (《江西銀行 2023 年度綜合考核實施方案》), Board of Directors' Report on the Performance of Directors and Management Members for 2023 (《2023 年度董事會對董事和經營管理層成員履職盡職評價的報告》), and the Report on the Remuneration Approval of the Person-in-charge of Jiangxi Bank for 2023 (《2023 年度江西銀行負責人薪酬核定情況的報告》). The Remuneration and Nomination Committee also reviewed the remuneration of the Bank's Directors, Supervisors, and senior management during the Reporting Period and considered that it is fair and reasonable.

The Bank has adopted the Board Diversity Policy that aims to set out the approach to achieving diversity in the Board. All Board appointment will be based on merit while taking into account diversity including gender diversity. The Remuneration and Nomination Committee will regularly review the measurable objectives to ensure its effectiveness to achieve diversity in the Board. The following measurable objectives are set up for implementing the Board diversity policy:

- inclusion of candidates for Board members with overseas working experience (outside of PRC);
- ensuring that there is no limitation on gender in the selection of Directors;



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- inclusion of candidates for Board members with working experience in other industries; and
- inclusion of candidates for Board members with knowledge and skills in different fields.

As of the end of the Reporting Period, among the ten Directors of the Bank, there is one Director with overseas working experience and the Bank's Board members have acquired legal, economic, financial, treasury and other working experience conducive to the fulfillment of their duties as directors.

The Board values the importance and benefits of gender diversity at the Board level. Currently, the ten Directors of the Board of Directors of the Bank include three female Directors. The Board considers that the current composition of the Board complies with the requirements of the Listing Rules in relation to the gender diversity of Board members and is in line with the diversity policy formulated by the Bank. The Board diversity policy of the Bank ensures that there will be potential successors on the Board to continue the existing gender diversity of the Board.

For the diversity of the Bank's employees, please refer to "7.6 Information of Employees" in this report.

Nomination Policy

The Bank has formulated a director nomination policy. In the assessment of candidates, the Remuneration and Nomination Committee considers the following factors including but not limited to:

- basic requirements of the Articles of Association of the Bank;
- achievements and experiences in banking or other industries;
- time available for engagement in the Bank;
- diversity of the Board in various aspects including but not limited to gender, age, cultural and educational background, ethnicity, professional experiences, skills, knowledge and term of service, etc.

The Remuneration and Nomination Committee shall convene a meeting and ask the Board members to nominate candidates (if any) for consideration by the Remuneration and Nomination Committee before the meeting. The Remuneration and Nomination Committee can also nominate candidates who are not nominated by Board members.

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The Remuneration and Nomination Committee will conduct a preliminary review of the qualifications and conditions of director candidates. Qualified candidates will be submitted to the Board for consideration and, upon approval by the Board, to the shareholders' general meeting by written proposals.

In order to provide the relevant information of candidates who are nominated by the Board and proposed to the general meeting and to invite the shareholders to nominate candidates, the Bank will publish a circular which sets out the time limit for shareholders to deliver the nomination. The information of candidates will be set forth in the published circular pursuant to applicable laws, rules, and regulations. The nominated person shall not assume that he/she has been recommended by the Board and proposed to the general meeting before publication of the circular.

The attendance of each committee member at the Remuneration and Nomination Committee meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Remuneration and Nomination Committee of the third session of the Board				
LIU Xinghua	5	5	0	100%
HE Enliang	2	2	0	100%
DENG Yonghang	5	5	0	100%
Resigned Member				
WANG Yun	3	3	0	100%



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4 *Audit committee*

As of the end of the Reporting Period, the Audit Committee consists of three Directors, namely, Mr. HE Enliang, Ms. XIONG Jiemin and Ms. WANG Feimilan. Mr. HE Enliang is the chairperson of the Audit Committee. Mr. HE Enliang and Ms. WANG Feimilan are independent non-executive Directors, and Ms. XIONG Jiemin is a non-executive Director. The majority of the members of the Audit Committee of the Bank shall be independent non-executive Directors and the chairperson is an independent non-executive Director.

The duties of the Audit Committee primarily include:

to review important systems such as the constitution of internal audit;

to review various important reports of the Bank's internal audit, such as comprehensive audit report, special audit report on information technology risk management, special audit report on performance assessment and remuneration mechanism and implementation, special audit report on capital adequacy ratio management and implementation of internal capital adequacy assessment procedures, and special audit report on consolidated management and other important reports;

to review the special audit report on related party transactions by the Bank's internal audit, such as the audit report on the implementation of related party transaction management, and report to the Board for consideration;

to review the medium and long-term audit plan and annual audit plan, and report to the Board for consideration; to guide and evaluate internal audit work;

to nominate to the Board to appoint or dismiss the chief auditor/head of the audit department of the bank;

to review the internal audit outsourcing plan and the results of the outsourcing projects, and report to the Board for consideration;

to review the Bank's financial reports, make judgments on the authenticity, accuracy, completeness, and timeliness of the financial reports, and be responsible for the Bank's annual audit and the integrity of annual reports, semi-annual reports and quarterly reports (if prepared for publication), and review major opinions on relevant financial reporting as set forth in the financial reports and submit them to the Board for deliberation;

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to make recommendations to the Board on the appointment, re-appointment, removal or non-reappointment of external auditors, approve the remuneration and terms of engagement of external auditors, and deal with any questions of resignation or dismissal of external auditors;

to review and monitor the independence and objectivity of the external auditors and the effectiveness of the audit procedures; to discuss with the external auditors the nature and scope of the audit and the relevant reporting obligations before the audit, and to coordinate and evaluate the external audit work conducted by the auditors engaged by the Bank;

to act as the key representative body for overseeing the Bank's relations with the external auditors;

to review the external auditors' management letter, any material queries raised by the external auditors to the senior management about accounting records, financial accounts or systems of surveillance and the senior management's response, and to ensure that the Board will provide a timely response to the issues raised in the external auditors' management letter;

to ensure that proper arrangements are in place for employees to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters and for fair and independent investigation of these matters and for appropriate follow-up action;

to perform other duties as set forth in laws, regulations, rules, normative documents, supervisory regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

During the Reporting Period, the Audit Committee convened a total of 9 meetings, at which it briefed on, considered and approved 29 proposals mainly involving topics such as the 2023 Annual Results Announcement of Jiangxi Bank, the 2023 Annual Report of Jiangxi Bank, the Engagement of Auditors for 2024, the 2024 Interim Report of Jiangxi Bank, and the Report on Evaluating the Audit of the 2023 Annual Report.



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The Audit Committee arranged for the preparation and review of the 2023 Annual Report and the 2024 Interim Report in compliance with the relevant disclosure provisions of the annual financial report. During the Reporting Period, the Audit Committee convened meetings and communicated with external auditors in the absence of executive Directors and senior management. As at March 27, 2024, the Audit Committee reviewed the audited consolidated financial statements for the year ended December 31, 2023. The Audit Committee also reviewed the effectiveness of the internal control system and the internal audit function of the Bank by regularly listening to the report of the audit department on the internal audit.

The attendance of each committee member at the Audit Committee meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Audit Committee of the third session of the Board				
HE Enliang	5	5	0	100%
XIONG Jiemin	9	9	0	100%
WANG Feimilan	5	5	0	100%
Resigned Members				
WANG Yun	4	4	0	100%
WONG Hin Wing	4	4	0	100%

5 *Related Party Transactions Control Committee*

As of the end of the Reporting Period, the Related Party Transactions Control Committee consists of three Directors, namely, Mr. YANG Ailin, Mr. HE Enliang and Mr. PENG Xiyuan. Mr. YANG Ailin is the chairperson of the Related Party Transactions Control Committee. Mr. YANG Ailin and Mr. HE Enliang are independent non-executive Directors, and Mr. PENG Xiyuan is a non-executive Director. Two-thirds of the members of the Related Party Transactions Control Committee of the Bank are independent non – executive Directors and the chairperson is an independent non-executive Director.

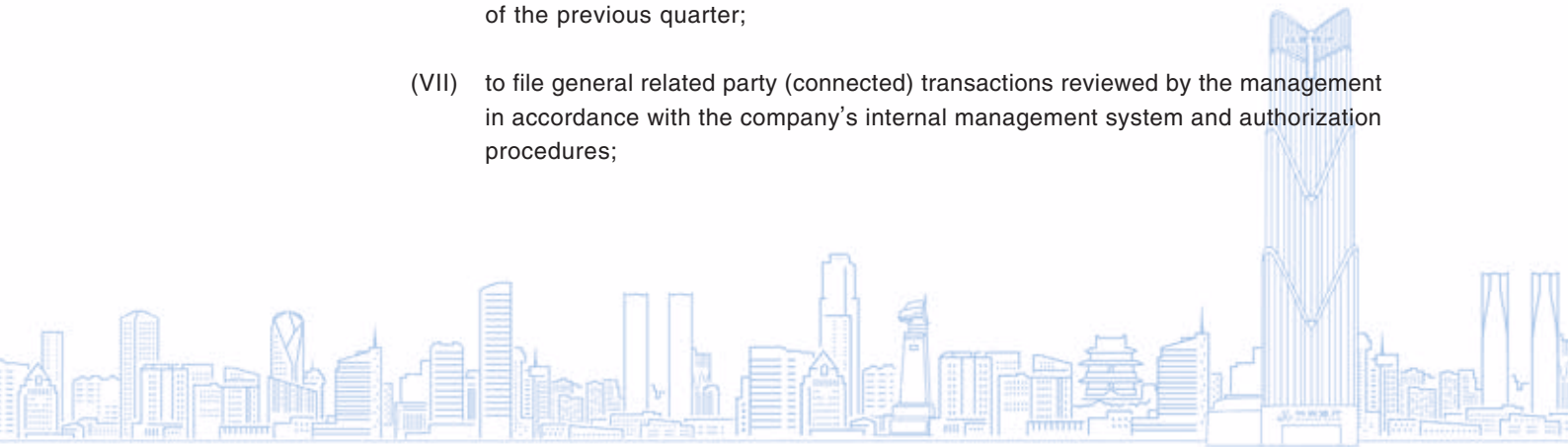
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The duties of the Related Party Transactions Control Committee primarily include:

- (I) to be responsible for the management of related party (connected) transactions of the Bank, timely review of related party (connected) transactions and control the risk of related party (connected) transactions;
- (II) to improve the internal control mechanism of related party (connected) transactions, optimize the management process of related party (connected) transactions, and focus on the compliance, fairness and necessity of related party (connected) transactions of the Bank;
- (III) to revise the management measures for the Bank's related party (connected) transactions, and the working rules for the committee;
- (IV) to formulate the annual work plan of the committee;
- (V) to submit a special report on the overall status of related party (connected) transactions to the Board every year, for which a special report will then be submitted to the general meeting after being reviewed by the Board; and to be responsible for submitting a special report on related party (connected) transactions to the CBIRC or its agencies;
- (VI) to review material related party transactions in which the amount of a single transaction between the Bank and a single related party reaches more than 1% of the Bank's net capital at the end of the previous quarter, or cumulatively reaches more than 5% of the Bank's net capital at the end of the previous quarter, and submit the same to the Board for approval.

After the cumulative transaction amount between the Bank and a single related party reaches the standard in the preceding paragraph, the subsequent related party transactions shall be re-identified as major related party transactions each time the cumulative amount reaches more than 1% of the net capital at the end of the previous quarter;

- (VII) to file general related party (connected) transactions reviewed by the management in accordance with the company's internal management system and authorization procedures;



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- (VIII) to guide and urge the Related Party Transactions Management Office to deal with daily affairs such as identification and maintenance of related (connected) parties and management of related party (connected) transactions, and to consider or review the proposals submitted by the Related Party Transactions Management Office;
- (IX) to review the accountability of internal personnel who fail to report related (connected) parties or conduct related party (connected) transactions in violation of regulations;
- (X) to perform other duties as set forth in laws, regulations, rules, normative documents, listing regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

During the Reporting Period, the Related Party Transactions Control Committee convened a total of 7 meetings, at which it considered and reviewed 20 proposals mainly involving topics such as the Special Report on Related-party Transactions of Jiangxi Bank Co., Ltd. for 2023, and Work Obligations for Related Party Transaction Office of Jiangxi Bank Co., Ltd. (2024 version).

The attendance of each committee member at the Related Party Transactions Control Committee meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Related Party Transactions Control Committee of the third session of the Board				
YANG Ailin	7	7	0	100%
HE Enliang	3	3	0	100%
PENG Xiyuan	3	3	0	100%
Resigned Members				
WANG Yun	4	4	0	100%
ZHUO Liping	4	4	0	100%

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6 *Compliance Management and Consumer Rights Protection Committee*

As of the end of the Reporting Period, the Compliance Management and Consumer Rights Protection Committee consisted of four Directors, namely Mr. DENG Yonghang, Ms. XIONG Jiemin, Mr. LI Shuiping and Ms. WANG Feimilan. Mr. DENG Yonghang, Ms. XIONG Jiemin and Mr. LI Shuiping are non-executive Directors, and WANG Feimilan, a Director, is an independent non-executive Director. Mr. DENG Yonghang is the chairperson of the Compliance Management and Consumer Rights Protection Committee.

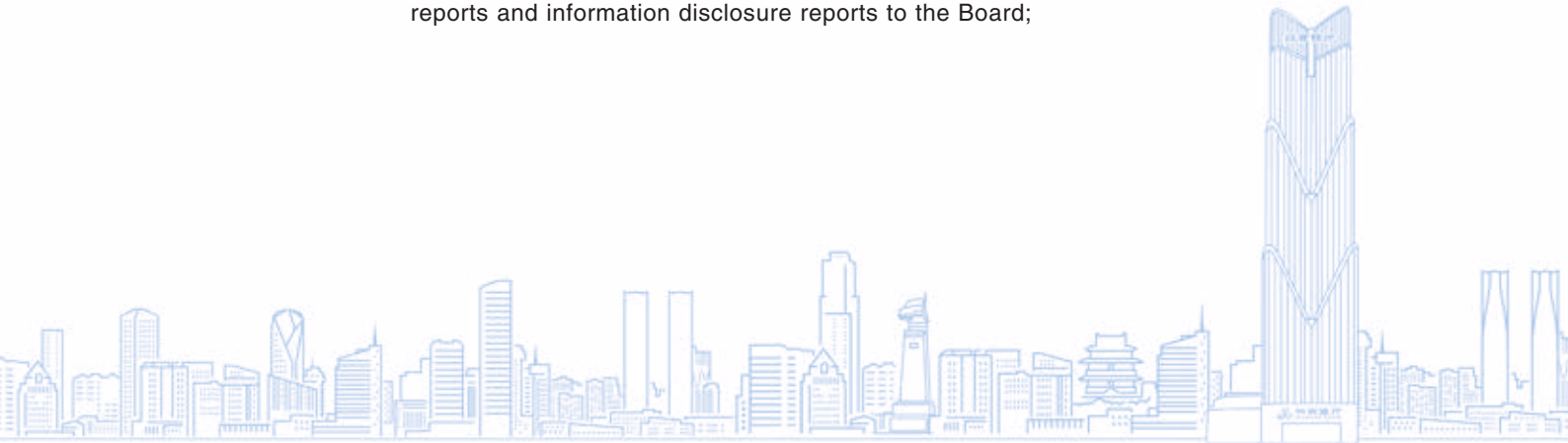
The duties of the Compliance Management and Consumer Rights Protection Committee primarily include:

according to the Bank's overall development strategy, to consider the Bank's strategies, policies, and procedures for compliance risk management, internal control management, and case prevention and control; supervise senior management in the performance of their duties in compliance risk management, internal control management, practitioners behavior assessment, and case prevention and control; and make positive proposals and suggestions to the Board to ensure the establishment of a compliance risk management system compatible with the Bank's business scope, organizational structure, and business scale;

to consider the Bank's basic system for compliance risk management and the report on the Bank's compliance risk management, and make proposals and suggestions; ensure the effective identification and management of compliance risks; and ensure coherent adherence to compliance management policies and procedures within the Bank;

to consider the Bank's basic system for internal control management and the report on the Bank's internal control management, and make proposals and suggestions; ensure that the Bank establishes and implements a fully effective internal control system; and ensure that the Bank operates prudently within the legal and policy framework;

to submit work reports on consumer rights protection, annual reports and major event reports and information disclosure reports to the Board;



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to consider the Bank's basic system for case prevention and control and the report on the Bank's case prevention and control, and make proposals and suggestions; and ensure that the Bank realizes the goal of case prevention and control;

to establish a bank-wide compliance policy covering investment business, and strengthen the daily supervision of compliance risks of investment business;

to set the tone of compliance in the Bank; specify that compliance is the common responsibility of all employees of the Bank; establish the principle that all employees take the initiative in conducting compliance operations under the leadership of senior management to create value; put into practice the work ethics and values of honesty and integrity; and enhance the compliance awareness of all employees;

to discuss the internal control, compliance, and case prevention and control systems with the management to ensure that the management has fulfilled its duties to establish an effective system;

to study major issues and important policies for the protection of consumer rights;

to guide and supervise the establishment and improvement of the management system for consumer rights protection, ensure that relevant systems and regulation are in line with the corporate governance, corporate culture construction, and operation and development strategies;

to supervise the comprehensiveness, promptness and effectiveness of the work of the senior management and the Consumer Rights Protection Department in accordance with regulatory requirements and the implementation of strategies, policies and objectives of consumer rights protection, as well as the implementation of the work initiated;

to hold regular working conferences on consumer rights protection, review the work reports of the senior management and the Consumer Rights Protection Department; to study the audit reports, regulatory notices, and internal evaluation results related to the annual consumer rights protection, and urge the senior management and relevant departments to implement the issues found in the rectification in a timely manner;

to cooperate with the Board of Supervisors in its supervisory activities;

to perform other duties as set forth in laws, regulations, rules, normative documents, listing regulations of the stock exchange(s) where the stocks of the Bank are listed, the Articles of Association of the Bank, authorised by the Board and determined by the chairman of the Board, the president or relevant meeting of the management as required to be submitted.

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During the Reporting Period, the Compliance Management and Consumer Rights Protection Committee of the Board convened a total of five meetings, at which it considered and reviewed 24 proposals mainly involving topics such as the Compliance Risk Management Report of Jiangxi Bank for 2023(《江西銀行 2023 年度合規風險管理報告》), Report on Case Risk Prevention and Control Assessment of Jiangxi Bank for 2023(《江西銀行 2023 年度案件風險防控評估情況的報告》), Report on Case Prevention Work of Jiangxi Bank for 2023(《江西銀行關於 2023 年度案防工作情況的報告》), Report on Practitioners Behavior Assessment of Jiangxi Bank for 2023(《江西銀行關於 2023 年度從業人員行為評估情況的報告》), and Report on Consumer Complaints Work of Jiangxi Bank for 2023(《江西銀行 2023 年度消費者投訴工作報告》).

The attendance of each committee member at the Committee meetings during the Reporting Period is as follows:

Members of the Committee	Number of Attendances Required at Meetings	Number of Attendances in Person at Meetings	Number of Attendances by Proxy at Meetings	Attendance Rate at Meetings
The Compliance Management and Consumer Rights Protection Committee of the third session of the Board				
DENG Yonghang	5	5	0	100%
XIONG Jiemin	5	5	0	100%
LI Shuiping	5	5	0	100%
WANG Feimilan	2	2	0	100%
Resigned Member				
WONG Hin Wing	3	3	0	100%

8.4 CORPORATE GOVERNANCE FUNCTIONS

The Bank has not established a corporate governance committee. The Board is responsible for the corporate governance functions of the Bank, such as the development and review of the Bank's policies and corporate governance practices; review and monitoring of the training and continuous professional development of the Directors, Supervisors and senior management; review and monitoring of the Bank's compliance with policies and practices stipulated in laws and regulatory provisions; formulation and review of the code of conduct and compliance manual which are applicable to Directors, Supervisors and employees; and review of the Bank's compliance with the Corporate Governance Code and disclosure in the corporate governance report.

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8.5 BOARD OF SUPERVISORS

The board of supervisors is the supervisory body of the Bank, responsible to the Shareholders' general meeting, established to protect the legitimate rights and interests of the Bank, shareholders, employees, creditors, and other stakeholders. The board of supervisors is responsible for monitoring the Bank's financial activities, risk management, internal control, and the performance of duties by the Board, senior management and its members.

8.5.1 Composition of the Board of Supervisors

As of the end of the Reporting Period, the Board of Supervisors consists of three Supervisors, including one employee representative Supervisor and two external Supervisors. The members of the board of supervisors are sufficiently professional and independent to ensure that the board of supervisors effectively performs its supervisory functions.

During the Reporting Period, the Board of Supervisors was able to perform its duties conscientiously, supervise the legal compliance of the Bank's Board, and senior management and its members in their performance of duties, and supervise the Bank's financial activities, risk management, and internal control according to relevant regulations.

8.5.2 Meetings of the Board of Supervisors and the Attendance of Supervisors

During the Reporting Period, the board of supervisors convened a total of five meetings, at which it considered and approved 24 proposals, including the 2023 Work Report on the Board of Supervisors of Jiangxi Bank Co., Ltd., the 2023 Report on the Evaluation of the Performance of Duties of Jiangxi Bank Co., Ltd., and the Opinions on the Supervision and Evaluation of Comprehensive Risk Management by the Board of Supervisors of Jiangxi Bank Co., Ltd.



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Meetings of the Board of Supervisors

Session	Date of convening	Form
The tenth meeting of the third session of the Board of Supervisors	March 28, 2024	On-site meeting
The eleventh meeting of the third session of the Board of Supervisors	April 28, 2024	Circulating written resolutions
The twelfth meeting of the third session of the Board of Supervisors	June 28, 2024	Circulating written resolutions
The thirteenth meeting of the third session of the Board of Supervisors	August 30, 2024	Circulating written resolutions
The fourteenth meeting of the third session of the Board of Supervisors	December 20, 2024	Circulating written resolutions

Attendance of Supervisors at Meetings of the Board of Supervisors during the Reporting Period

Supervisors	Number of Attendances Required	Number of Attendances in Person	Number of Attendances by Proxy	Attendance Rate
LI Xunlei	5	5	0	100%
LUO Ping	5	5	0	100%
WANG Wei	5	5	0	100%
Resigned Supervisors				
LIU Fulin ¹	0	0	0	N/A
ZHOU Minhui ²	0	0	0	N/A

Notes:

- On February 2, 2024, Mr. LIU Fulin submitted his resignation letter to the Board of Supervisors of the Bank, as he has reached retirement age, resigning as the chairman of the Board of Supervisors, the member of the Nomination Committee under the Board of Supervisors and the employee representative Supervisor of the Bank. The resignation of Mr. LIU Fulin as the chairman of the Board of Supervisors was effective from February 2, 2024.
- On June 12, 2024, Mr. ZHOU Minhui submitted his resignation letter to the Board of Supervisors of the Bank due to work adjustments, resigning as the shareholder representative Supervisor and a member of the Supervision Committee of the Board of Supervisors of the Bank, effective from June 12, 2024.

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8.5.3 Committees under the Board of Supervisors

No.	Special Committees under the Board of Supervisors	Chairperson	Member
1	Nomination Committee	LUO Ping	LI Xunlei
2	Supervisory Committee	–	WANG Wei

Nomination Committee under the Board of Supervisors

The duties of the Nomination Committee primarily include:

- to draw up the selection procedures and standards for supervisors and advise the board of supervisors;
- to conduct a preliminary review of the qualifications and credentials of the supervisor candidates and submit the opinion to the board of supervisors;
- to supervise the selection and appointment procedures for directors;
- to conduct a comprehensive evaluation of the performance of duties of the Board, the Board of Supervisors, and senior management and its members, and report the evaluation result to the Board of Supervisors;
- to supervise the scientificity and rationality of the management system and policies of remuneration across the Bank and the remuneration schemes of senior management;
- to perform other duties as authorised by the board of supervisors.

During the Reporting Period, the Nomination Committee under the Board of Supervisors convened a total of three meetings, at which it considered and approved four proposals such as the 2024 Main Work Plan of the Nomination Committee under the Board of Supervisors of Jiangxi Bank Co., Ltd. and the 2023 Performance Evaluation Report of the Board, the Board of Supervisors, and Senior Management and its Members of Jiangxi Bank Co., Ltd.

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Supervision Committee under the Board of Supervisors

The duties of the Supervision Committee primarily include:

- to be responsible for drawing up the supervision plans for the Bank's financial activities and implementing related inspections;
- to supervise the development of prudent business philosophy and values as well as strategies by the Board of Directors according to the conditions of the Bank;
- to supervise and inspect the business decision-making, risk management and internal control;
- to perform other duties as authorised by the board of supervisors.

During the Reporting Period, the Supervision Committee under the Board of Supervisors convened a total of four meetings, at which it considered and approved eight proposals such as the Report of the Supervision Committee under the Board of Supervisors of Jiangxi Bank Co., Ltd. on Supervision and Inspection of Comprehensive Risk Management and the Report of the Supervision Committee under the Board of Supervisors of Jiangxi Bank Co., Ltd. on Supervision and Inspection of Financial Management.

8.5.4 Attendance at Shareholders' General Meetings During the Reporting Period

During the Reporting Period, the supervisors attended the annual general meeting of the Bank and supervised on site the legal compliance of the meeting procedures and the voting process.

8.5.5 Performance of External Supervisors

During the Reporting Period, in line with their duties, the external supervisors attended the Board meetings, and meetings of the board of supervisors and its special committees. The external supervisors participated in training on corporate governance and special training on Four Seasons Lecture on Corporate Governance by the China Banking Association and anti-money laundering by online + offline means in 2024, in addition to the supervision and inspection on performance evaluation, financial activities, internal control and risk management. They also conducted special research on the Audit Department, the Finance Management Department, the Risk Management Department, the Information Technology Department and other functional departments. All in all, they conscientiously fulfilled the supervision duties of external supervisors.



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8.6 DIRECTORS' AND SUPERVISORS' TRAINING, DEVELOPMENT, AND RESEARCH DURING THE REPORTING PERIOD

The Bank's directors confirmed that they have complied with the code provision C.1.4 of the Corporate Governance Code. During the year, all the directors, namely Ms. ZENG Hui, Mr. LUO Xiaolin, Mr. DENG Yonghang, Ms. XIONG Jiemin, Mr. PENG Xiyuan, Mr. LI Shuiping, Mr. LIU Xinghua, Mr. YANG Ailin, Mr. HE Enliang and Ms. WANG Feimilan have participated in continuous professional development by attending seminars, courses, conferences or reading related materials to develop and refresh their knowledge and skills.

During the Reporting Period, directors and supervisors participated in the training on corporate governance and anti-money organized by the Bank. From May 23 to May 24, 2024, the Directors DENG Yonghang, XIONG Jiemin and LIU Xinghua participated in Directors', supervisors' and senior management's performance enhancement for financial institutions organized by the Tianjin AFCA Finance Academy.

8.7 SENIOR MANAGEMENT

Senior management has the power granted by the Board to manage the daily operation of the Bank. The President of the Bank is primarily responsible for implementing the decisions of the Board and is required to report the implementation to the Board. The vice presidents and other senior management members cooperate with the President to fulfill their respective management responsibilities.

The Board and the management represented by the president perform their respective duties in accordance with their respective terms of reference established by the Articles of Association. According to the Articles of Association, the senior management of the Bank shall, as required by the Bank's business activities, establish and improve the internal control mechanism focusing on internal rules and regulations, operational risk management systems and credit approval systems, to identify, measure, monitor, and control the various risks faced by the Bank.

8.8 CHAIRMAN OF THE BOARD AND PRESIDENT

During the Reporting Period, the positions of the chairman of the Board and the president of the Bank were held by different individuals. The responsibilities of the chairman and the president were clearly defined and complied with the Hong Kong Listing Rules.

Ms. ZENG Hui is the secretary of the Party Committee and Chairman of the Board of the Bank, responsible for the overall work of the Party Committee and the Board. Mr. LUO Xiaolin is the President of the Bank, responsible for the overall operation and management of the Bank.

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8.9 COMPANY SECRETARIES

Ms. ZHANG Na has been appointed as a joint company secretary of the Bank since October 2022. Dr. NGAI Wai Fung has served as a joint company secretary of the Bank since May 2018. Dr. NGAI Wai Fung is a director and the chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited, and is responsible for assisting Ms. ZHANG Na in secretarial matters of the Company. Ms. ZHANG Na is the main contact person of Dr. NGAI Wai Fung in the Bank.

For the year ended December 31, 2024, each of Ms. ZHANG Na and Dr. NGAI Wai Fung has taken no less than 15 hours of the relevant professional training on review of the Listing Rules and other compliance requirements.

8.10 RELATIONSHIP AMONG DIRECTORS, SUPERVISORS, AND SENIOR MANAGEMENT

There is no financial, business, or family relationship among the Bank's directors, supervisors, and senior management.

8.11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

During the Reporting Period, there has been no change in the Articles of Association. The text of the Articles of Association is available on the websites of the Bank and the Hong Kong Stock Exchange.

8.12 COMMUNICATION WITH SHAREHOLDERS

The Bank values the opinions and suggestions of Shareholders and actively organizes various communication activities with investors and analysts, to maintain good relations and respond promptly to the reasonable requirements of Shareholders. Information shall be communicated to the Shareholders and the investment community mainly through the Bank's website (www.jx-bank.com) and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk), including the Bank's financial reports (interim and annual reports), announcements, circulars and other disclosures as well as the direct communication platform provided at the annual general meeting held each year and any other general meetings that may be convened as and when required. The Bank ensures effective and timely dissemination of information to Shareholders and the investment community at all times. After the implementation of the above measures and review, the Bank is of the view that the existing Shareholders' Communication Policy is adequate and effective. Shareholders can make inquiries to the Board through the office of the Board and the Board of Supervisors. The contact information of the Board is as follows:

Address: No. 699 Financial Street, Honggutan District, Nanchang, Jiangxi Province, the PRC
Postal Code: 330038
Tel.: +86-0791-86791009
Fax: +86-0791-86791100
Email: dshbgs@jx-bank.com

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8.13 SHAREHOLDERS' RIGHTS

8.13.1 Procedures for Convening Extraordinary General Meetings

The Bank effectively protects shareholders' rights in strict accordance with applicable laws and regulations, Hong Kong Listing Rules, Articles of Association, and corporate governance systems.

According to the Articles of Association and rules of procedure for the shareholders' general meeting:

Shareholders individually or in aggregate holding more than 10% of the Bank's shares for more than 90 consecutive days (hereinafter referred to as "Requesting Shareholders") shall have the right to request the Board to convene an extraordinary general meeting in writing. The Board shall, according to the provisions of laws, regulations, and Articles of Association, provide written feedback on whether to agree or disagree with the convening of the extraordinary general meeting ten days after the receipt of the request.

In case the Board agrees to convene an extraordinary general meeting, the Board shall, within five days after the Board resolution is made, issue a notice on convening an extraordinary general meeting. The change in the original proposal in the notice shall be subject to the approval of the Requesting Shareholders.

In case the Board does not agree to convene an extraordinary general meeting, or does not provide written feedback within ten days after the receipt of the request, the Requesting Shareholders shall have the right to request the Board of Supervisors to convene an extraordinary general meeting in writing.

In case the Board of Supervisors agrees to convene an extraordinary general meeting, the Board of Supervisors shall, within five days after the receipt of the request, issue a notice on convening an extraordinary general meeting. The change in the original proposal in the notice shall be subject to the approval of the Requesting Shareholders.

The failure of the Board of Supervisors to issue a notice on convening an extraordinary general meeting within the prescribed time limit will be deemed that the Board of Supervisors does not convene an extraordinary general meeting, and the Requesting Shareholders may unilaterally convene.

Before a resolution is made at the extraordinary general meeting, the shareholding percentage of the Requesting Shareholders shall be not less than 10%.

For further details, shareholders may refer to the Articles of Association available on the websites of the Hong Kong Stock Exchange and the Bank.

CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.13.2 Procedure for Submitting Proposals at Shareholders' General Meetings

Shareholders, individually or in the aggregate, holding more than 3% of the Shares with voting rights of the Bank (hereinafter referred to as the "Requesting Shareholders") shall have the right to submit proposals to the Bank. The Requesting Shareholders may make extraordinary proposals and submit them to the convener in writing ten days before the shareholders' general meeting is convened. For the proposals whose content and forms comply with the provisions of the Articles of Association, the convener shall, within two days after the receipt of the proposals, issue a supplementary notice to inform the shareholders' general meeting of the content of the extraordinary proposals. In case the listing rules of the stock exchange(s) where the stocks of the Bank are listed stipulate otherwise, the proposals shall also meet these stipulations.

8.14 EXTERNAL AUDITORS AND THEIR REMUNERATION

For the year of 2024, RMB3,465,000 and RMB1,485,000 of the remuneration for audit services and non-audit services were agreed to be paid by the Group to BDO China Shu Lun Pan Certified Public Accountants LLP and BDO LIMITED, respectively. The non-audit services included the review of the 2024 interim report.

8.15 REMUNERATION OF SENIOR MANAGEMENT

Details of the remuneration of the senior management of the Bank are set out in Note 9 to the financial statements.



CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.16 RISK MANAGEMENT AND INTERNAL CONTROL

8.16.1 Risk Management

1 *Procedures for Identifying, Assessing, and Managing Significant Risks*

In accordance with the Administrative Measures for the Capital of Commercial Banks issued by the National Financial Regulatory Administration and its appendices, and definitions of risks and related professional terms established by the Basel Committee and practices from both domestic and international banking peers and given its specific context, the Bank conducted a thorough identification of a variety of quantitative and qualitative risks that may arise from the interplay of its business strategy, product portfolio, customer demands, and external macroeconomic conditions, and measured and controlled the risks that it encountered. Considering the capital requirements associated with risk categories, the regulatory recognition of the risks it faces, and the capital regulatory obligations, the Bank regularly undertakes a comprehensive assessment of risk and capital adequacy. This process effectively identifies and evaluates the primary risks the Bank encounters, including credit risk, market risk, operational risk, liquidity risk, interest rate risk in banking book, concentration risk, reputational risk, and information technology risk, which are assessed and analyzed through risk measurement methods and tools.

2 *Characteristics of the Risk Management System*

The Bank optimized its risk management system based on strategic development plans and actual operating conditions, leveraging insights from advanced domestic banks. The key features of this optimization include:

- (1) We promoted a compliant and robust risk culture, established comprehensive risk management awareness, refined overall risk management structure and processes, optimized risk management mechanisms, and continually enhanced our capabilities in preventing and controlling various types of risks;
- (2) We continuously improved our risk systems, successfully launching a new generation of credit system that enables unified credit limit management across all areas, thereby increasing the efficiency of our credit operations;

CHAPTER VIII CORPORATE GOVERNANCE REPORT

- (3) We accelerated the development and refinement of risk measurement models, built a unified risk control decision-making platform, and created a digital risk control decision system applicable across all business scenarios, while promoting the use of big data for risk control in customer onboarding, credit approval, customer limits, post-credit warning and other areas.

8.16.2 Internal Control

During the Reporting Period, the Bank continued to improve its internal control management system:

Promoting reform of compliance system. The Bank innovatively implemented the “Compliance Resident” model, strengthened the guidance and supervision of compliance management by placing compliance management, and promoted the deep integration of compliance management and business development. The Bank improved the management structure of compliance lines, built the compliance management responsibility chain, and formed a compliance management structure with local management, hierarchical responsibility and centralized coordination.

Actively cultivating a compliance culture. The Bank established an education platform of internal control and compliance to provide on-site compliance teaching activities for employee training and learning party lectures of the branch. The Bank launched a compliance knowledge contest, held activities such as the optimization of the “Three Major Systems” of Compliance, Risk, and Audit and the promotion of the accountability system, the “Compliance Lecture” and the “Compliance System Salon” to enhance the compliance culture of the whole Bank. Relying on platforms such as “Jiangyin iLearning (江銀 i 學)” and Jiangyin WeChat (江銀微訊), the Bank built an online education platform and continuously enriched the compliance education model.

Strengthening scientific accountability management. The Bank implemented the work requirements of “accountability for dereliction of duty and exemption from liability in case of duty fulfilment”, promoted the revision of the Measures for the Handling of Violation and Dereliction of Duty Behaviors for the Staff of Jiangxi Bank, and improved the system guarantee of scientific and precise accountability. The Bank established a management mechanism for accountability for non-compliance interventions, and strictly implemented disciplinary measures and penalties for illegal and non-compliant behaviors.

The Bank conducted an assessment on the effectiveness of its risk management and internal control systems for the year ended December 31, 2024. The Bank considers its risk management and internal control systems to be effective and adequate.



CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.16.3 Internal Audit

The Bank has established an independent and vertical internal audit system and the Board assumes ultimate responsibility for the independence and effectiveness of internal audit. The Board has established an Audit Committee to guide and supervise the internal audit of the Bank. The board of supervisors is responsible for supervising the internal audit. The audit department reports to the Board, the Audit Committee and the board of supervisors on a regular basis and informs the senior management. The audit department prepares an annual audit plan and submits it to the Audit Committee and the Board for approval. In daily audit, the Bank reviews its operation, information system, financial reporting and risk management through systematic and standardized internal audit methods, and evaluates the effectiveness of the Bank's internal control and corporate governance. The Bank also conducts special audits on various risks faced by the Bank, including those in credit, market, operation and information technology. The Bank conducts internal audit work on site or offsite and then issues an audit report. To ensure that the audited department takes appropriate corrective actions according to audit suggestions, the audit department of the Bank continuously follows up on the results of corrective actions and supervises the implementation of the corrections.

During the Reporting Period, the Bank's internal audit department carried out work centered on business development and directed at risk audits, with the guarantee of technology-facilitated audits, to continuously optimized the internal audit system. Specifically, the internal audit department earnestly performed audit duties by conducting audits in a rigorous and orderly manner and completing other aspects of work in an all-round way, to escort the high-quality development of the Bank.



CHAPTER VIII CORPORATE GOVERNANCE REPORT

8.17 MANAGEMENT OF INSIDER INFORMATION

The Bank managed inside information strictly in accordance with laws, regulations, regulatory requirements, and rules of the Bank. The Bank formulated the Management Measures on Personnel with Inside Information, and strictly implemented the confidentiality requirements regarding inside information, timely collected information contents of confidential information, standardized information transmission process, controlled the scope of insiders, and prepared and disclosed related information in accordance with laws and regulations. The Bank was not aware of any insider trading of the shares of the Bank by taking advantage of inside information during the Reporting Period.

8.18 SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS, AND RELATED EMPLOYEES

The Bank has adopted Appendix C3 to the Listing Rules headed “Model Code for Securities Transactions by Directors of Listed Issuers” as the code of conduct for securities transactions by directors, supervisors, and related employees. Having made specific inquiries by the Bank, all directors and supervisors confirmed that they have complied with requirements under the above Model Code throughout the Reporting Period.

During the Reporting Period, the Directors and Supervisors did not have any dealings in the Bank's shares.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.1 PRINCIPAL BUSINESS AND BUSINESS REVIEW

The Bank is primarily engaged in banking businesses and related financial services, including corporate banking, retail banking, financial markets business and other businesses. A review of the Bank's business during the Reporting Period is set out in Chapter V "Management Discussion and Analysis" in this annual report.

The Bank's business review and analysis of key indicators of financial performance, major risks and uncertainties, and future development prospects of the business during the Reporting Period were set out in Chapter V "Management Discussion and Analysis" in this annual report.

9.2 ANNUAL GENERAL MEETING AND DIVIDENDS

9.2.1 Annual General Meeting

The Bank proposes to hold the 2024 Annual General Meeting on June 27, 2025 (Friday). In order to determine the list of Shareholders who are entitled to attend and vote at the Annual General Meeting, the Bank's register of members will be closed from June 24, 2025 (Tuesday) to June 27, 2025 (Friday), both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents together with relevant share certificates and other appropriate documents shall be sent to the office of the Board and the Board of Supervisors of the Bank at No. 699 Financial Street, Honggutan New District, Nanchang, Jiangxi Province, the PRC (for holders of Domestic Shares) or to the H Share Registrar, namely, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) before 4:30 p.m. on June 23, 2025 (Monday) for registration. The Bank will publish the circular and notice of the 2024 Annual General Meeting in due course.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.2.2 Dividend Policy

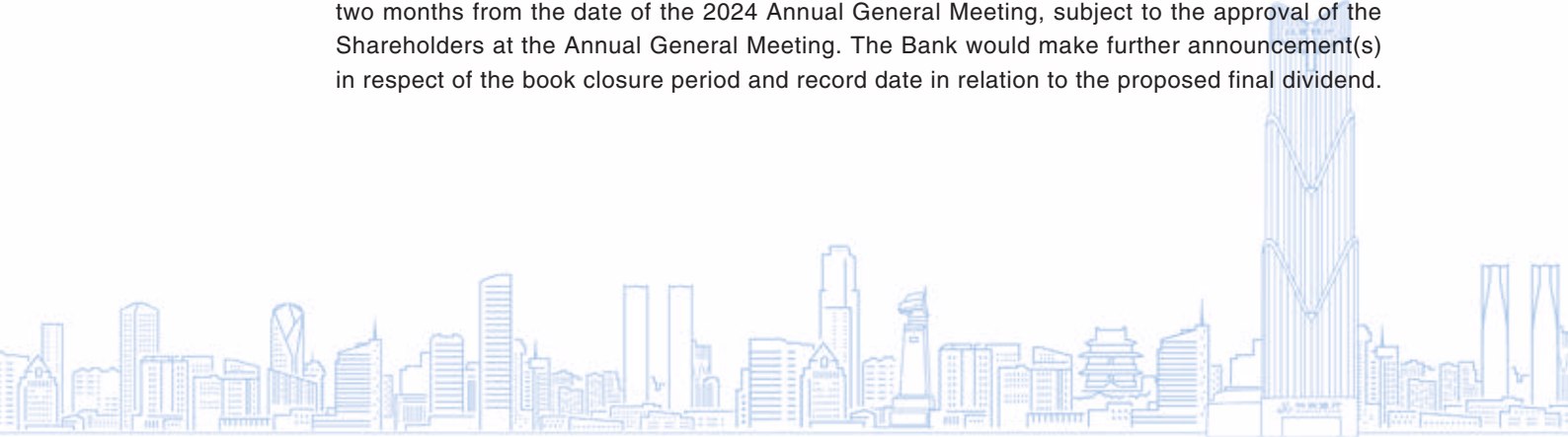
The Bank has adopted the dividend policy with the aim to protect Shareholders' equity and promote the Bank's business development, at the same time, to comply with relevant requirements of the laws, regulations and the Articles of Association. When determining whether to propose dividends distribution and the amount of dividends to be paid, the Board will consider the following factors of the Group (including but not limited to):

- Operating results;
- Cash flow;
- Financial conditions;
- Capital adequacy ratio;
- Future business prospects;
- Statutory and regulatory restrictions on the payment of dividends; and
- Other factors that the Board considers relevant.

9.2.3 Dividends

The Shareholders of the Bank have approved the 2023 profit distribution plan at the 2023 Annual General Meeting held on May 29, 2024. The Bank has approved to distribute cash dividends at RMB0.4 per 10 shares (tax inclusive) for 2023, amounting to RMB0.241 billion. The dividend for the year 2023 has been distributed to the holders of the Bank's shares on July 26, 2024.

The Board of Directors proposed the payment of final dividends for the year ended December 31, 2024 in cash with RMB0.38 per 10 shares (tax inclusive), representing a distribution amount of RMB229 million. The proposed final dividend is expected to be distributed to Shareholders within two months from the date of the 2024 Annual General Meeting, subject to the approval of the Shareholders at the Annual General Meeting. The Bank would make further announcement(s) in respect of the book closure period and record date in relation to the proposed final dividend.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.2.4 Tax Relief

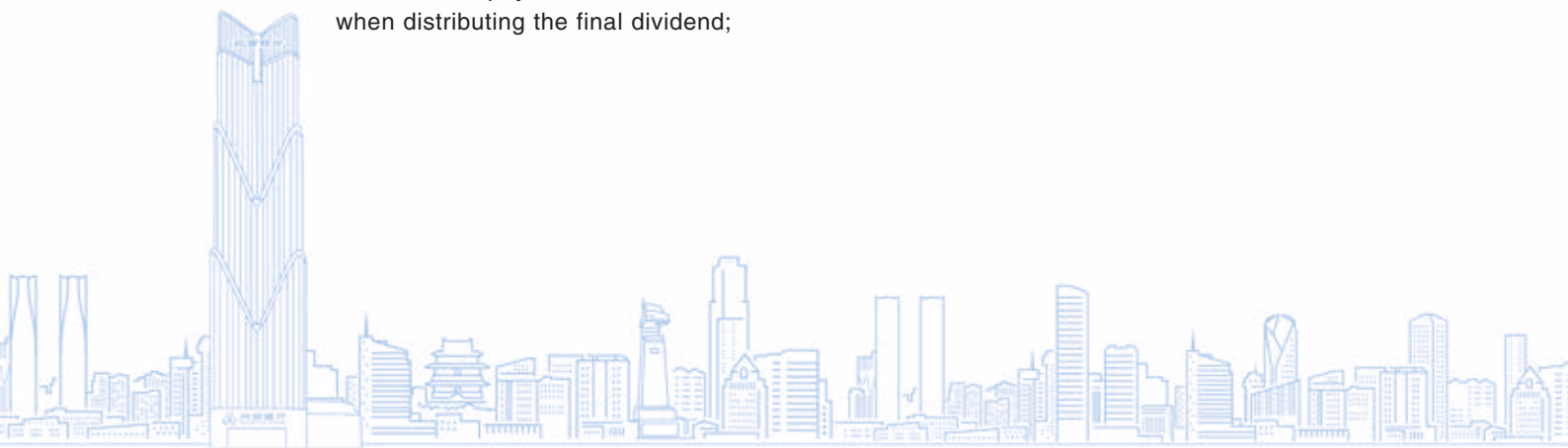
Withholding foreign non-resident enterprises' enterprise income tax

Pursuant to the applicable provisions and the implementing regulations of the Enterprise Income Tax Law of the PRC, Notice of the State Taxation Administration on Issues Concerning the Disbursement of Dividends by Chinese Resident Enterprises to Shareholders of Overseas H-Share Non-Resident Enterprises and Deduction of Enterprise Income Tax (Guo Shui Han [2008] No. 897) and Approval of the State Taxation Administration on the Issue of Enterprise Income Tax on Non-Resident Enterprises Obtaining B Shares and Other Stock Dividends (Guo Shui Han [2009] No. 394), the Bank shall withhold the enterprise income tax at the rate of 10% for non-resident enterprise holders of H Shares (including the H Shares registered in the name of HKSCC Nominees Limited) when distributing final dividends for 2024 to the non-resident enterprises listed on the register of member of H shares. Holders of H shares of non-resident enterprises who enjoy the treatment under Tax Treaty pursuant to relevant regulations shall be treated correspondingly.

Withholding foreign non-resident individual shareholder's individual income tax

Pursuant to the applicable provisions and the implementing regulations of the Individual Income Tax Law of the PRC and Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 issued by State Administration of Taxation (Guo Shui Han [2011] No. 348) as well as the Announcement of the State Taxation Administration on the Promulgation of Measures for “the Administration of the Treatment of Non-Resident Taxpayer under Tax Treaty” (SAT Announcement [2019] No. 35, hereinafter referred to as “Tax Treaty”), the Bank shall withhold individual income tax from the holders of H Shares according to the following arrangement when distributing final dividends for 2024 to the non-resident individual shareholders listed on the register of member of H Shares:

For an individual holder of H Shares who is a resident of Hong Kong, Macau or a country/region that has signed a tax treaty with the PRC stipulating a dividend rate of 10%, the Bank shall withhold and pay individual income tax at the rate of 10% on behalf of such H Shareholders when distributing the final dividend;



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

For an individual holder of H Shares who is a resident of a country/region which has signed a tax treaty with the PRC stipulating a dividend rate of lower than 10%, the Bank shall temporarily withhold and pay individual income tax at the rate of 10% on behalf of such holders of H Shares while distributing the final dividend. In case the relevant holders of H Shares are to apply for refund of the tax over-withheld, the Bank will follow the Notice of Tax to handle the application of the relevant tax benefits on their behalf. The qualified holders of H Shares are required to submit in a timely manner the written authorization and all application materials to the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited; the Bank will forward the received documents to the competent tax authorities for review, and if approved, the Bank will assist in handling the refund of the over-withheld tax;

For an individual holder of H Shares who is a resident of a country/region that has signed a tax treaty with the PRC stipulating a dividend rate higher than 10% but lower than 20%, the Bank shall withhold and pay individual income tax at the applicable rate stipulated in the relevant tax treaty while distributing the final dividend; and

For an individual holder of H Shares who is a resident of a country/region which has signed a tax treaty with the PRC stipulating a dividend rate of 20% or has no tax treaty with the PRC or otherwise, the Bank shall withhold and pay individual income tax at the rate of 20% while distributing the final dividend.

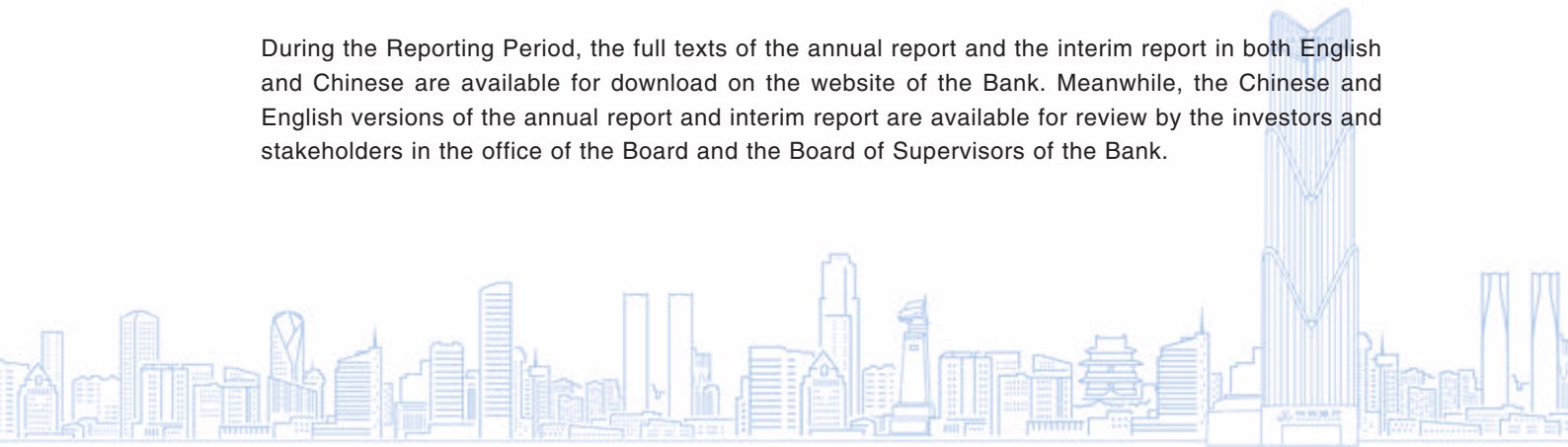
9.3 SHARE CAPITAL AND SHAREHOLDERS

For details of the share capital and substantial Shareholders of the Bank, please refer to the section headed “Changes in Share Capital and Information on Shareholders”.

9.4 INFORMATION DISCLOSURE

The Bank strictly abided by relevant laws, regulations and regulatory requirements for information disclosure, actively fulfilled its information disclosure obligations, ensured the truthfulness, accuracy, completeness and timeliness of the information disclosure, and continuously improved its information disclosure level.

During the Reporting Period, the full texts of the annual report and the interim report in both English and Chinese are available for download on the website of the Bank. Meanwhile, the Chinese and English versions of the annual report and interim report are available for review by the investors and stakeholders in the office of the Board and the Board of Supervisors of the Bank.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.5 BOND ISSUE AND REPURCHASE

9.5.1 Bonds Issued

Approved by the PBOC and former CBIRC Jiangxi Office, in August 2021, the Bank issued the 5+N-year undated capital bonds with a total principal amount of RMB4 billion (the coupon rate of the bonds will be adjusted in stages, with a coupon rate adjustment period every 5 years from the issue payment deadline. The first 5 years will be calculated at a fixed interest rate of 4.80% per annum, and the interest payment method is annual payment. The Bonds will continue to be outstanding so long as the Issuer's business continues to operate). The Bonds Issuance sets conditional redemption rights for the Issuer. From the fifth anniversary since the issuance of the bonds, the Bank may redeem the Bonds in whole or in part on each distribution payment date (including August 25, 2026). The proceeds from this capital bond issue have been used to replenish other tier-one capital of the Bank according to applicable laws and approvals of regulatory authorities.

Approved by the PBOC and former CBIRC Jiangxi Office, in September 2022, the Bank issued the 5+N-year undated capital bonds with a total principal amount of RMB2 billion (the coupon rate of the bonds will be adjusted in stages, with a coupon rate adjustment period every 5 years from the issue payment deadline. The first 5 years will be calculated at a fixed interest rate of 3.67% per annum, and the interest payment method is annual payment. The Bonds will continue to be outstanding so long as the Issuer's business continues to operate). The Bonds Issuance sets conditional redemption rights for the Issuer. From the fifth anniversary since the issuance of the bonds, the Bank may redeem the Bonds in whole or in part on each distribution payment date (including September 23, 2027). The proceeds from this capital bond issue have been used to replenish other tier-one capital of the Bank according to applicable laws and approvals of regulatory authorities.

Approved by the PBOC and former CBIRC Jiangxi Office, in December 2022, the Bank issued the 5+N-year undated capital bonds with a total principal amount of RMB2 billion (the coupon rate of the bonds will be adjusted in stages, with a coupon rate adjustment period every 5 years from the issue payment deadline. The first 5 years will be calculated at a fixed interest rate of 4.79% per annum, and the interest payment method is annual payment. The Bonds will continue to be outstanding so long as the Issuer's business continues to operate). The Bonds Issuance sets conditional redemption rights for the Issuer. From the fifth anniversary since the issuance of the bonds, the Bank may redeem the Bonds in whole or in part on each distribution payment date (including December 19, 2027). The proceeds from this capital bond issue have been used to replenish other tier-one capital of the Bank according to applicable laws and approvals of regulatory authorities.

CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

Detailed information of bonds

Bonds' name	Variety of bonds	Issue size	Duration	Interest rate of bonds	Interest payment method
21 Jiangxi Bank Perpetual Bond 01	Floating rate	RMB4.0 billion	5+N years (redemption rights with preconditions at the end of the fifth year)	4.80%	Annual payment
22 Jiangxi Bank Perpetual Bond 01	Floating rate	RMB2.0 billion	5+N years (redemption rights with preconditions at the end of the fifth year)	3.67%	Annual payment
22 Jiangxi Bank Perpetual Bond 02	Floating rate	RMB2.0 billion	5+N years (redemption rights with preconditions at the end of the fifth year)	4.79%	Annual payment

With the approval of the People's Bank of China, the Bank issued three-year green financial bonds with a total principal amount of RMB6 billion in December 2024 (this bond applies the fixed interest rate and the interest payment method is annual payment). The funds raised from this bond will be used entirely for green industry projects in accordance with the approval of laws and regulatory authorities.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

Detailed information of bonds

Bonds' name	Variety of bonds	Issue size	Duration	Interest rate of bonds	Interest payment method
24 Jiangxi Bank Green Bond	Fixed interest rate	RMB6.0 billion	3 years	1.77%	Annual payment

9.5.2 Issue of Interbank Deposit Receipts

During the Reporting Period, the Bank has successfully issued 194 interbank deposit receipts, totaling book balance of interbank deposit of RMB59.473 billion.

9.5.3 Repurchase

The Bank or any of its subsidiaries did not repurchase any bonds during the Reporting Period.

9.6 RESERVE

Details of the changes in the reserves of the Group for the year ended at the end of the Reporting Period are set out in the consolidated statements of changes in Shareholders' equity.

9.7 PROPERTY AND EQUIPMENT

Details of changes in the property and equipment of the Group for the year ended at the end of the Reporting Period are set out in Note 21 to the financial statements.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.8 RELATED PARTY TRANSACTIONS

In the ordinary and usual course of business, the Bank provides commercial banking services and products to the public in China, including connected persons such as Shareholders, Directors, Supervisors, President and their respective associates. Pursuant to the Listing Rules, such transactions, being conducted on normal commercial terms in the ordinary and usual course of the business of the Bank, shall be exempted from reporting, annual review, disclosure and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Bank has reviewed all its related party transactions and acknowledged that those transactions had complied with the requirements under Chapter 14A of the Listing Rules.

The definition of connected persons under Chapter 14A of the Listing Rules is different from the definition of related parties under the International Accounting Standard, and its interpretations by the IASB. Certain related party transactions set out in Note 36 to the financial statements also constitute connected transactions or continuing connected transactions as defined under the Listing Rules, but none of them constitutes any connected transaction required to be disclosed as defined under the Listing Rules.

9.9 DIRECTORS AND SUPERVISORS AND SENIOR MANAGEMENT MEMBERS

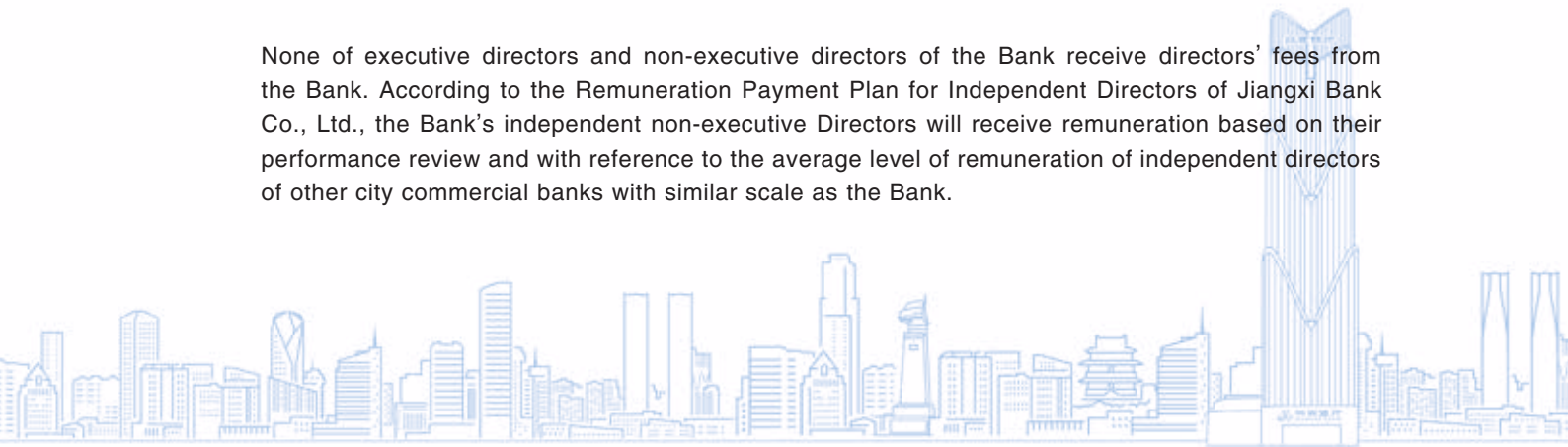
Details regarding the Directors, Supervisors and senior management of the Bank are set out in the section headed "Directors, Supervisors, Senior Management, Employees and Institutions" in this annual report.

9.10 INTERESTS OF DIRECTORS AND SUPERVISORS IN BUSINESS IN COMPETITION WITH THE BANK

None of Directors and Supervisors of the Bank holds any interest in any business which competes or is likely to compete, whether directly or indirectly, with the Bank.

9.11 REMUNERATION AND RETIREMENT BENEFITS OF DIRECTORS AND SUPERVISORS

None of executive directors and non-executive directors of the Bank receive directors' fees from the Bank. According to the Remuneration Payment Plan for Independent Directors of Jiangxi Bank Co., Ltd., the Bank's independent non-executive Directors will receive remuneration based on their performance review and with reference to the average level of remuneration of independent directors of other city commercial banks with similar scale as the Bank.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

The remuneration of the Directors, Supervisors, and senior management who are categorized as principals of a provincial-level state-owned enterprise in Jiangxi Province is subject to the applicable management policies for the remuneration of principals of provincial-level state-owned enterprises in Jiangxi Province. Their remuneration consists of basic annual salary, performance-related pay, and incentives during their term of office.

Details of the emoluments of the Directors and Supervisors of the Bank are set out in Note 9 to the financial statements.

9.12 SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

During the Reporting Period, none of the Directors or Supervisors of the Bank entered into any service contract, pursuant to which the Bank shall compensate the Director or Supervisor if the contract is terminated within one year for the Bank's reason (excluding statutory compensation).

9.13 INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

As at December 31, 2024, none of the Bank's Directors and Chief Executive had any interests or short positions in any of the shares, underlying shares and debentures of the Bank or its associated corporations.

The interests and short positions of the Bank's supervisors are set out in the section headed "Directors, Supervisors, Senior Management, Employees and Institutions" of this annual report.

9.14 MATERIAL INTERESTS OF DIRECTORS AND SUPERVISORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the Reporting Period, neither the Bank nor any of its subsidiaries entered into any significant transaction, arrangement or contract in which the Bank or entity connected with the Bank's Directors or Supervisors directly or indirectly had a material interest.

9.15 ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

At no time during the Reporting Period, was the Bank or any of its subsidiaries entered into any arrangement to enable the Directors and Supervisors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.16 MANAGEMENT CONTRACTS

During the Reporting Period, no management or administrative contracts regarding the whole or any substantial part of any business were entered into by the Bank.

9.17 PERMITTED INDEMNITY PROVISIONS

During the Reporting Period, the Bank has purchased appropriate liability insurance to indemnify its Directors, Supervisors and senior management in respect of the liabilities arising from engaging in the activities of the Bank. Such arrangements remained effective during the Reporting Period.

9.18 PURCHASE, SALE OR REPURCHASE OF LISTED SECURITIES OF THE BANK

Save as disclosed in the section headed “9.5 BOND ISSUE AND REPURCHASE” in this chapter, neither the Bank nor its subsidiaries purchased, sold or redeemed any of listed securities of the Bank (including selling treasury shares) during the Reporting Period. As of the end of the Reporting Period, no treasury shares were held by the Bank.

9.19 PRE-EMPTIVE RIGHTS

During the Reporting Period, the Bank did not have provisions in respect of pre-emptive rights in the Articles of Association and under PRC law.

9.20 DONATION

During the Reporting Period, the Group made charitable and other donations totaling approximately RMB6.072 million.

9.21 EQUITY-LINKED AGREEMENTS

The Bank entered into the Agreement on the Replenishment of “Convertible Negotiated Deposit” for the Capital of Small and Medium-sized Banks with Special Bonds (the “Agreement”) with Jiangxi Provincial Department of Finance on August 20, 2021. According to the Agreement, after the Jiangxi Provincial Department of Finance obtained the corresponding funds through the issuance of local government special bonds, the Jiangxi Provincial Department of Finance deposited a total of RMB3.9 billion in five installments in the form of convertible negotiated deposits.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

When the following conversion conditions as set out in the Agreement are satisfied, Jiangxi Provincial Department of Finance will convert the negotiated deposits into ordinary shares of the Bank in accordance with laws and regulations and in accordance with the Agreement:

- ① the core tier-one capital adequacy ratio of the Bank is lower than 5.125%;
- ② the class and number of the converted ordinary Shares and the shareholding structure of the Bank after the conversion shall satisfy the particular requirement of the Hong Kong Stock Exchange for the minimum public float, otherwise all or part of the Shares shall be held by the independent third parties.

Upon the satisfaction of the above conversion conditions set out in the Agreement, the Bank shall issue H Shares of the Bank to Jiangxi Provincial Department of Finance or its designated institution at a nominal value of RMB1 per share in accordance with the conditions and conversion price agreed in the Agreement (which is determined based on the average trading price of H Shares of the Bank for the 20 trading days preceding the date of the Board resolution approving the convertible negotiated deposit (i.e. March 26, 2021) and converted into RMB at the central parity rate of RMB to HKD announced by the State Administration of Foreign Exchange on the date of the Board resolution) (the “Initial Conversion Price”), being the Initial Conversion Price of HKD3.29 (equivalent to approximately RMB2.78), or the higher of the net assets per share attributable to the owners of the parent company in the consolidated financial statements after capital verification at the time of conversion of the convertible negotiated deposit. If the conversion conditions are triggered within 9-10 years (inclusive) after the issuance date of the special bonds, the convertible deposit involved is RMB0.7 billion, which can be converted into a maximum of 1,402,877,697 H shares of the Bank (approximately 18.89% of the enlarged total share capital of the Bank) if the conversion conditions are met.

If the conversion conditions set out in the Agreement are not met, the Bank will repay the principal and interest in tranches after the maturity of the convertible negotiated deposit in accordance with the Agreement. The interest rate of convertible negotiated deposits is in line with the corresponding interest rate of local government special bonds. According to the interest rates of recent local government bonds issued in Jiangxi Province, the interest rate range of specific bonds is expected to be 2.5% to 4.5%. If the interest rate of the specific bonds exceeds the range, the Bank will submit it separately to the shareholders’ general meeting for consideration and approval.

The term of the Agreement shall commence from the issue date of the Special Bonds until the earlier of (i) the date on which Jiangxi Provincial Department of Finance holds the Conversion Shares and withdraws from the Special Bonds, (ii) the maturity date of the Special Bonds, or (iii) the expiry date of 10 years from the issue date of the Special Bonds.

CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

As of the Latest Practicable Date, the conversion conditions set out in the Agreement have not been satisfied, and the Bank has not issued any Shares pursuant to the Agreement. Please refer to the circular of the Bank dated May 6, 2021 and the announcement of the Bank dated August 20, 2021 for details of the replenishment of other tier-one capital by convertible negotiated deposit business.

Save for the above, during the Reporting Period, the Bank did not enter into or renew any other equity-linked agreements.

9.22 RELATIONS WITH SUPPLIERS, EMPLOYEES AND CUSTOMERS

The Bank treats its employees as valuable assets and pays attention to safeguarding the legitimate rights and interests of its employees, striving to establish a harmonious and stable employment relationship. The Bank enters into labor contracts with its employees in accordance with the relevant laws and regulations, continuously improves the labor employment system and employee security system. The Bank developed the Salary Management System of Jiangxi Bank, under which it pays employees full salaries on time, contributes various social insurance and housing provident fund and built a multi-level pension and medical security system. At the same time, the Bank provides employees with professional training to help them grow up quickly.

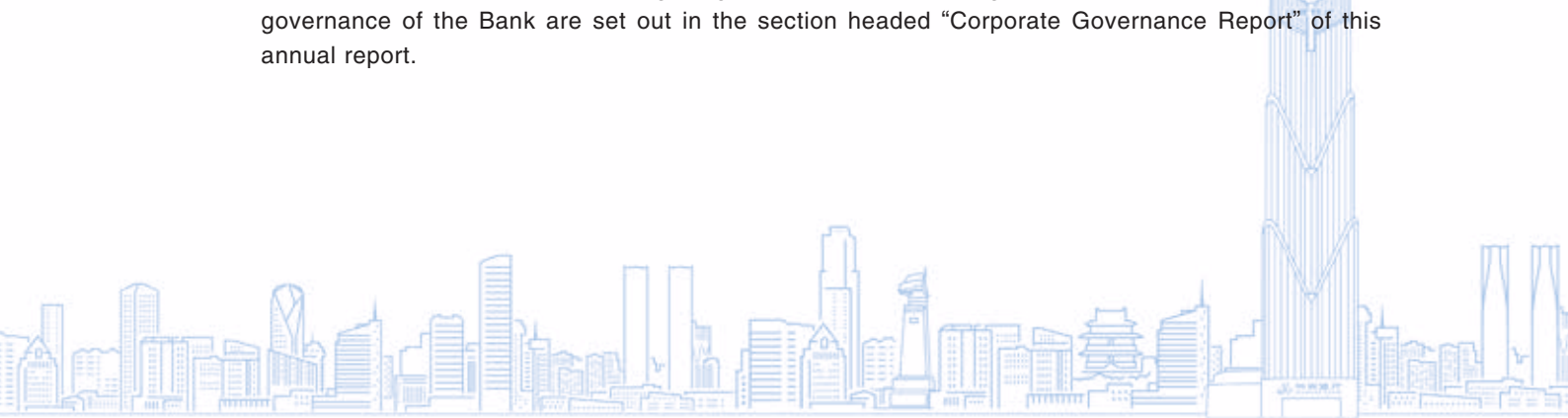
Due to the nature of business, the Bank has no major suppliers and the total percentage of purchases attributable to our five largest suppliers is less than 30%. For details of the relations between the Bank and its suppliers, employees and customers, please refer to the Environment, Social and Governance Report issued by the Bank.

9.23 PUBLIC FLOAT

As at the Latest Practicable Date, according to the data publicly available to the Bank and to the knowledge of Directors, the Bank has complied with the public float requirements under the Listing Rules.

9.24 CORPORATE GOVERNANCE

The Bank is committed to maintaining a high standard of corporate governance. Details of the corporate governance of the Bank are set out in the section headed “Corporate Governance Report” of this annual report.



CHAPTER IX REPORT OF THE BOARD OF DIRECTORS

9.25 MAJOR DEPOSITORS AND BORROWERS

The Bank is not dependent on a single major depositor/borrower. As at the end of the Reporting Period, the deposits balance of the five largest corporate depositors and loan balance of the five largest borrowers of the Bank represented no more than 30% of the total deposits balance, gross loans and advances of the Bank.

9.26 ENVIRONMENTAL POLICIES

In recent years, the Bank has comprehensively strengthened its ESG management, improved the corporate governance structure and actively fulfilled its social responsibilities. The Bank vigorously developed green finance, promoted green office throughout its operations, advocated green public welfare initiatives, and signed the Principles for Responsible Banking (PRB) of the United Nations, supporting Jiangxi Province in establishing itself as a national highland for ecological civilization construction. For details of the Bank's environmental policies and performance, please refer to the Environment, Social and Governance Report issued by the Bank.

9.27 COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Bank has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Bank.

9.28 SUBSEQUENT EVENT

Save as disclosed in this report, the Bank did not have any material subsequent events.

By Order of the Board

ZENG Hui

Chairman of the Board of Directors

Nanchang, China

March 28, 2025



CHAPTER X REPORT OF THE BOARD OF SUPERVISORS

10.1 MAJOR WORKS

Strengthening Daily Supervision to Lay a Solid Foundation for Corporate Governance

During the Reporting Period, the Board of Supervisors carefully organized and convened 5 meetings of the Board of Supervisors, 4 meetings of the Supervision Committee and 3 meetings of the Nomination Committee in strict accordance with laws and regulations, regulatory requirements and the Articles of Association, considered 24 resolutions such as the performance evaluation report, annual work report, annual survey scheme and supervision and evaluation opinions, and organized the Supervisors to attend 1 general meeting and 4 meetings of the Board of Directors as non-voting delegates, and supervised the procedures, contents and voting procedures of the meetings of the Board of Directors in accordance with the law.

Focusing on Key Areas and Constantly Expand the Depth of Supervision

During the Reporting Period, the Board of Supervisors focused on key areas such as internal control, case prevention, financial and risk, carried out special inspections and issued supervision and evaluation opinions to reveal important risks or management defects, and put forward targeted rectification suggestions. During the year, a total of 5 supervision and evaluation opinions, 3 audit opinions and 29 targeted opinions and suggestions were issued.

Enhancing Self-construction and Improving the Level of Duty Performance

During the Reporting Period, in respect of areas such as the interpretation of major policies and regulations for the banking industry, anti-money laundering and anti-terrorism, the Board of Supervisors organized the Supervisors to participate in the 2024 corporate governance training, the “Four Seasons Lecture on Corporate Governance” organized by the China Banking Association and anti-money laundering themed courses, further enhancing their performance capabilities. The Board of Supervisors revised the Administrative Measures for Supervision Information Submission of the Board of Supervisors of Jiangxi Bank (《江西銀行監事會監督信息報送管理辦法》), optimizing Supervisors’ performance reporting mechanism and further improving the corporate governance regulations and system.



CHAPTER X REPORT OF THE BOARD OF SUPERVISORS

10.2 INDEPENDENT OPINIONS ON RELEVANT MATTERS

Supervision Opinions on Legal Operation

In 2024, the Bank complied with laws and regulations; its decision-making procedures were in line with laws and regulations and the requirements of the Articles of Association of the Bank. Members of the Board of Directors and senior management have performed their duties conscientiously. No violations against laws and regulations or acts that harmed the Bank were found.

Supervision Opinions on Financial Report

In 2024, BDO Limited audited our financial report and issued a standard audit report with unqualified opinions. The financial report is a true, objective and accurate reflection of the Bank's financial position and operating results.

Supervision Opinions on Risk Management

In 2024, the Board of Directors and senior management continued to enhance the overall risk management, improved the internal control system, implemented risk management strategies and risk appetite, constantly strengthened non-performing asset and liability disposal, intensified risk management assessment and supervision, thus better performing the overall risk management duties in respect of liquidity risks, reputation risks, etc.

Supervision Opinions on Capital Management

In 2024, the Board of Directors and senior management were able to implement relevant national regulations and regulatory requirements, refine the administrative regulations and constantly promote the effective implementation of capital management, thus better fulfilling the relevant duties of capital management.

Supervision Opinions on Stress Test Management

In 2024, the Board of Directors and senior management conducted regular stress tests in accordance with the requirements of the Guidelines on Stress Testing for Commercial Banks, formulated and implemented risk improvement measures, and conscientiously performed their duties related to stress test management.

CHAPTER X REPORT OF THE BOARD OF SUPERVISORS

Supervision Opinions on Related Party Transactions

In 2024, the related party transactions of the Bank were in line with commercial principles, and no behavior that harmed the interests of the Bank was found. The consideration, voting, disclosure and performance of related party transactions were in compliance with the relevant provisions of laws, regulations and the Articles of Association.

Supervision Opinions on Implementation of General Meeting's Resolutions

In 2024, the Board of Supervisors had no objection to the contents of reports and proposals submitted by the Board of Directors to the general meeting for consideration. The Board of Supervisors supervised the implementation of general meeting's resolutions and believed that the Board of Directors was able to conscientiously implement the relevant resolutions of the general meeting.

Board of Supervisors
Jiangxi Bank Co., Ltd.
March 28, 2025



CHAPTER XI IMPORTANT MATTERS

11.1 USE OF PROCEEDS

As of the end of the Reporting Period, the Bank issued 1,345.5 million H Shares in total, and the balance of the net proceeds from the global offering amounted to approximately HK\$8.598 billion. All funds raised by the Bank from the global offering were used in accordance with the purposes disclosed in the Prospectus, i.e. reinforcing the Bank's capital base so as to support the sustained growth of the Group's business.

11.2 MAJOR LAWSUITS, ARBITRATIONS AND MAJOR CASES DURING THE REPORTING PERIOD

During the Reporting Period, there were no lawsuits or arbitrations of the Bank which materially affected its operating activities.

11.3 SIGNIFICANT RELATED PARTY TRANSACTIONS

During the Reporting Period, there were no significant related party transactions of the Bank which adversely affected its operating results and financial position.

11.4 PUNISHMENT AGAINST THE BANK'S DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the Directors, Supervisors and senior management of the Bank have never been subject to any administrative penalty by the National Financial Regulatory Administration and the regulatory branches of the National Financial Regulatory Administration.

11.5 MATERIAL CONTRACTS AND THEIR PERFORMANCE

During the Reporting Period, the Bank did not have any material contracts subject to disclosure.



CHAPTER XI IMPORTANT MATTERS

11.6 MAJOR GUARANTEES AND COMMITMENTS

11.6.1 Major Guarantees

The provision of guarantee is one of the ordinary business of the Bank. During the Reporting Period, the Bank did not have any material guarantees which were required to be disclosed save for the financial guarantees within its business scope as approved by the PBOC and National Financial Regulatory Administration.

11.6.2 Major Commitments

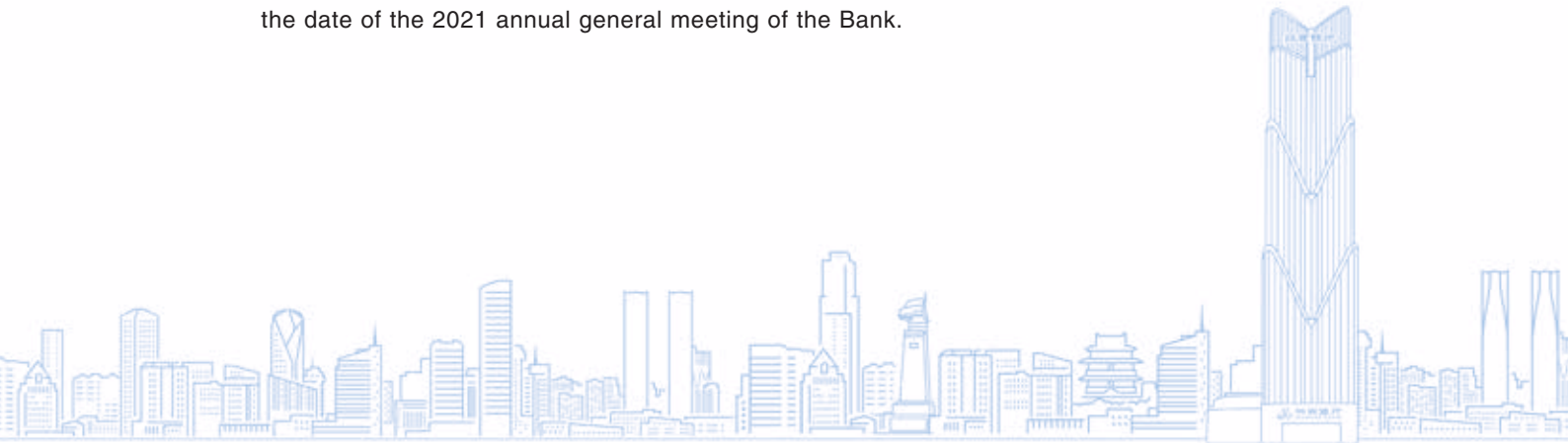
As of the end of the Reporting Period, there was no major commitment of the Bank.

11.7 AUDIT REVIEW

The annual financial statements which have been prepared in accordance with IFRS disclosed in this annual report have been audited by BDO China Shu Lun Pan Certified Public Accountants. BDO China Shu Lun Pan Certified Public Accountants has issued an audit report with unqualified opinions. This annual financial report has been reviewed and approved by the Audit Committee under the Board of Directors and the Board of Directors of the Bank.

11.8 APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

According to the requirements of the Administrative Measures for the Appointment of Accounting Firms by State-owned Financial Enterprises by State-owned Financial Enterprises (《國有金融企業選聘會計師事務所管理辦法》) (Cai Jin [2020] No. 6) issued by the Ministry of Finance, the consecutive engagement of the same accounting firm by a financial enterprise shall not exceed five years in principle. Upon the expiration of the five-year term, the term of employment may be appropriately extended in accordance with relevant regulations, but the consecutive term of employment shall not exceed 8 years. As of the end of 2021, KPMG Huazhen LLP and KPMG have been appointed as the accounting firms of the Bank for six consecutive years. In order to comply with the above relevant requirements, KPMG Huazhen LLP and KPMG ceased to be the accounting firms of the Bank from the date of the 2021 annual general meeting of the Bank.



CHAPTER XI IMPORTANT MATTERS

As considered at the 2021 annual general meeting of the Bank held on June 28, 2022, BDO China Shu Lun Pan Certified Public Accountants LLP and BDO Limited were appointed as the domestic and overseas auditors of the Bank for 2022, respectively, with a term until the conclusion of the 2022 annual general meeting of the Bank.

At the 2022 Annual General Meeting held on May 30, 2023, the Bank considered and approved the reappointment of BDO China Shu Lun Pan Certified Public Accountants LLP and BDO LIMITED as domestic and international auditors of the Bank for 2023 respectively, with a term of office to expire at the conclusion of the 2023 annual general meeting of the Bank.

At the 2023 Annual General Meeting held on May 29, 2024, the Bank considered and approved the reappointment of BDO China Shu Lun Pan Certified Public Accountants LLP and BDO LIMITED as domestic and international auditors of the Bank for 2024 respectively, with a term of office to expire at the conclusion of the 2024 annual general meeting of the Bank.

11.9 MAJOR ASSETS ACQUISITIONS, SALES AND BUSINESS MERGERS

During the Reporting Period, the Group did not have any major asset acquisitions, sales and business mergers.

11.10 SIGNIFICANT INVESTMENTS

During the Reporting Period, the Group did not have any significant investment.

11.11 LOAN AGREEMENT

During the Reporting Period, the Group did not violate any loan agreements that are significant to its business operations.

11.12 SHARE OPTION SCHEME

During the Reporting Period, the Group did not implement any share option schemes.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT



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TO THE SHAREHOLDERS OF JIANGXI BANK CO., LTD.

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

OPINION

We have audited the consolidated financial statements of Jiangxi Bank Co., Ltd. (the "Bank") and its subsidiaries (together the "Group") set out on pages 185 to 362, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

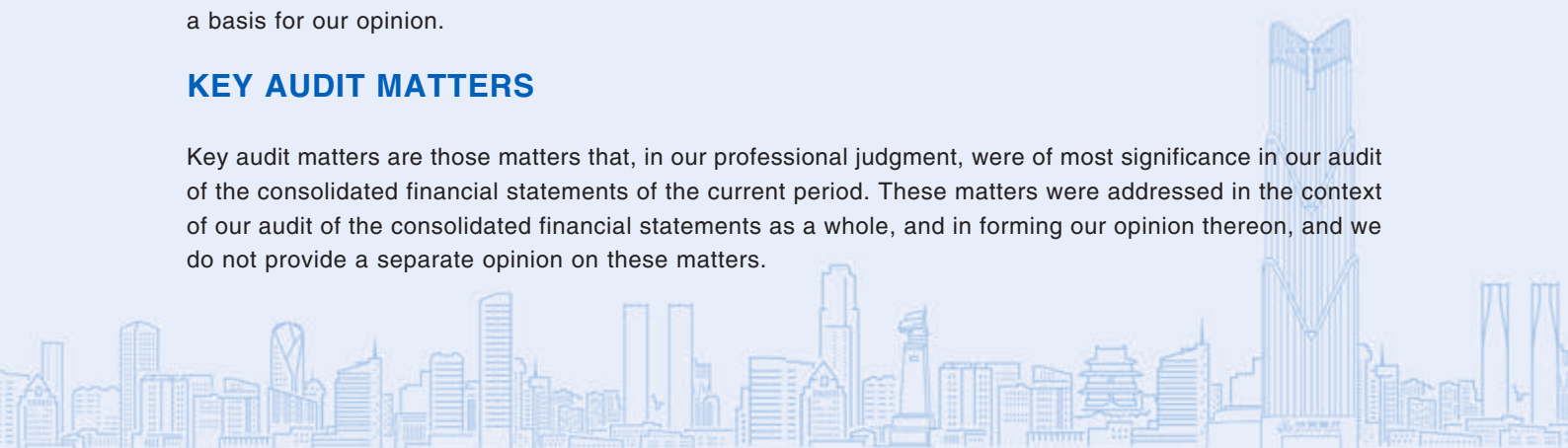
In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Loss allowances of loans and advances to customers and financial investments measured at amortised cost

Refer to Note 17 and Note 18 to the consolidated financial statements and the accounting policies in Note 2(7) and Note 2(17).

The Key Audit Matter

The determination of loss allowances using the expected credit loss model is subject to a number of key parameters and assumptions, including the identification of loss stages, estimates of probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. Management judgement is involved in the selection of those parameters and the application of the assumptions.

In particular, the determination of the loss allowances is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. The expected credit losses for corporate loans and advances and financial investments are derived from estimates including the historical losses, internal and external credit grading and other adjustment factors. The expected credit losses for personal loans are derived from estimates whereby management takes into consideration historical overdue data, the historical loss experience for personal loans and other adjustment factors.

Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the borrower, the recoverable amount of collateral, the seniority of the claim and the existence and cooperativeness of other creditors. The enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of collateral and, therefore, the amount of loss allowances as at the end of the reporting period.

We identified the impairment of loans and advances to customers and financial investments measured at amortised cost as a key audit matter because of the inherent uncertainty and management judgement involved and because of its significance to the financial results and capital of the Group.

CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Loss allowances of loans and advances to customers and financial investments measured at amortised cost (continued)

How the matter was addressed in our audit

Our audit procedures to assess loss allowances of loans and advances to customers and financial investments measured at amortised cost included the following:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of loans and advances to customers and financial investments measured at amortised cost, the credit grading process and the measurement of loss allowances;
- assessing the reliability of the expected credit loss model used by management in determining loss allowances, including assessing the appropriateness of the key parameters and assumptions in the expected credit loss model, including the identification of loss stages, probability of default, loss given default and other management adjustments;
- assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model. For key parameters derived from internal data relating to original loan agreements, we compared the total balance of the loans and advances to customers and financial investments measured at amortised cost list used by management to assess the loss allowances with the general ledger, selecting samples and comparing individual loans and advances to customers and financial investments measured at amortised cost information with the underlying agreements and other related documentation to assess the accuracy of compilation of loans and advances to customers and financial investments measured at amortised cost list. For key parameters derived from external data, we selected samples to inspect the accuracy of such data by comparing them with public resources;



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Loss allowances of loans and advances to customers and financial investments measured at amortised cost (continued)

How the matter was addressed in our audit (continued)

- for key parameters involving judgement, critically assessing input parameters. As part of these procedures, we challenged the reasons for modifications to estimates and input parameters compared with prior period and considered the consistency of judgement. We compared the macro-economic factors used in the models with market information to assess whether they were aligned with market and economic development;
- for key parameters used in the expected credit loss model which were derived from system-generated internal data, we involved our IT specialists to assess the logics and compilation of the overdue information and the operational process of the credit grading of corporate customers and financial investments measured at amortised cost for selected samples;
- evaluating the validity of management's assessment on whether the credit risk of the loan has, or has not, increased significantly since initial recognition. We checked loan overdue information, making enquiries of the credit managers about the borrowers' business operations, checking borrowers' financial information and researching market information about borrowers' businesses;



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Loss allowances of loans and advances to customers and financial investments measured at amortised cost (continued)

How the matter was addressed in our audit (continued)

- for selected samples of loans and advances to customers and financial investments measured at amortised cost that are credit-impaired, we also evaluated the timing and means of realisation of collateral, evaluated the forecast cash flows, challenged the viability of the Group's recovery plans, evaluated management's assessment of the value of any property collateral held by comparison with market prices and management's evaluation and evaluated other credit enhancements that are integral to the contract terms. We assessed the accuracy of the amount of credit loss allowance using the expected credit loss model based on the above work for a sample of loans and advances to customers and financial investments measured at amortised cost; and
- evaluating whether the disclosures on impairment of loans and advances to customers and financial investments measured at amortised cost comply with the disclosure requirements of the prevailing accounting standards.

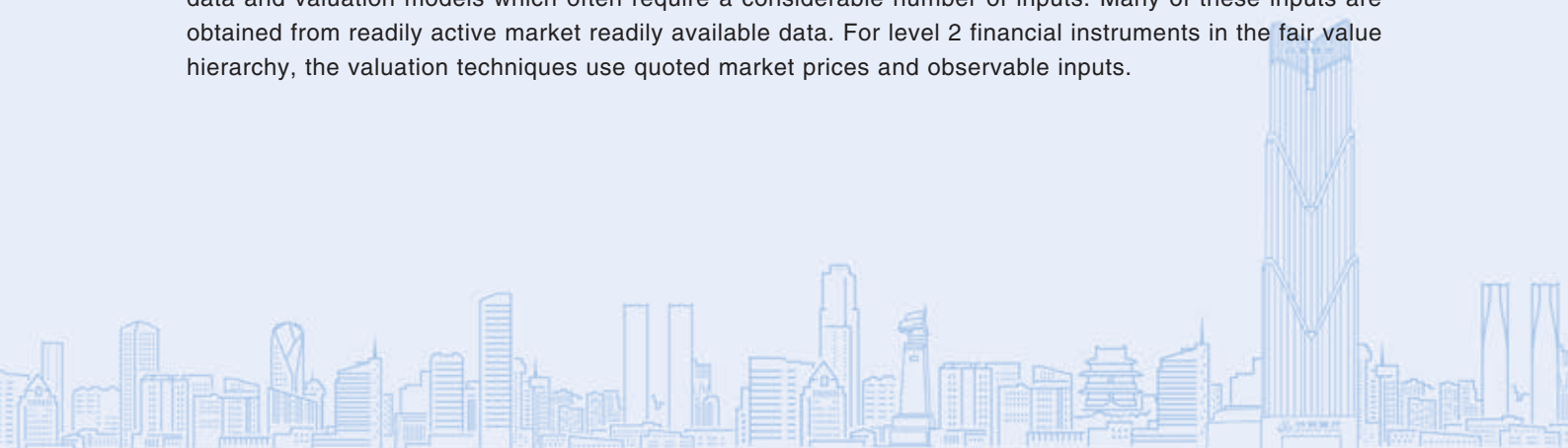
Fair value of financial instruments

Refer to Note 37 to the consolidated financial statements and the accounting policies in Note 2(7) and Note 2(17).

The Key Audit Matter

Financial instruments carried at fair value account for a significant part of the Group's assets. The effect of fair value adjustments of financial instruments may impact either the profit or loss or other comprehensive income.

The valuation of the Group's financial instruments measured at fair value is based on a combination of market data and valuation models which often require a considerable number of inputs. Many of these inputs are obtained from readily active market readily available data. For level 2 financial instruments in the fair value hierarchy, the valuation techniques use quoted market prices and observable inputs.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Fair value of financial instruments (continued)

The Key Audit Matter (continued)

The Group has developed its own models to value certain level 3 financial instruments, which also involve significant management judgement.

Global economic uncertainty influenced movements in market rates including interest rates and foreign exchange rates. Increased market volatility resulted in greater ranges of values in management's assessment of the valuation of financial instruments held.

We identified assessing the fair value of financial instruments as a key audit matter because of the degree of complexity involved in valuing certain financial instruments and because of the degree of judgement exercised by management in determining the inputs used in the valuation models.

How the matter was addressed in our audit

Our audit procedures to assess the fair value of financial instruments included the following:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls over the valuation, front office and back office reconciliations and model approval for financial instruments;
- involving our internal valuation specialists to assist us in performing independent valuations, on a sample basis, of financial instruments and comparing these valuations with the valuations of the Group. Our procedures included comparing the valuation models of the Group with our knowledge of practice, testing inputs to the fair value calculations and, establishing parallel valuation models to perform revaluations; and
- assessing whether the disclosures in the consolidated financial statements appropriately reflected the Group's exposure to financial instrument valuation risk and met the requirements of the prevailing accounting standards.

CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Consolidation of structured entities

Refer to Note 40 to the consolidated financial statements and the accounting policies in Note 2(4) & Note 2(17).

The Key Audit Matter

Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their ongoing activities.

The Group may acquire or retain an ownership interest in, or act as a sponsor to, a structured entity, through issuing a wealth management product, or act as an investor to a structured entity through investing in an asset management plan, a trust plan or an asset-backed security.

In determining whether a structured entity is required to be consolidated by the Group, management is required to consider the power the Group is able to exercise over the activities of the entity and its ability to influence the Group's own returns from the entity. In certain circumstances the Group may be required to consolidate a structured entity even though it has no equity interest therein.

We identified the consolidation of structured entities as a key audit matter because it involves significant management judgement to determine whether a structured entity is required to be consolidated by the Group or not and because the impact of consolidating a structured entity on the consolidated statement of financial position and relevant regulatory capital requirements could be significant.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Consolidation of structured entities (continued)

How the matter was addressed in our audit

Our audit procedures to assess the consolidation of structured entities included the following:

- understanding the key internal controls of financial reporting over consolidation of structured entities;
- assessing the Group's analysis and conclusions on whether it controls structured entities by reviewing the Group's analysis on its power over structured entities, the magnitude and variability of variable returns from its involvement with structured entities. On a sample basis, reviewing the terms of the relevant contracts to assess whether the Group should consolidate a structured entity;
- evaluating whether the disclosures in the consolidated financial statements in relation to structured entities meet the requirements of the relevant accounting standards.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our 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.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.



CHAPTER XII INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited

Certified Public Accountants

Chan Wing Fai

Practising Certificate Number P05443

Hong Kong, 28 March 2025



CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Interest income		19,425,907	19,886,295
Interest expense		(10,823,285)	(11,114,930)
Net interest income	3	8,602,622	8,771,365
Fee and commission income		690,266	644,494
Fee and commission expense		(127,630)	(122,860)
Net fee and commission income	4	562,636	521,634
Net trading gains	5	145,425	102,821
Net gains arising from financial investments	6	2,218,965	1,516,630
Other operating income	7	29,579	384,188
Operating income		11,559,227	11,296,638
Operating expenses	8	(3,436,309)	(3,630,847)
Impairment losses on assets	11	(7,376,302)	(6,664,485)
Operating profit		746,616	1,001,306
Share of profits of associates		5,711	9,049
Profit before taxation		752,327	1,010,355
Income tax credit	12	345,271	63,536
Profit for the year		1,097,598	1,073,891
Attributable to:			
Equity shareholders of the Bank		1,056,922	1,036,187
Non-controlling interests		40,676	37,704

The notes on pages 194 to 362 form part of these financial statements. Details of dividends payable to equity shareholders of the Bank attributable to the profit for the year are set out in Note 34(a).

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Profit for the year		1,097,598	1,073,891
Basic and diluted earnings per share (in RMB)	13	0.12	0.11
Other comprehensive income for the year, net of tax			
Items that may be reclassified subsequently to profit or loss:			
– Financial assets at fair value through other comprehensive income:			
• net movement in the fair value reserve		932,157	438,174
• net movement in impairment losses		(194,856)	35,165
• less: income tax effect		(184,325)	(118,335)
Other comprehensive income for the year, net of tax	33(a)	552,976	355,004
Total comprehensive income for the year		1,650,574	1,428,895
Attributable to:			
Equity shareholders of the Bank		1,609,898	1,391,191
Non-controlling interests		40,676	37,704
Total comprehensive income for the year		1,650,574	1,428,895

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Assets			
Cash and deposits with the central bank	14	28,893,145	32,128,146
Deposits with banks and other financial institutions	15	723,812	3,691,587
Placements with banks and other financial institutions	16	27,052,596	16,694,986
Loans and advances to customers	17	342,088,548	325,516,872
Financial investments:	18		
– Financial investments at fair value through profit or loss		47,390,780	50,954,029
– Financial investments at fair value through other comprehensive income		37,783,804	28,733,334
– Financial investments at amortised cost		78,867,882	84,085,797
Interest in associates	19	153,543	147,832
Property and equipment	21	1,837,167	1,991,837
Deferred tax assets	22	6,763,814	5,861,054
Other assets	23	2,079,653	2,539,889
Total assets		573,634,744	552,345,363
Liabilities and equity			
Liabilities			
Borrowing from the central bank		28,534,646	26,124,256
Deposits from banks and other financial institutions	24	16,687,131	17,200,603
Placements from banks and other financial institutions	25	2,593,623	4,002,897
Borrowing from other financial institutions	26	2,030,302	1,237,965
Financial assets sold under repurchase agreements	27	15,292,682	25,731,370
Deposits from customers	28	390,932,689	381,212,270
Income tax payable		245,281	42,687
Debt securities issued	29	65,474,415	45,371,276
Other liabilities	30	3,263,055	3,889,522
Total liabilities		525,053,824	504,812,846

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Equity			
Share capital	31	6,024,277	6,024,277
Other equity instruments			
– Perpetual debt	32	7,997,960	7,997,960
Capital reserve	33	14,498,719	13,945,743
Surplus reserve	33	3,419,776	3,327,023
General reserve	33	7,940,401	7,645,260
Retained earnings	34	7,903,320	7,836,463
Total equity attributable to equity shareholders of the Bank		47,784,453	46,776,726
Non-controlling interests		796,467	755,791
Total equity		48,580,920	47,532,517
Total liabilities and equity		573,634,744	552,345,363

Approved and authorised for issue by the Board of Directors on 28 March 2025.

ZENG Hui
Legal Representative

LUO Xiaolin
President

CHENG Zongli
*The Person In Charge of
Accounting Affairs*

PENG Long
*The Head of the
Accounting Department*

Jiangxi Bank Co., Ltd.
(Company stamp)

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Attributable to equity shareholders of the Bank																			
	Note	Share capital		Other equity instruments		Capital reserve		Surplus reserve		General reserve		Retained earnings		Sub-total		Non-controlling interests		Total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2024		6,024,277	7,997,960	13,945,743	3,327,023	7,645,260	7,836,463	46,776,726	755,791	47,532,517										
Changes in equity for the year																				
Profit for the year		-	-	-	-	-	1,056,922	1,056,922	40,676	1,097,598										
Other comprehensive income	33(a)	-	-	552,976	-	-	-	552,976	-	552,976										
Total comprehensive income		-	-	552,976	-	-	1,056,922	1,609,898	40,676	1,650,574										
Appropriation of profit	34																			
- Appropriation to surplus reserve		-	-	-	92,753	-	(92,753)	-	-	-										
- Appropriation to general reserve		-	-	-	-	295,141	(295,141)	-	-	-										
- Appropriation to shareholders		-	-	-	-	-	(240,971)	(240,971)	-	(240,971)										
- Appropriation to perpetual debt interest		-	-	-	-	-	(361,200)	(361,200)	-	(361,200)										
Balance at 31 December 2024		6,024,277	7,997,960	14,498,719	3,419,776	7,940,401	7,903,320	47,784,453	796,467	48,580,920										

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Attributable to equity shareholders of the Bank							Total RMB'000		
	Note	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Retained earnings		Sub-total	Non-controlling interests
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		RMB'000	RMB'000
Balance at 1 January 2023		6,024,277	7,997,961	13,590,739	3,220,431	7,019,104	8,195,440	46,047,952	767,087	46,815,039
Changes in equity for the year										
Profit for the year		-	-	-	-	-	1,036,187	1,036,187	37,704	1,073,891
Other comprehensive income	33(a)	-	-	355,004	-	-	-	355,004	-	355,004
Total comprehensive income		-	-	355,004	-	-	1,036,187	1,391,191	37,704	1,428,895
Other		-	(1)	-	-	-	-	(1)	-	(1)
Appropriation of profit	34	-	-	-	106,592	-	(106,592)	-	-	-
- Appropriation to surplus reserve		-	-	-	106,592	-	(106,592)	-	-	-
- Appropriation to general reserve		-	-	-	-	626,156	(626,156)	-	-	-
- Appropriation to shareholders		-	-	-	-	-	(301,216)	(301,216)	(49,000)	(350,216)
- Appropriation to perpetual debt interest		-	-	-	-	-	(361,200)	(361,200)	-	(361,200)
Balance at 31 December 2023		6,024,277	7,997,960	13,945,743	3,327,023	7,645,260	7,836,463	46,776,726	755,791	47,532,517

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Profit before taxation		752,327	1,010,355
<i>Adjustments for:</i>			
Impairment losses on assets		7,376,302	6,664,485
Depreciation and amortisation		416,692	460,793
Interest income on financial investments		(3,594,345)	(4,278,355)
Unrealised foreign exchange losses		22,173	57,942
Net losses/(gains) on changes in fair value		1,175	(13,187)
Net gains arising from financial investments		(2,218,965)	(1,516,630)
Share of profits of associates		(5,711)	(9,049)
Interest expense on lease liabilities		22,038	34,218
Interest expense on debt securities issued		1,181,774	1,222,040
Net gains on disposal of non-current assets		(2,798)	(5,214)
Others		(686,246)	(551,279)
		3,264,416	3,076,119
<i>Changes in operating assets</i>			
Net decrease in deposits with the central bank		3,707,179	115,915
Net decrease/(increase) in deposits with banks and other financial institutions		66,761	(84,361)
Net increase in placements with banks and other financial institutions		(12,190,086)	(11,250,000)
Net increase in loans and advances to customers		(22,947,528)	(31,037,351)
Net decrease/(increase) in financial investments held for trading purpose		6,907,620	(4,990,892)
Net decrease in other operating assets		1,201,880	368,657
		(23,254,174)	(46,878,032)

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Cash flows from operating activities (continued)			
<i>Changes in operating liabilities</i>			
Net increase in borrowing from the central bank		2,389,577	7,287,860
Net (decrease)/increase in deposits from banks and other financial institutions		(487,227)	4,222,512
Net decrease in placements from banks and other financial institutions		(1,410,000)	(100,000)
Net increase/(decrease) in borrowing from other financial institutions		782,000	(2,992,000)
Net (decrease)/increase in financial assets sold under repurchase agreements		(10,434,748)	8,527,229
Net increase in deposits from customers		8,373,870	25,381,059
Net decrease in other operating liabilities		(86,707)	(38,275)
		(873,235)	42,288,385
Net cash flows used in operating activities before tax			
Income tax paid		(539,220)	(1,259,328)
		(21,402,213)	(2,772,856)
Cash flows from investing activities			
Proceeds from disposal and redemption of investments		52,022,730	47,179,149
Net cash received from investment gains and interest		5,050,032	6,479,977
Proceeds from disposal of property and equipment and other assets		11,650	9,731
Payments on acquisition of investments		(58,095,466)	(47,871,714)
Payments on acquisition of property and equipment, intangible assets and other assets		(145,751)	(164,495)
		(1,156,805)	5,632,648

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIII FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Cash flows from financing activities			
Proceeds from debt securities issued	35(c)	112,371,722	108,910,445
Repayment of debt securities issued	35(c)	(93,451,812)	(116,923,093)
Interest paid on debt securities issued	35(c)	1,455	–
Capital element of lease rentals paid	35(c)	(143,867)	(156,647)
Cash paid for issuance of perpetual debt		–	(1)
Dividends paid		(241,116)	(346,408)
Perpetual debt interest paid		(361,200)	(361,200)
Net cash flows generated/(used) from financing activities		18,175,182	(8,876,904)
Effect of foreign exchange rate changes on cash and cash equivalents		3,479	16,533
Net decrease in cash and cash equivalents	35(a)	(4,380,357)	(6,000,579)
Cash and cash equivalents as at 1 January		13,040,148	19,040,727
Cash and cash equivalents as at 31 December	35(b)	8,659,791	13,040,148
Net cash flows used in operating activities include:			
Interest received		16,366,671	15,587,685
Interest paid		(8,293,271)	(7,102,123)

The notes on pages 194 to 362 form part of these financial statements.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. BACKGROUND INFORMATION

Jiangxi Bank Co., Ltd. (the “Bank”), formerly known as Nanchang Bank Co., Ltd., headquartered in Nanchang, Jiangxi Province. On 31 December 1997, the Bank was established by Nanchang Municipal Bureau of Finance, several business entities and natural persons, on the basis of formerly 40 urban credit cooperatives located in Nanchang City, with the approval of the People’s Bank of China (“PBOC”). On 18 February 1998, the Bank was registered as Nanchang City Commercial Bank Co., Ltd., with the approval of Jiangxi Province Administration of Industry and Commerce.

On 6 August 2008, the Bank changed its name from Nanchang City Commercial Bank Co., Ltd. to Nanchang Bank Co., Ltd. On 3 December 2015, the former China Banking Regulatory Commission (the “former CBRC”) promulgated Yinjianfu 2015 No.658 <Approval of the Acquisition of Jingdezhen City Commercial Bank by Nanchang Bank>. On 7 December 2015, Jiangxi Province State Council promulgated GanFuzi 2015 No. 85 <Notice on the Issuance of Establishment Plan for Jiangxi Bank Co., Ltd.>, Nanchang Bank Co., Ltd. acquired Jingdezhen City Commercial Bank Co., Ltd. by acquiring its entire equity interest and changed its name to Jiangxi Bank Co., Ltd. on 11 December 2015.

The Bank obtained its finance permit No. B0792H236010001 from the China Banking and Insurance Regulatory Commission (the “CBIRC”) of the PRC, in 2023, the regulator was renamed the National Financial Regulatory Administration (the “NFRA”). The principal activities of the Bank and its subsidiaries (collectively referred to as the “Group”) are deposit taking; granting of loans; domestic settlement; foreign exchange business, bill acceptances and discounting; issuing financial bonds; acting as agent to issue, settle and underwrite government bonds; trading of government bonds; inter-bank placement; providing guarantee; acting as agent on inward and outward payments, acting as insurance agent; safe-box service; entrusted loans based on local government fund and other business activities approved by the CBIRC (the “NFRA”). The Bank is regulated by the National Financial Regulatory Administration (the “NFRA”, the former of “CBIRC”) authorised by the State Council.

In June 2018, the Bank’s H Shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (Stock code: 1916).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION

(1) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (the “IFRS Accounting Standards”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board (the “IASB”) and the disclosure requirement of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policy information adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2(3) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(2) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Bank and its subsidiaries and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical basis, except that financial investments at fair value through other comprehensive income or financial investments at fair value through profit or loss (see Note 2(7)) are stated at their fair value as explained in the accounting policies.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(2) Basis of preparation of the financial statements (continued)

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expense.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future years if the revision affects both current and future years.

Judgments made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2(17).

The financial statements are presented in Renminbi (“RMB”), rounded to the nearest thousand, which is the functional currency of the Group.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(3) Changes in accounting policies

(a) *New standards, interpretations and amendments adopted from 1 January 2024*

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

- Amendments to IAS 7 and IFRS 7, *Supplier Finance Arrangements*
- Amendments to IFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to IAS 1, *Classification of Liabilities as Current or Non-Current*
- Amendments to IAS 1, *Non-current Liabilities with Covenants*

The application of the new standards, interpretations and amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's result of operation and financial positions for the current or on the disclosures set out in the consolidated financial statements.

(b) *Issued but not yet effective International Financial Reporting Standards*

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing the financial statements, the Group has adopted all applicable new and revised IFRS Accounting Standards to the reporting period, except for any new standards or interpretations that are not yet effective for the year ended 31 December 2024.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(3) Changes in accounting policies (continued)

(b) Issued but not yet effective International Financial Reporting Standards (continued)

The revised and new accounting standards and interpretations issued but not yet effective for the year ended 31 December 2024 or before, are set out below:

Amendments to IAS 21	<i>The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability¹</i>
Amendments to IFRS 9	<i>Financial Instruments, the Classification and Measurement of Financial Instruments²</i>
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	<i>Annual Improvements to HKFRS Accounting Standards — Volume 11²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referring Nature – Dependent Electricity²</i>
New standard: IFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
New standard: IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures³</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or contribution of assets between an investor and its associate or joint venture⁴</i>

¹ Effective for annual periods beginning on or after January 1, 2025.

² Effective for annual periods beginning on or after January 1, 2026.

³ Effective for annual periods beginning on or after January 1, 2027.

⁴ Effective for annual periods beginning on or after a date to be determined.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(3) Changes in accounting policies (continued)

(b) *Issued but not yet effective International Financial Reporting Standards (continued)*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Impact of IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals.

Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(3) Changes in accounting policies (continued)

(b) Issued but not yet effective International Financial Reporting Standards (continued)

In addition, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Directors of the Company anticipate that the application of IFRS 18 has no impact on the Group's financial position and performance in foreseeable future, but has impact on presentation of the consolidated statement of comprehensive income.

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them are unlikely to have significant impacts on the Group's result of operations and financial position.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(4) Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. Refer to Note 2(17)(f) for judgement applies by management in determining control over structured entities.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are aligned to ensure consistency with the policies adopted by the Group.

(5) Separate Financial Statement

In the Bank's statement of financial position, an investment in a subsidiary and associates are stated at cost less impairment loss (see Note 2(17)(d)).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, non-restricted balances with central bank, short-term deposits and placements with banks and other financial institutions, financial assets held under resale agreements and highly liquid short-term investments which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 2(7)(vi).

(7) Financial instruments

Financial instruments include cash and deposits with the central bank, financial investments, receivables, payables, loans and advances to customers, debt securities issued and share capital, etc.

(i) *Recognition and initial measurement of financial assets and financial liabilities*

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial asset and financial liability is measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(ii) Classification and subsequent measurement of financial assets

(a) Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortised cost, at fair value through other comprehensive income (“FVOCI”), or at fair value through profit or loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(ii) Classification and subsequent measurement of financial assets (continued)

(a) Classification of financial assets (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(ii) *Classification and subsequent measurement of financial assets (continued)*

(a) *Classification of financial assets (continued)*

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(ii) Classification and subsequent measurement of financial assets (continued)

(b) Subsequent measurement of financial assets

- Financial assets at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss unless the financial assets are part of a hedging relationship.

- Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship shall be recognised in profit or loss when the financial asset is derecognised, through the amortisation process or in order to recognise impairment gains or losses.

- Debt investments measured at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(ii) Classification and subsequent measurement of financial assets (continued)

(b) Subsequent measurement of financial assets (continued)

- Equity investments measured at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(iii) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL or amortised cost.

- Financial liabilities at amortised cost

The Group's financial liabilities including trade and other payables, interest-bearing liabilities (borrowing from the central bank, deposit from banks and other financial institutions, placement from banks and other financial institutions, borrowing from other financial institutions, financial assets sold under repurchase agreements, deposits from customers and debt securities) which are initially recognized at fair value and subsequently measured at amortised cost, using the effective interest method.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(iv) *Offsetting*

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognised amounts;
- the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(v) *Derecognition of financial assets and financial liabilities*

Financial asset is derecognised when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(v) *Derecognition of financial assets and financial liabilities (continued)*

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment measured at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

(vi) *Impairment*

The Group performs impairment accounting and recognises loss allowances for expected credit loss (ECL) on:

- financial assets measured at amortised cost
- loans and advances to customers and debt investments measured at FVOCI
- lease receivables
- credit commitments

Other financial assets measured at fair value held by the Group, including debt or equity securities at FVTPL and equity securities designated at FVOCI (non-recycling), are not subject to the ECL assessment.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(vi) Impairment (continued)

Measurement of ECLs

ECLs are a weighted average of credit losses on financial instruments weighted at the risk of default. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive discounted to present value at the original effective interest rate).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected lifetime of a financial instrument.

The next 12-month ECLs are the portion of ECLs that result from default events of a financial instrument that are possible within the 12 months after the balance sheet date (or a shorter period if the expected lifetime of the financial instrument is less than 12 months).

The Group measures loss allowances at an amount equal to the next 12-month ECL for the following financial instruments, and at an amount equal to the lifetime ECL for all other financial instruments:

- If the financial instrument is determined to have low credit risk at the balance sheet date;
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(vi) Impairment (continued)

Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Criteria for judging significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk has increased significantly since initial recognition or not, the following information is taken into account:

- the principal or interest of the contract is more than 30 days past due, but less than 90 days;
- the asset risk is classified as “Special mention”;



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(vi) Impairment (continued)

Criteria for judging significant increases in credit risk (continued)

- significant changes in the probability of default of an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group; and
- significant increases in other credit risk determined by the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either single financial instrument or the combination of financial instruments. When the assessment is performed on the combination of financial instruments, the financial instruments are grouped based on shared credit risk characteristics, such as past-due status and credit risk ratings.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

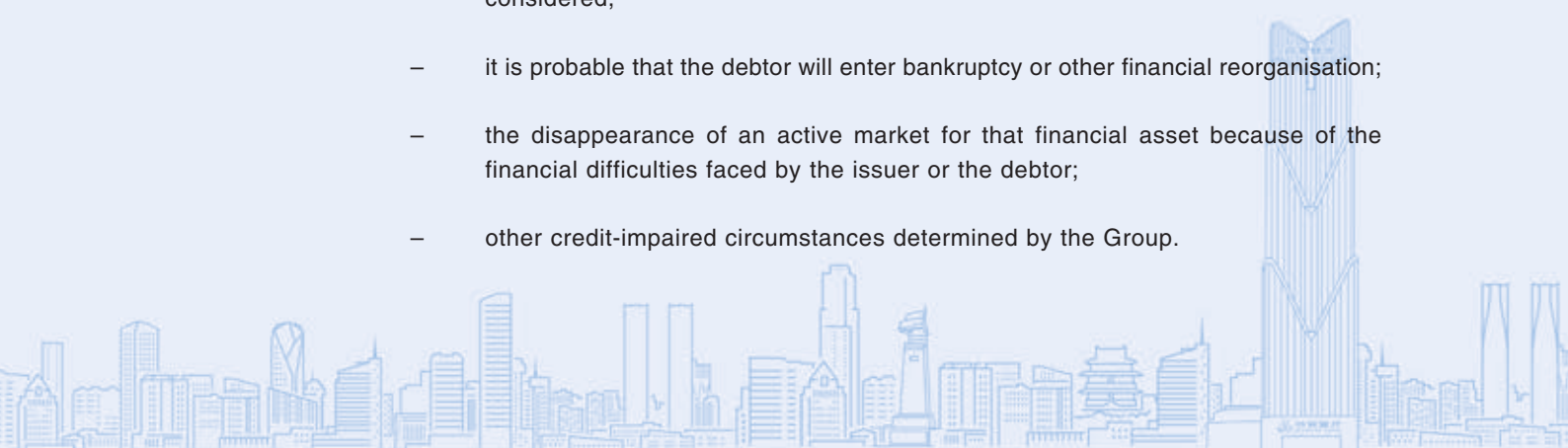
(vi) Impairment (continued)

Definition of credit-impaired financial assets

At the balance sheet date, the Group assesses whether financial assets carried at amortised cost and debt investments measured at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. For credit-impaired financial assets, the Group evaluates the future cash flow (including the recoverable value of the collateral held), mainly based on individual financial assets, in different circumstances and accrues the differences between the present value and the book value determined at the original effective interest rate as impairment loss or gain in profit or loss.

Evidence that a financial asset is credit-impaired includes the following observable data:

- the principal or interest of the contract is more than 90 days past due;
- the asset risk is classified as “substandard”, “doubtful” or “loss”;
- significant financial difficulty of the issuer or borrower; a breach of contract by the debtor, such as default or overdue in repayment of interests or principal;
- a breach of contract by the debtor, such as a default or past due event;
- for economic or contractual reasons relating to the debtor’s financial difficulty, the Group has granted to the debtor a concession that would not otherwise be considered;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of the financial difficulties faced by the issuer or the debtor;
- other credit-impaired circumstances determined by the Group.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(7) Financial instruments (continued)

(vi) Impairment (continued)

Presentation of allowances for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition, and the resulting increase or reversal in loss allowances shall be included as an impairment loss or gain in profit or loss. For financial assets measured at amortised cost, loss allowances shall be deducted from the carrying amounts of the financial assets on the balance sheet. For debt investments at FVOCI, the Group recognizes its loss allowance in other comprehensive income without reducing the carrying amount of the financial assets. For loan commitments and financial guarantee contracts, the Group recognizes its loss allowances in other liabilities (loss allowance of credit commitments).

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Such write off forms the derecognition of underlying financial asset. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, the written-off financial asset may be affected by the recovery process for of payments due carried out by the Group. Subsequent recoveries of a financial asset that was previously written off are recognised as a reversal of impairment loss in profit or loss in the period in which the recovery occurs.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

(8) Financial assets held under resale and repurchase agreements

Financial assets purchased under agreements to resell are reported not as purchases of the assets but as receivables and are carried in the statements of financial position at amortised cost. Financial assets held under resale agreements are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 2(7)(vi).

Financial assets sold subject to a simultaneous agreement to repurchase these assets are retained in the statements of financial position and measured in accordance with their original measurement principles. The proceeds from the sale are reported as liabilities and are carried at amortised cost.

Interest earned on reverse repurchase agreements and interest incurred on repurchase agreements are recognised respectively as interest income and interest expense over the life of each agreement using the effective interest method.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(9) Repossessed assets

Repossessed assets are physical assets or property rights obtained by the Group from debtors, warrantors or third parties following the enforcement of its creditor's rights. The repossessed assets are initially recognised at fair value, and are subsequently measured at the lower of the carrying value and net recoverable amount. If the recoverable amount is lower than the carrying value of the repossessed assets, the assets are written down to the recoverable amount.

(10) Employee benefits

(i) *Short-term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The defined contribution retirement plans of the Group include the social pension schemes.

Social pension schemes

Pursuant to the relevant laws and regulations in the PRC, the Group has participated in the social pension schemes for the employees arranged by local government labour and security authorities. The Group makes contributions to the retirement schemes at the applicable rates based on the amounts stipulated by the government. The contributions are charged to the profit or loss on an accrual basis. When employees retire, the local government labour and security authorities are responsible for the payment of the basic retirement benefits to the retired employees.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(10) Employee benefits (continued)

(i) *Short-term employee benefits and contributions to defined contribution retirement plans (continued)*

Housing fund and other social insurances

In addition to the retirement benefits above, the Group has joined social security contributions schemes for employees pursuant to the relevant laws and regulations of the PRC. These schemes include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances schemes at the applicable rates based on the amounts stipulated by the relevant government authorities. The contributions are charged to profit or loss on an accrual basis.

(ii) *Supplementary retirement benefits*

Early retirement benefits

According to the Group's policy on early retirement benefits, certain employees are entitled to take leave of absence and in return receive a certain level of staff salaries and related benefits from the Group. The salaries and benefit payments are made from the date of early retirement to the normal retirement date. The amounts of retirement benefits expense and present value of these liabilities are dependent on assumptions used in calculating such amounts. These assumptions include discount rates, retirement benefit growth rates and other factors. Gains and losses arising from the changes in assumptions and amendments to pension plans are recognised in the income statement as they occur. From October 2024, there have been no additional early retirement benefits introduced within the Group.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(10) Employee benefits (continued)

(ii) *Supplementary retirement benefits (continued)*

Retirement benefit annuity plan

In addition to the basic pension insurance scheme, employees and early retirees of the Group also participate in a defined contribution plan established by the Group (the “Annuity Plan”). The Group and its employees are required to contribute a certain percentage of the employees’ previous year basic salaries to the Annuity Plan. The contribution is charged to the income statement when it incurs. The Group has no obligation to pay further contributions if the Annuity Plan does not hold sufficient assets to pay all employee benefits. Contributions to the defined contribution retirement plan are recognised as expenses when incurred, and there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

(11) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively. Please refer to Note 2(17)(c) for significant judgement made by management on deferred tax and uncertain tax matters.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(12) Credit related commitment, financial guarantees, provisions and contingent liabilities

(i) *Credit-related commitments and financial guarantees*

Financial guarantees contract requires the provider to provide reimbursement guarantee for the contract holder, that is, when the guarantee fails to fulfil the terms of the contract at maturity, to compensate for the loss of the contract holder by the guarantor. Such financial guarantees are provided to banks, financial institutions and other entities to secure customer loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised at fair value on the date the guarantee was provided. On the date of financial report, the subsequent measurement shall be made according to the larger of the amortised value of the contract and the amount of impairment provision determined by the expected credit loss model, any increase in the liability relating to guarantees is recognised in the statement of profit or loss.

Credit-related commitment is provided by the Group to the customer to extend credit-related financial assets to the customer within the commitment period on the agreed terms of the contract. The Group normally does not lend at below-market rates or provide customers with credit-related commitments to be settled in cash or by issuing other financial instruments. Impairment losses on credit-related commitment are recognised according to the expected credit loss model.

The Group shows the impairment provision of the financial guarantee contracts and credit-related commitment in provision.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(12) Credit related commitment, financial guarantees, provisions and contingent liabilities (continued)

(ii) Other provisions and contingent liabilities

A provision is recognised for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

For a possible obligation resulting from a past transaction or event whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events or a present obligation resulting from a past transaction or event, where it is not probable that the settlement of the above obligation will cause an outflow of economic benefits, or the amount of the outflow cannot be estimated reliably, the possible or present obligation is disclosed as a contingent liability.

(13) Fiduciary activities

The Group acts in a fiduciary activity as a manager, a custodian, or an agent for customers. Assets held by the Group and the related undertakings to return such assets to customers are recorded as off-balance sheet items as the risks and rewards of the assets reside with customers.

The Group enters into entrusted loan agreements with customers, whereby the customers provide funding (“entrusted funds”) to the Group, and the Group grants loans to third parties (“entrusted loans”) under instructions of the customers. As the Group does not assume the risks and rewards of the entrusted loans and the corresponding entrusted funds, the entrusted loans and funds are recorded as off-balance sheet items at their principal amount. No allowances for impairment loss is made for entrusted loans.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(14) Income recognition

The following is the description of accounting policies regarding income from the Group's principal activities.

(i) *Interest income*

Interest income for financial assets is recognised in profit or loss as it is incurred, based on the time for alienation of right to use capital and effective interest rates. Interest income includes the amortisation of any discount or premium or differences between the initial carrying amount of an interest-bearing asset and its amount at maturity calculated using the effective interest rate.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract, transaction costs and all other premiums or discounts that are an integral part of the effective interest rate.

For the financial assets acquired or originated without any credit impairment, but incurred credit impairment in the subsequent period, the Group calculates the interest income in accordance with the amortised cost and the effective interest rate of the financial assets.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(14) Income recognition (continued)

(ii) *Fee and commission income*

The Group earns fee and commission income from a diverse range of services it provides to its customers. The fee and commission income recognised by the Group reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to customers, and income is recognised when its performance obligation in contracts is satisfied.

The Group recognises income over time by measuring the progress towards the complete satisfaction of a performance obligation, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer controls the service provided by the Group in the course of performance;
- the Group does not provide service with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date; or
- in other cases, the Group recognises revenue at a point in time at which a customer obtains control of the promised services.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(14) Income recognition (continued)

(iii) Government grants

Government grants are recognised in the statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(15) Perpetual bonds

At initial recognition, the Group classifies the perpetual bonds issued or their components as financial assets, financial liabilities or equity instruments based on their contractual terms and their economic substance after considering the definition of financial assets, financial liabilities and equity instruments.

Perpetual bonds issued that should be classified as equity instruments are recognised in equity based on the actual amount received. Any distribution of dividends or interests during the instruments' duration is treated as profit appropriation. When the perpetual bonds are redeemed according to the contractual terms, the redemption price is charged to equity.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(16) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(17) Significant accounting estimates and judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(a) *Measurement of expected credit loss*

The measurement of the expected credit loss allowance for the investment in financial assets and debt instruments measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring expected credit losses is further detailed in Note 43(a).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(17) Significant accounting estimates and judgements (continued)

(a) *Measurement of expected credit loss (continued)*

A number of significant judgements are required in applying the accounting requirements for measuring expected credit losses,

such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of expected credit losses;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated expected credit losses.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in Note 43(a) credit risk.

(b) *Fair value of financial instruments*

There are no quoted prices from an active market for a number of financial instruments. The fair values for these financial instruments are established by using valuation techniques. These techniques include using recent arm's length market transactions by referring to the current fair value of similar instruments, discounted cash flow analysis, and option pricing models. Valuation models established by the Group make maximum use of market input and rely as little as possible on the Group's specific data. However, it should be noted that some input, such as credit and counterparty risk, and risk correlations require management's estimates. The Group reviews the above estimations and assumptions periodically and makes adjustment if necessary.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(17) Significant accounting estimates and judgements (continued)

(c) *Income taxes*

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised for tax losses not yet used and temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered.

(d) *Impairment of non-financial assets*

Non-financial assets (property and equipment, construction in progress, intangible assets, right-of-use assets, investment properties measured using a cost model, long-term deferred expenses and investment in subsidiaries and associates) are reviewed regularly to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is provided.

Since the market price of an asset (or a cash generating unit or "CGU") may not be obtained reliably, the fair value of the asset may not be estimated reliably. In assessing the present value of future cash flows, significant judgements are exercised over the asset's selling price, related operating expenses and discounting rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of the selling price and related operating expenses based on reasonable and supportable assumption.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(17) Significant accounting estimates and judgements (continued)

(e) *Depreciation and amortisation*

Investment properties, property and equipment, intangible assets and right-use-of assets are depreciated and amortised using the straight-line method over their estimated useful lives after taking into account residual values. The estimated useful lives are regularly reviewed to determine the depreciation and amortisation costs charged in each of the reporting period. The estimated useful lives are determined based on historical experiences of similar assets and the estimated technical changes. If there is an indication that there has been a change in the factors used to determine the depreciation or amortisation, the amount of depreciation or amortisation will be revised.

(f) *Determination of control over structured entities*

Management applies its judgement to determine whether the control indicators indicate that the Group controls a non-principal guaranteed wealth management product and an asset management plan.

The Group acts as manager to a number of non-principal guaranteed wealth management products and asset management plans. Determining whether the Group controls such a structured entity usually focuses on the assessment of the aggregate economic interests of the Group in the entity (comprising any carried interests and expected management fees) and the decision-making authority of the entity. For all these structured entities managed by the Group, the Group's aggregate economic interest is in each case not significant and the decision makers establish, market and manage them according to restricted parameters as set out in the investment agreements as required by laws and regulations. As a result, the Group has concluded that it acts as agent as opposed to principal for the investors in all cases, and therefore has not consolidated these structured entities.

For further disclosure in respect of unconsolidated non-principal guaranteed wealth management products and asset management plans in which the Group has an interest or for which it is a sponsor, see Note 40.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. NET INTEREST INCOME

	2024 RMB'000	2023 RMB'000
Interest income arising from		
Deposits with the central bank	407,205	447,133
Deposits with banks and other financial institutions	17,943	17,442
Placements with banks and other financial institutions	650,899	256,782
Financial assets held under resale agreements	161,971	241,479
Loans and advances to customers		
– Corporate loans and advances	10,810,825	10,247,822
– Personal loans and advances	3,431,451	3,881,834
– Discounted bills	351,267	515,447
Financial investments	3,594,346	4,278,356
Sub-total	19,425,907	19,886,295
Interest expense arising from		
Borrowing from the central bank	(633,275)	(533,704)
Deposits from banks and other financial institutions	(420,948)	(330,197)
Placements from banks and other financial institutions	(76,090)	(101,973)
Borrowing from other financial institutions	(56,418)	(58,816)
Financial assets sold under repurchase agreements	(556,508)	(432,065)
Deposits from customers	(7,898,272)	(8,436,135)
Debt securities issued	(1,181,774)	(1,222,040)
Sub-total	(10,823,285)	(11,114,930)
Net interest income	8,602,622	8,771,365

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. NET FEE AND COMMISSION INCOME

	2024 RMB'000	2023 RMB'000
Fee and commission income		
Agency and custody services fees	386,952	354,534
Acceptance and guarantee service fees	103,587	95,388
Settlement and electronic channel business fees	109,165	109,831
Financial leasing service fees	490	490
Bank card service fees	67,521	72,460
Advisory and consulting fees	379	59
Others	22,172	11,732
Sub-total	690,266	644,494
Fee income, other than amounts included in determining the effective interest rate, arising from financial assets or financial liabilities that are not held for trading or designated at FVPL	49,296	58,499
Fee income on trust and other fiduciary activities where the Group holds or invests on behalf of its customers	-	-
Fee and commission expense		
Transaction fees	(88,476)	(87,712)
Settlement and clearing fees	(31,807)	(27,341)
Financial leasing service fees	(594)	(1,196)
Platform cooperation fees	(6,518)	(6,169)
Others	(235)	(442)
Sub-total	(127,630)	(122,860)
Fee expense, other than amounts included in determining the effective interest rate, arising from financial assets or financial liabilities that are not held for trading or designated at FVPL	(37,095)	(17,720)
Net fee and commission income	562,636	521,634

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. NET TRADING GAINS

	2024 RMB'000	2023 RMB'000
Net gains from debt securities	145,425	102,821

Net gains from debt securities include gains arising from the buying or selling of, the interest income gained from, and changes in fair value of financial assets held for trading.

6. NET GAINS ARISING FROM FINANCIAL INVESTMENTS

	Note	2024 RMB'000	2023 RMB'000
Net gains on financial investments at fair value through profit or loss	(i)	1,222,488	534,374
Realised gains from investment funds		835,539	858,038
Net gains on financial investments at fair value through other comprehensive income		168,015	50,038
Dividend income		14,919	11,338
Net gain on financial investments measured at amortised cost		–	1,071
Investment (loss)/income from debt restructuring		(21,996)	61,771
Total		2,218,965	1,516,630

- (i) Net gains on financial investments at fair value through profit or loss include the investment income and fair value changes of financial investments at fair value through profit or loss except for debt securities held for trading.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

7. OTHER OPERATING INCOME

	2024 RMB'000	2023 RMB'000
Government grants	99,506	303,218
Rental income	2,947	2,502
Foreign exchange gains	27,779	59,710
Net gains on disposal of non-current assets	2,798	5,214
Others	(103,451)	13,544
Total	29,579	384,188

8. OPERATING EXPENSES

	2024 RMB'000	2023 RMB'000
Staff costs		
– Salaries, bonuses and allowances	1,294,399	1,455,018
– Social insurance and supplementary retirement benefits	324,536	291,430
– Housing fund	126,976	121,192
– Staff welfares	119,529	133,252
– Employee education expenses and labour union expenses	45,226	47,832
– Others	59,354	57,746
Sub-total	1,970,020	2,106,470
Depreciation and amortisation	416,692	460,793
Tax and surcharges	143,882	174,225
Interest expense on lease liabilities	22,038	34,218
Other general and administrative expenses	883,677	855,141
Total	3,436,309	3,630,847

Auditor's remuneration for the year ended 31 December 2024 was RMB4.95 million (year ended 31 December 2023: RMB4.95 million).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows. The emolument are disclosed with monetary amounts before taxation.

Year ended 31 December 2024							
Note	Fees RMB'000	Salaries RMB'000	Discretionary bonuses RMB'000	Sub-total RMB'000	Contributions by the employer to social insurance and staff welfares, housing fund, etc RMB'000	Other welfares RMB'000	Total RMB'000
Executive directors							
Zeng Hui	-	781	-	781	161	44	986
Luo Xiaolin	-	824	-	824	161	44	1,029
Non-executive directors							
Yu Minxin (1)	-	-	-	-	-	-	-
Zhuo Liping (2)	-	-	-	-	-	-	-
Li Shuiping	-	-	-	-	-	-	-
Xiong Jiemin	-	-	-	-	-	-	-
Deng Yonghang	-	-	-	-	-	-	-
Peng Xiyuan (2)	-	-	-	-	-	-	-
Independent non-executive directors							
Wang Yun (3)	91	-	-	91	-	-	91
Wong Hin Wing (4)	123	-	-	123	-	-	123
Liu Xinghua	170	-	-	170	-	-	170
Yang Ailin	157	-	-	157	-	-	157
He Enliang (4)	59	-	-	59	-	-	59
Wang Feimilan (3)	77	-	-	77	-	-	77

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS (continued)

Year ended 31 December 2024								
						Contributions by the employer to social insurance and staff welfares, housing	Other welfares	Total
Note	Fees RMB'000	Salaries RMB'000	Discretionary bonuses RMB'000	Sub-total RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Internal supervisors								
Liu Fulin	(5)	-	516	-	516	1	4	521
Wang Wei		-	364	-	364	103	2	469
Shareholder representative supervisor								
Zhou Minhui	(6)	-	-	-	-	-	-	-
External supervisors								
Li Xunlei		150	-	-	150	-	-	150
Luo Ping		150	-	-	150	-	-	150
Other key management personnels								
Cai Xiaojun		-	787	-	787	148	36	971
Cheng Zongli		-	790	-	790	148	36	974
Total		977	4,062	-	5,039	722	166	5,927

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS (continued)

	Note	Year ended 31 December 2023						
		Fees RMB'000	Salaries RMB'000	Discretionary bonuses RMB'000	Sub-total RMB'000	Contributions by the employer to social insurance and staff welfares, housing fund, etc RMB'000	Other welfares RMB'000	Total RMB'000
Executive directors								
Zeng Hui		–	494	–	494	130	44	668
Luo Xiaolin		–	460	–	460	130	44	634
Non-executive directors								
Yu Minxin	(1)	–	–	–	–	–	–	–
Zhuo Liping	(2)	–	–	–	–	–	–	–
Li Shuiping		–	–	–	–	–	–	–
Xiong Jiemin		–	–	–	–	–	–	–
Deng Yonghang		–	–	–	–	–	–	–
Independent non-executive directors								
Wang Yun	(3)	171	–	–	171	–	–	171
Wong Hin Wing	(4)	212	–	–	212	–	–	212
Liu Xinghua		178	–	–	178	–	–	178
Yang Ailin		165	–	–	165	–	–	165

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS (continued)

Year ended 31 December 2023								
Note	Fees RMB'000	Salaries RMB'000	Discretionary bonuses RMB'000	Sub-total RMB'000	Contributions by the employer to social insurance and staff welfares, housing fund, etc RMB'000	Other welfares RMB'000	Total RMB'000	
Internal supervisors								
Liu Fulin	(5)	–	940	–	940	125	36	1,101
Wang Wei		–	261	–	261	100	16	377
Shareholder representative supervisor								
Zhou Minhui	(6)	–	–	–	–	–	–	–
External supervisors								
Li Xunlei		150	–	–	150	–	–	150
Luo Ping		151	–	–	151	–	–	151
Wang Guizhi	(7)	–	–	–	–	–	–	–
Other key management personnels								
Cai Xiaojun	(8)	–	717	–	717	125	35	877
Cheng Zongli	(9)	–	662	–	662	125	35	822
Other key management personnel		–	535	–	535	125	36	696
Total		1,027	4,069	–	5,096	860	246	6,202

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS (continued)

The above amounts include the deferred remuneration and tenure incentives for previous years which were paid in the year. In particular, the remuneration of ZENG Hui and LUO Xiaolin paid in 2024 consists of the deferred payments for 2023 and 2022; the remuneration of LIU Fulin paid in 2024 consists of the deferred payment for 2021; and the remuneration of ZENG Hui, LUO Xiaolin, LIU Fulin, CHENG Zongli and CAI Xiaojun paid in 2024 consists of the tenure incentives for the years from 2021 to 2023. (The above salaries are pre-tax amounts)

There was no amount paid during the year ended 31 December 2024 to the directors, supervisors, and other key personnels, in connection with their retirement from employment or compensation for loss of office with the Group, or inducement to join the Group (year ended 31 December 2023: nil). There was no arrangement under which a director, a supervisor, or an other key personnel, waived or agreed to waive any remuneration during year ended 31 December 2024 (year ended 31 December 2023: nil).

According to the regulations of the relevant national authorities, the emoluments for the key management personnels in 2024 has not yet been finalized. However, it is expected that the unaccrued figure will not have a material impact on the 2024 financial statements of the Group and the Bank.

The emoluments for the key management personnels will be calculated based on their actual tenure as directors or supervisors of the Bank during 2024.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. DIRECTORS', SUPERVISORS' AND OTHER KEY MANAGEMENT PERSONNELS' EMOLUMENTS (continued)

- (1) On September 14, 2024, Mr. Yu Minxin formally submitted a resignation letter to the Board, resigning as a non-executive director of the Bank and a member of Strategic Development and Digital Transformation Committee under the Board, effective immediately.
- (2) On 9 August 2024, Mr. Peng Xiyuan was appointed as the non-executive director of the Bank, a member of the Related Party Transactions Control Committee and a member of the Risk Management Committee of the Board. Since the effective date of appointment of Mr. Peng Xiyuan, Ms. Zhuo Liping ceased to serve as a non-executive director of the Bank and a member of special committees of the Board due to change in job position.
- (3) On 13 August 2024, Ms. Wang Feimilan was appointed as the independent non-executive director of the Bank, a member of the Audit Committee and a member of the Compliance Management and Consumer Rights Protection Committee of the Board. Since the effective date of appointment of Ms. Wang Feimilan, Ms. Wang Yun ceased to serve as independent non-executive director and member of the Board's special committees of the bank due to the completion of six-year terms of office.
- (4) On 9 August 2024, Mr. He Enliang was appointed as the independent non-executive director of the Bank, the chairman of the Audit Committee, a member of the Related Party Transactions Control Committee and a member of the Remuneration and Nomination Committee of the Board. Since the effective date of appointment of Mr. He Enliang, Mr. Wong Hin Wing ceased to serve as independent non-executive director and member of the board's special committees of the bank due to the completion of six-year terms of office.
- (5) On February 2, 2024, Mr. Liu Fulin formally submitted his resignation to the Bank's Board of Supervisors, resigning from his positions as chairman of the Board of Supervisors, member of the Nomination Committee under the Board of Supervisors and the employee representative supervisor of the Bank, due to reaching retirement age. Mr. Liu Fulin's resignation as Chairman of the Board of Supervisors took effect on February 2, 2024.
- (6) On June 12, 2024, Mr. Zhou Minhui formally submitted his resignation to the Board of Supervisors of the Bank due to work adjustment, resigning from his position as a shareholder supervisor of the Bank and a member of the Supervision Committee under the Board of Supervisors with effect from the date of his resignation.
- (7) On 24 March 2023, Ms. Wang Guizhi formally submitted a written letter of resignation to the Bank and resigned from her position as an external supervisor of the Bank with effect from the date of her resignation.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The emoluments for the five highest paid individuals as at 31 December were as follows:

	2024 RMB'000	2023 RMB'000
Salaries and other emoluments	5,548	5,327
Discretionary bonuses	–	–
Contributions by the employer to social insurance and staff welfares, housing fund, etc	850	711
Others	11	143
Total	6,409	6,181

The number of these individuals whose emoluments are within the following bands is set out below:

	2024	2023
RMB1,000,001 – 1,500,000	5	5
RMB1,500,001 – 2,000,000	–	–
Total	5	5

None of these individuals received any inducement to join or upon joining the Group or compensation for loss of office, or waived any emoluments during the year ended 31 December 2024 (year ended 31 December 2023: nil).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

11. IMPAIRMENT LOSSES ON ASSETS

	2024 RMB'000	2023 RMB'000
Loans and advances to customers	6,796,999	7,037,403
Financial investments	450,112	(496,623)
Others	129,191	123,705
Total	7,376,302	6,664,485

12. INCOME TAX CREDIT

(a) Income tax expense/(credit)

	Note	2024 RMB'000	2023 RMB'000
Current tax		741,814	451,968
Changes in deferred tax	22(b)	(1,087,085)	(515,504)
Total		(345,271)	(63,536)



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

12. INCOME TAX CREDIT (continued)

(b) Reconciliations between income tax expense and accounting profit are as follows:

	Note	2024 RMB'000	2023 RMB'000
Profit before taxation		752,327	1,010,355
Statutory tax rate		25%	25%
Income tax calculated at statutory tax rate		188,082	252,588
Non-taxable income	(i)	(656,866)	(633,483)
Non-deductible expenses		89,978	143,640
Tax filing differences		33,535	173,719
Others		—	—
Income tax credit		(345,271)	(63,536)

(i) The non-taxable income mainly represents the interest income arising from the PRC government bonds and realised gains from investment funds.

13. BASIC AND DILUTED EARNINGS PER SHARE

	2024 RMB'000	2023 RMB'000
Net profit attributable to equity shareholders of the Bank	1,056,922	1,036,187
Less: Distribution to perpetual bondholders	(361,200)	(361,200)
Adjusted net profit attributable to equity shareholders of the Bank	695,722	674,987
Weighted average number of ordinary shares (in thousands)	6,024,277	6,024,277
Basic and diluted earnings per share attributable to equity shareholders of the Bank (in RMB)	0.12	0.11

There is no difference between basic and diluted earnings per share as there were no potentially dilutive shares outstanding during the year.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. CASH AND DEPOSITS WITH THE CENTRAL BANK

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Cash on hand		822,624	839,171
Deposits with the central bank			
– Statutory deposit reserves	(a)	22,743,750	26,435,350
– Surplus deposit reserves	(b)	5,204,520	4,713,648
– Fiscal deposits		111,810	127,627
Sub-total		28,882,704	32,115,796
Accrued interest		10,441	12,350
Total		28,893,145	32,128,146

- (a) The Bank places statutory deposit reserves with the PBOC in accordance with relevant regulations. The statutory deposit reserves are not available for the Bank's daily business.

The statutory deposit reserve ratios applicable to the Bank were as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Reserve ratio for RMB deposits	6.0%	7.0%
Reserve ratio for foreign currency deposits	4.0%	4.0%

As at 31 December 2024, statutory reserve rate for Jinxian Ruifeng County Bank Co., Ltd. ("Jinxian Ruifeng") was 5.0% (31 December 2023: 5.0%).

- (b) The surplus deposit reserves are maintained with the PBOC for the purpose of clearing.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China		
– Banks	516,304	2,478,924
– Other financial institutions	93,400	97,063
Outside mainland China		
– Banks	117,581	1,121,342
Gross balance	727,285	3,697,329
Accrued interest	1,322	5,189
Less: Allowances for impairment losses	(4,795)	(10,931)
Net balance	723,812	3,691,587

16. PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China		
– Other financial institutions	26,785,448	16,550,000
Gross balance	26,785,448	16,550,000
Accrued interest	317,472	184,042
Less: Allowances for impairment losses	(50,324)	(39,056)
Net balance	27,052,596	16,694,986

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS

(a) Analysed by nature

	31 December 2024 RMB'000	31 December 2023 RMB'000
Loans and advances to customers measured at amortised cost		
Corporate loans and advances	223,494,725	211,314,296
Personal loans and advances		
– Residential mortgage	48,663,481	53,515,401
– Personal business loans	20,376,175	20,292,674
– Personal consumption loans	9,703,750	8,642,778
– Credit cards	3,327,299	3,331,921
Sub-total	82,070,705	85,782,774
Gross loans and advances to customers measured at amortised cost	305,565,430	297,097,070
Accrued interest	819,142	1,001,221
Less: Allowances for impairment losses on loans and advances to customers measured at amortised cost	(11,670,850)	(12,373,851)
Net loans and advances to customers measured at amortised cost	294,713,722	285,724,440
Loans and advances to customers measured at FVOCI		
Corporate loans and advances – Forfeiting	10,302,309	8,582,582
Discounted bills	37,072,517	31,209,850
Total amount of loans and advances to customers measured at FVOCI	47,374,826	39,792,432
Net loans and advances to customers	342,088,548	325,516,872

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Analysed by industry sector

	31 December 2024		Loans and advances secured by collaterals RMB'000
	Amount RMB'000	Percentage	
Leasing and commercial services	68,746,900	19.48%	7,359,198
Water conservancy, environment and public facility management	34,252,167	9.70%	392,598
Wholesale and retail trade	33,706,938	9.55%	1,027,643
Construction	27,359,275	7.75%	1,552,624
Manufacturing	23,441,769	6.64%	1,730,381
Transportation, storage and postal services	7,979,491	2.26%	532,802
Real estate	7,295,637	2.07%	3,600,321
Agriculture, forestry, animal husbandry and fisheries	6,515,616	1.85%	679,888
Scientific research and technical services	4,582,317	1.30%	154,359
Finance	4,252,250	1.20%	107,853
Others	15,664,674	4.45%	1,445,560
Sub-total of corporate loans and advances	233,797,034	66.25%	18,583,227
Personal loans and advances	82,070,705	23.25%	60,606,655
Discounted bills	37,072,517	10.50%	—
Gross loans and advances to customers	352,940,256	100.00%	79,189,882

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Analysed by industry sector (continued)

	31 December 2023		Loans and advances secured by collaterals RMB'000
	Amount RMB'000	Percentage	
Leasing and commercial services	66,088,548	19.62%	8,643,384
Water conservancy, environment and public facility management	31,901,359	9.47%	2,217,809
Wholesale and retail trade	31,065,037	9.22%	156,462
Construction	25,132,255	7.46%	1,535,657
Manufacturing	21,146,706	6.28%	2,122,925
Real estate	10,473,797	3.11%	4,189,105
Transportation, storage and postal services	7,111,328	2.11%	624,006
Agriculture, forestry, animal husbandry and fisheries	5,322,163	1.58%	543,085
Finance	4,501,029	1.34%	558,600
Scientific research and technical services	4,326,192	1.28%	—
Others	12,828,464	3.81%	1,067,714
Sub-total of corporate loans and advances	219,896,878	65.28%	21,658,747
Personal loans and advances	85,782,774	25.46%	67,541,934
Discounted bills	31,209,850	9.26%	—
Gross loans and advances to customers	336,889,502	100.00%	89,200,681



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(c) Analysed by geographical area

	31 December 2024	
	Amount RMB'000	Percentage
Within Jiangxi Province (apart from Nanchang area)	183,224,350	51.91%
Nanchang area	118,385,395	33.54%
Head office	32,843,924	9.31%
Outside Jiangxi Province	18,486,587	5.24%
Gross loans and advances to customers	352,940,256	100.00%

	31 December 2023	
	Amount RMB'000	Percentage
Within Jiangxi Province (apart from Nanchang area)	160,759,650	47.72%
Nanchang area	129,237,711	38.36%
Head office	26,721,942	7.93%
Outside Jiangxi Province	20,170,199	5.99%
Gross loans and advances to customers	336,889,502	100.00%

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(d) Analysed by type of collateral

	31 December 2024 RMB'000	31 December 2023 RMB'000
Unsecured loans	41,779,008	36,085,572
Guaranteed loans	216,754,806	199,997,725
Collateralised loans	79,189,882	89,200,680
Pledged loans	15,216,560	11,605,525
Gross loans and advances to customers	352,940,256	336,889,502
Accrued interest	819,142	1,001,221
Less: Allowances for impairment losses on loans and advances to customers measured at amortised cost	(11,670,850)	(12,373,851)
Net loans and advances to customers	342,088,548	325,516,872



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Overdue loans analysed by overdue period

	31 December 2024				Total RMB'000
	Overdue within three months (inclusive) RMB'000	Overdue more than three months to one year (inclusive) RMB'000	Overdue more than one year to three years (inclusive) RMB'000	Overdue more than three years RMB'000	
Unsecured loans	151,016	447,853	48,184	206,022	853,075
Guaranteed loans	640,296	2,823,984	1,051,736	248,376	4,764,392
Collateralised loans	1,251,275	1,460,073	1,198,895	118,970	4,029,213
Pledged loans	100,000	2,014	233,310	43	335,367
Total	2,142,587	4,733,924	2,532,125	573,411	9,982,047
As a percentage of gross loans and advances to customers	0.61%	1.34%	0.72%	0.16%	2.83%

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Overdue loans analysed by overdue period (continued)

	31 December 2023				Total RMB'000
	Overdue within three months (inclusive) RMB'000	Overdue more than three months to one year (inclusive) RMB'000	Overdue more than one year to three years (inclusive) RMB'000	Overdue more than three years RMB'000	
Unsecured loans	108,798	195,230	217,659	18,459	540,146
Guaranteed loans	1,992,080	747,852	2,001,735	434,925	5,176,592
Collateralised loans	2,680,802	1,144,291	1,775,353	121,026	5,721,472
Pledged loans	425,353	356,650	53,200	43	835,246
Total	5,207,033	2,444,023	4,047,947	574,453	12,273,456
As a percentage of gross loans and advances to customers	1.55%	0.73%	1.20%	0.17%	3.65%

Overdue loans represent loans, of which the whole or part of the principal or interest are overdue for one day or more.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(f) Loans and advances and allowances for impairment losses

	31 December 2024			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
Total loans and advances to customers measured at amortised cost	279,013,847	14,845,197	11,706,386	305,565,430
Accrued interest	593,161	195,320	30,661	819,142
Less: Allowances for impairment losses on loans and advances to customers measured at amortised cost	(4,199,334)	(1,408,787)	(6,062,729)	(11,670,850)
Carrying amount of loans and advances to customers measured at amortised cost	275,407,674	13,631,730	5,674,318	294,713,722
Carrying amount of loans and advances to customers measured at FVOCI	47,198,097	176,729	–	47,374,826
Total carrying amount of loans and advances to customers	322,605,771	13,808,459	5,674,318	342,088,548

As at 31 December 2024, the Group adjusted the customer ratings of the loans and advances to customers. The loans and advances to customers transferred from stage 1 to stage 2 and stage 3 amounted to RMB6,084.64 million, the corresponding allowance for impairment losses increased by RMB1,414.75 million. The loans and advances to customers transferred from stage 2 to stage 3 amounted to RMB2,174.47 million, the corresponding allowance for impairment losses increased by RMB1,190.67 million. The loans and advances to customers transferred from stage 2 to stage 1 amounted to RMB1,354.95 million, the corresponding allowance for impairment losses decreased by RMB242.67 million. The loans and advances to customers transferred from stage 3 to stage 1 and stage 2 were not significant.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(f) Loans and advances and allowances for impairment losses (continued)

	31 December 2023			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
Total loans and advances to customers measured at amortised cost	270,642,622	13,651,270	12,803,178	297,097,070
Accrued interest	510,355	118,833	372,033	1,001,221
Less: Allowances for impairment losses on loans and advances to customers measured at amortised cost	(4,546,367)	(1,446,980)	(6,380,504)	(12,373,851)
Carrying amount of loans and advances to customers measured at amortised cost	266,606,610	12,323,123	6,794,707	285,724,440
Carrying amount of loans and advances to customers measured at FVOCI	39,792,432	-	-	39,792,432
Total carrying amount of loans and advances to customers	306,399,042	12,323,123	6,794,707	325,516,872

As at 31 December 2023, the Group adjusted the customer ratings of the loans and advances to customers. The loans and advances to customers transferred from stage 1 to stage 2 and stage 3 amounted to RMB6,133.34 million, the corresponding allowance for impairment losses increased by RMB1,113.98 million. The loans and advances to customers transferred from stage 2 to stage 3 amounted to RMB1,335.73 million, the corresponding allowance for impairment losses increased by RMB495.05 million. The loans and advances to customers transferred from stage 2 to stage 1 amounted to RMB886.54 million, the corresponding allowance for impairment losses decreased by RMB142.00 million. The loans and advances to customers transferred from stage 3 to stage 1 and stage 2 were not significant.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

(g) Movements of allowances for impairment losses

(i) *Movements of allowances for impairment losses on loans and advances to customers measured at amortised cost:*

	Year ended 31 December 2024			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	4,546,367	1,446,980	6,380,504	12,373,851
Transferred:				
– to 12-month ECL	293,272	(293,272)	–	–
– to lifetime ECL not credit-impaired	(77,925)	105,417	(27,492)	–
– to lifetime ECL credit-impaired	(87,121)	(278,935)	366,056	–
Charged/(released) for the year	(475,259)	428,597	6,926,680	6,880,018
Recoveries	–	–	313,294	313,294
Write-offs	–	–	(7,210,856)	(7,210,856)
Transferred out	–	–	–	–
Others	–	–	(685,457)	(685,457)
As at 31 December	4,199,334	1,408,787	6,062,729	11,670,850

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

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

(i) *Movements of allowances for impairment losses on loans and advances to customers measured at amortised cost: (continued)*

	Year ended 31 December 2023			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	2,250,464	1,877,003	7,857,146	11,984,613
Transferred:				
– to 12-month ECL	178,731	(151,734)	(26,997)	–
– to lifetime ECL not credit-impaired	(70,243)	82,884	(12,641)	–
– to lifetime ECL credit-impaired	(7,686)	(113,441)	121,127	–
Charged/(released) for the year	2,195,101	(247,732)	4,622,207	6,569,576
Recoveries	–	–	430,174	430,174
Write-offs	–	–	(6,059,192)	(6,059,192)
Transferred out	–	–	–	–
Others	–	–	(551,320)	(551,320)
As at 31 December	4,546,367	1,446,980	6,380,504	12,373,851



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. LOANS AND ADVANCES TO CUSTOMERS (continued)

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

(ii) *Movements of allowances for impairment losses on loans and advances to customers measured at fair value through other comprehensive income:*

	Year ended 31 December 2024			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	556,953	–	–	556,953
(Recovered)/Charged for the year	(85,078)	2,059	–	(83,019)
As at 31 December	471,875	2,059	–	473,934

	Year ended 31 December 2023			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	89,126	–	–	89,126
Charged for the year	467,827	–	–	467,827
As at 31 December	556,953	–	–	556,953

(h) Disposal of loans and advances to customers

In 2024, the Group disposed certain loans with gross amount of RMB2,643.10 million (2023: RMB224.85 million) to asset management companies at a consideration of RMB1,004.92 million (2023: RMB55.00 million).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Financial investments at fair value through profit or loss	(a)	47,390,780	50,954,029
Financial investments at fair value through other comprehensive income	(b)	37,783,804	28,733,334
Financial investments at amortised cost	(c)	78,867,882	84,085,797
Total		164,042,466	163,773,160

(a) Financial investments at fair value through profit or loss

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Debt securities issued by the following institutions in mainland China	(i)		
– Government		–	748,842
– Policy banks		2,955,900	7,167,224
– Commercial banks and other financial institutions		3,524,999	5,969,918
– Corporate		3,033,512	3,971,770
Sub-total		9,514,411	17,857,754
Equity instruments	(ii)	1,166,283	1,025,149
Fund investments	(iii)	33,810,963	29,731,958
Other financial investments	(iv)	2,899,123	2,339,168
Total		47,390,780	50,954,029
Listed		765,027	614,246
Unlisted		46,625,753	50,339,783
Total		47,390,780	50,954,029

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

- (i) Certain debt securities were pledged for repurchase agreements and borrowing from the central bank (Note 39(e)). No other investment were subject to material restrictions in the realisation.
- (ii) Equity instruments are acquired by the Group through debt repayments. The Group intends to dispose of them at appropriate opportunity.
- (iii) The fund investments held by the Group are monetary market funds and bond funds issued by financial institutions.
- (iv) Other financial investments held by the Group at FVTPL include wealth management products issued by financial institutions and investment management products managed by securities companies and trust plans.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(b) Financial investments at fair value through other comprehensive income

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Debt securities issued by the following institutions in mainland China	(i)		
– Government		14,228,369	7,713,414
– Policy banks		15,215,333	16,364,013
– Commercial banks and other financial institution		6,090,836	1,205,803
– Corporate		1,816,182	1,817,109
Sub-total		37,350,720	27,100,339
Equity instruments	(ii)	10,250	10,250
Investment management products managed by securities companies and trust plans		3,000	1,213,070
Accrued interest		419,834	409,675
Total		37,783,804	28,733,334
Unlisted		37,783,804	28,733,334
Allowances for impairment losses recognised in OCI	(iii)	(629,375)	(741,212)



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

- (i) Certain debt securities were pledged for repurchase agreements and borrowing from the central bank (Note 39(e)). No other investment were subject to material restrictions in the realisation.
- (ii) The Group designated the investments shown in the table below as equity instruments that are measured at FVOCI, as the Group intended to hold the equity instruments for a long term. The details are as follows:

	Dividend income recognised for the year ended		Dividend income recognised for the year ended	
	31 December 2024	31 December 2024	31 December 2023	31 December 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Clearing Centre for City Commercial Banks	250	–	250	–
China UnionPay	10,000	5,780	10,000	5,800
Total	10,250	5,780	10,250	5,800
Unlisted	10,250		10,250	

The Group did not sell the above equity instruments in 2024 and 2023.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

(iii) The movements in the gross carrying amount of financial investments at FVOCI are summarised as follows:

	Year ended 31 December 2024			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	27,615,278	272,317	835,489	28,723,084
New financial assets originated or Purchased	18,791,245	–	–	18,791,245
Financial assets derecognised during the year	(10,165,377)	(288,000)	(195,000)	(10,648,377)
Transfers:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Changes in accrual interest	10,159	–	–	10,159
Exchange differences	–	–	–	–
Changes in fair value	776,750	15,683	105,010	897,443
As at 31 December	37,028,055	–	745,499	37,773,554

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

(iii) The movements in the gross carrying amount of financial investments at FVOCI are summarised as follows: (continued)

	Year ended 31 December 2023			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	21,589,508	984,038	901,091	23,474,637
New financial assets originated or purchased	15,320,341	–	–	15,320,341
Financial assets derecognised during the year	(9,220,575)	(999,000)	(279,000)	(10,498,575)
Transfers:				
– to 12-month ECL	(288,000)	288,000	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Changes in accrual interest	49,048	(1,545)	–	47,503
Exchange differences	–	–	–	–
Changes in fair value	164,956	824	213,398	379,178
As at 31 December	27,615,278	272,317	835,489	28,723,084

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

- (iv) Movements of allowances for impairment of financial investments at fair value through other comprehensive income:

	Year ended 31 December 2024			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	38,218	15,494	687,500	741,212
Reversal, net	(18,343)	(15,494)	(78,000)	(111,837)
Transfer out	-	-	-	-
Written-offs	-	-	-	-
Recovery after written-offs	-	-	-	-
Transfers:				
- to 12-month ECL	-	-	-	-
- to lifetime ECL not credit-impaired	-	-	-	-
- to lifetime ECL credit-impaired	-	-	-	-
Remeasurement	-	-	-	-
Exchange differences	-	-	-	-
As at 31 December	19,875	-	609,500	629,375

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

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

(iii) Movements of allowances for impairment of financial investments at fair value through other comprehensive income: (continued)

	Year ended 31 December 2023			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	22,513	256,461	894,900	1,173,874
Addition/(Reversal), net	30,967	(256,229)	(207,400)	(432,662)
Transfer out	–	–	–	–
Written-offs	–	–	–	–
Recovery after written-offs	–	–	–	–
Transfers:				
– to 12-month ECL	(15,262)	15,262	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Remeasurement	–	–	–	–
Exchange differences	–	–	–	–
As at 31 December	38,218	15,494	687,500	741,212

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(c) Financial investments at amortised cost

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Debt securities issued by the following institutions in mainland China	(i)		
– Government		36,789,313	36,644,715
– Policy banks		27,320,310	24,294,195
– Commercial banks and other financial institutions		2,401,123	2,401,920
– Corporate		4,053,739	4,219,532
Sub-total		70,564,485	67,560,362
Investment management products managed by securities companies and trust plans		10,956,983	18,482,550
Accrued interest		1,210,246	1,270,848
Less: Allowances for impairment losses	(ii)	(3,863,832)	(3,227,963)
Net carrying amount		78,867,882	84,085,797
Unlisted		78,867,882	84,085,797

(i) Certain debt securities were pledged for repurchase agreements and borrowing from the central bank (Note 39(e)). No other investment were subject to material restrictions in the realisation.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(c) Financial investments at amortised cost (continued)

- (ii) The movements in the gross carrying amount of financial investments at amortised cost are summarised as follows:

	Year ended 31 December 2024			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	77,389,290	4,470,377	5,454,093	87,313,760
New financial assets originated or purchased	11,331,236	–	11,574	11,342,810
Financial assets derecognised during the year	(14,420,133)	(1,440,785)	(3,543)	(15,864,461)
Transfers:				
– to 12-month ECL	(556,371)	556,371	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Changes in accrual interest	(180,970)	80,703	39,872	(60,395)
Exchange differences	–	–	–	–
As at 31 December	73,563,052	3,666,666	5,501,996	82,731,714

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(c) Financial investments at amortised cost (continued)

- (ii) The movements in the gross carrying amount of financial investments at amortised cost are summarised as follows: (continued)

	Year ended 31 December 2023			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	82,965,453	4,684,086	6,426,137	94,075,676
New financial assets originated or purchased	14,750,890	–	26,054	14,776,944
Financial assets derecognised during the year	(19,510,455)	(1,274,815)	(1,059,332)	(21,844,602)
Transfers:				
– to 12-month ECL	(1,024,629)	1,024,629	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Changes in accrual interest	208,031	36,477	61,234	305,742
Exchange differences	–	–	–	–
As at 31 December	77,389,290	4,470,377	5,454,093	87,313,760



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(c) Financial investments at amortised cost (continued)

Movements of allowances for impairment of financial investments at amortised cost:

	Year ended 31 December 2024			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	209,715	82,623	2,935,625	3,227,963
(Reversal)/Addition, net	(106,188)	166,397	501,740	561,949
Transfer out	–	–	–	–
Written-offs	–	–	–	–
Recovery after written-offs	–	–	73,920	73,920
Transfers:				
– to 12-month ECL	(6,678)	6,678	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Remeasurement	–	–	–	–
Exchange differences	–	–	–	–
As at 31 December	96,849	255,698	3,511,285	3,863,832

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. FINANCIAL INVESTMENTS (continued)

(c) Financial investments at amortised cost (continued)

Movements of allowances for impairment of financial investments at amortised cost: (continued)

	Year ended 31 December 2023			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	228,511	350,717	3,430,587	4,009,815
(Reversal)/Addition, net	(204,705)	(82,185)	222,929	(63,961)
Transfer out	–	–	–	–
Written-offs	–	–	(751,272)	(751,272)
Recovery after written-offs	–	–	33,381	33,381
Transfers:				
– to 12-month ECL	185,909	(185,909)	–	–
– to lifetime ECL not credit-impaired	–	–	–	–
– to lifetime ECL credit-impaired	–	–	–	–
Remeasurement	–	–	–	–
Exchange differences	–	–	–	–
As at 31 December	209,715	82,623	2,935,625	3,227,963

(d) Disposal of financial investments

In 2024, the Group did not dispose any financial investments to asset management companies (31 December 2023: nil).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

19. INTEREST IN ASSOCIATES

The following list contains the Group's associates, all of which are individually immaterial to the Group and are unlisted rural banks whose quoted market price are not available:

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Nanchang Dafeng County Bank Co., Ltd. ("南昌大豐村鎮銀行有限責任公司")		77,794	76,335
Nanfeng Judu County Bank Co., Ltd. ("南豐桔都村鎮銀行有限責任公司")		33,712	31,635
Si Ping Tie Dong De Feng County Bank Co., Ltd. ("四平鐵東德豐村鎮銀行股份有限公司")		25,180	24,069
Guangchang Nanyin County Bank Co., Ltd. ("廣昌南銀村鎮銀行股份有限公司")		16,857	15,793
Total	(a)/(b)	153,543	147,832

(a) The following table illustrates the aggregate information of the Group's associates that are not individually material:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Aggregate carrying amount of the individually immaterial associates in the consolidated statements of financial position of the Group	153,543	147,832
Aggregate amounts of the Group's share of results of the associates		
– Profit from continuing operations	5,711	9,049
– Total comprehensive income	5,711	9,049

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

19. INTEREST IN ASSOCIATES (continued)

- (b) Detailed information of the Group's associates that are not individually material is as follows:
- (i) Nanchang Dafeng County Bank Co., Ltd. ("Nanchang Dafeng") was incorporated on 30 September 2010 at Nanchang County, Jiangxi Province, with registered capital of RMB220.00 million. The principal activities of Nanchang Dafeng are the provision of retail banking services. On 3 November 2023, the Bank subscribed for RMB5.50 million shares at the price of RMB1.00 per share in Nanchang Dafeng, obtained the approval of National Financial Regulatory Administration ("NFRA") on 18 March 2024. Upon the completion of the capital increase, the Bank acquired 30.68% of the shares and voting interest in Nanchang Dafeng, whereas before the percentage was 28.18%. As at 31 December 2024, the Bank holds 30.68% of equity interest of Nanchang Dafeng (31 December 2023: 30.68%).
 - (ii) Nanfeng Judu County Bank Co., Ltd. ("Nanfeng Judu") was incorporated on 20 December 2011 at Nanfeng County, Fuzhou City, Jiangxi Province, with registered capital of RMB55.11 million. The principal activities of Nanfeng Judu are the provision of corporate and retail banking services. As of 31 December 2024, the Bank holds 40.00% of equity interest of Nanfeng Judu (31 December 2023: 40.00%).
 - (iii) Si Ping Tie Dong De Feng County Bank Co., Ltd. ("Si Ping De Feng") was incorporated on 22 July 2011 at Si Ping City, Jilin Province, with registered capital of RMB30.00 million. The principal activities of Si Ping De Feng are the provision of corporate and retail banking services. As of 31 December 2024, the Bank holds 20.00% of equity interest of Si Ping De Feng (31 December 2023: 20.00%).
 - (iv) Guangchang Nanyin County Bank Co., Ltd. ("Guangchang Nanyin") was incorporated on 30 December 2013 at Fuzhou City, Jiangxi Province, with registered capital of RMB50.00 million. The principal activities of Guangchang Nanyin are the provision of corporate and retail banking services. As of 31 December 2024, the Bank holds 30.00% of equity interest of Guangchang Nanyin (31 December 2023: 30.00%).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

20. INVESTMENTS IN SUBSIDIARIES

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Jiangxi Financial Leasing Co., Ltd. ("江西金融租賃股份有限公司")	(i)	1,734,000	1,734,000
Jinxian Ruifeng County Bank Co., Ltd. ("進賢瑞豐村鎮銀行有限責任公司")	(ii)	59,916	59,916
Total		1,793,916	1,793,916

- (i) Jiangxi Financial Leasing Co., Ltd. ("JXFL") was incorporated on 24 November 2015 at Nanchang City, Jiangxi Province, with registered capital of RMB1.00 billion. The principal activities of JXFL are financial leasing services and the location of its principal activities is Nanchang, and it is a corporate legal entity and a non-wholly-owned subsidiary of the Bank. On 13 February 2018, the Bank subscribed for 1.02 billion shares at the price of RMB1.20 per share. Upon the completion of capital injection, the Bank acquired 75.74% of equity interest of JXFL. As of 31 December 2024, the Bank holds 75.74% of equity interest of JXFL (31 December 2023: 75.74%).
- (ii) Jinxian Ruifeng County Bank Co., Ltd. ("Jinxian Ruifeng") was incorporated on 15 June 2012 at Jinxian County, Jiangxi Province, with registered capital of RMB100.00 million. The principal activities of Jinxian Ruifeng are the provision of corporate and retail banking services, and it is a corporate legal entity and a non-wholly-owned subsidiary of the Bank.

On 15 July 2020, the Bank acquired 4.50 million shares in Jinxian Ruifeng at the price of RMB1.395 million from Nanchang Jinyu Stainless Steel Products Co., Ltd., a shareholder of Jinxian Ruifeng. After the acquisition, the Bank held 39.00% of equity interest of Jinxian Ruifeng.

On 25 December 2020, the Bank subscribed for 50.00 million shares at the price of RMB1.00 per share in Jinxian Ruifeng, with the approval of the former CBIRC Jiangxi Office. Upon the completion of the capital injection, the Bank acquired 69.50% of the shares and voting interest in Jinxian Ruifeng and obtained the control of Jinxian Ruifeng. As of 31 December 2024, the Bank holds 69.50% of equity interest of Jinxian Ruifeng (31 December 2023: 69.50%).

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FOR THE YEAR ENDED 31 DECEMBER 2024

21. PROPERTY AND EQUIPMENT

	Premises RMB'000	Construction in progress RMB'000	Electronic equipment RMB'000	Fixtures RMB'000	Others RMB'000	Total RMB'000
Cost:						
As at 1 January 2023	2,905,607	52,866	762,684	301,288	356,111	4,378,556
Additions	1,232	53,789	55,332	8,343	13,123	131,819
Transfers (out of)/from construction in progress	–	(39,445)	4,554	2,575	1,671	(30,645)
Disposals	(3,155)	(2,106)	(67,103)	–	(6,801)	(79,165)
As at 31 December 2023	2,903,684	65,104	755,467	312,206	364,104	4,400,565
As at 1 January 2024	2,903,684	65,104	755,467	312,206	364,104	4,400,565
Additions	27	60,682	23,536	16,630	15,727	116,602
Transfers (out of)/from construction in progress	–	(47,062)	1,565	622	1,553	(43,322)
Disposals	–	(925)	(20,702)	(323)	(18,501)	(40,451)
As at 31 December 2024	2,903,711	77,799	759,866	329,135	362,883	4,433,394
Accumulated depreciation:						
As at 1 January 2023	(1,069,566)	–	(645,410)	(238,151)	(270,241)	(2,223,368)
Charged for the year	(134,129)	–	(52,450)	(37,701)	(32,250)	(256,530)
Disposals	1,301	–	63,734	(65)	6,200	71,170
As at 31 December 2023	(1,202,394)	–	(634,126)	(275,917)	(296,291)	(2,408,728)
As at 1 January 2024	(1,202,394)	–	(634,126)	(275,917)	(296,291)	(2,408,728)
Charged for the year	(134,000)	–	(48,222)	(17,290)	(23,536)	(223,048)
Disposals	–	–	18,610	43	16,896	35,549
As at 31 December 2024	(1,336,394)	–	(663,738)	(293,164)	(302,931)	(2,596,227)
Net book value:						
As at 31 December 2023	1,701,290	65,104	121,341	36,289	67,813	1,991,837
As at 31 December 2024	1,567,317	77,799	96,128	35,971	59,952	1,837,167

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

21. PROPERTY AND EQUIPMENT (continued)

As at 31 December 2024, the net book value of premises of which title deeds were not yet finalised was RMB0.00 million (31 December 2023: RMB0.54 million).

The net book values of premises at 31 December were analysed by the remaining terms of the leases as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Held in mainland China		
– Medium-term leases (10 – 50 years)	1,567,317	1,701,289

Property and equipment are depreciated using the straight-line method over their estimated useful lives, after taking into account their estimated residual values. The estimated useful lives, residual values and depreciation rates of each class of property and equipment are as follows:

Asset category	Estimated useful life	Estimated rate of residual value	Depreciation rate
Premises	5 – 20 years	3.00% – 5.00%	4.75% – 19.40%
Electronic equipments	3 – 5 years	3.00% – 5.00%	19.00% – 32.33%
Fixtures	5 – 20 years	0.00% – 5.00%	4.75% – 20.00%
Others	3 – 10 years	3.00% – 5.00%	9.50% – 32.33%

Useful lives, residual values and depreciation methods are reviewed at least at each year-end.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

22. DEFERRED TAX ASSETS AND LIABILITIES

(a) Analysed by nature

	31 December 2024		31 December 2023	
	Deductible temporary differences RMB'000	Deferred income tax assets RMB'000	Deductible temporary differences RMB'000	Deferred income tax assets RMB'000
Deferred income tax assets				
Allowance for impairment losses	26,746,910	6,686,726	20,931,868	5,232,968
Fair value changes in financial instruments	–	–	737,017	184,254
Accrued staff cost	803,826	200,958	1,162,906	290,727
Deferred income	309,073	77,268	502,793	125,698
Lease liabilities	750,827	187,707	834,862	208,715
Others	33,448	8,362	19,907	4,977
Subtotal	28,644,084	7,161,021	24,189,353	6,047,339
Deferred income tax liabilities				
Fair value changes in financial instruments	(890,545)	(222,636)	–	–
Right of use assets	(660,461)	(165,115)	(745,139)	(186,285)
Others	(37,823)	(9,456)	–	–
Subtotal	(1,588,829)	(397,207)	(745,139)	(186,285)
Net amount	27,055,255	6,763,814	23,444,214	5,861,054



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

22. DEFERRED TAX ASSETS AND LIABILITIES (continued)

(b) Movements of deferred tax

	Net balance of deferred tax assets RMB'000
At 1 January 2023	5,463,885
Recognised in profit or loss	515,504
Recognised in other comprehensive income	(118,335)
At 31 December 2023	5,861,054
At 1 January 2024	5,861,054
Recognised in profit or loss	1,087,085
Recognised in other comprehensive income	(184,325)
At 31 December 2024	6,763,814

(i) Net gains or losses on fair value changes of financial instruments are subject to tax when realised.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Right-of-use assets	(a)	662,532	747,615
Prepayments for acquisition of property and equipment		623,802	660,798
Interests receivable	(b)	336,645	456,237
Reposessed assets	(c)	182,578	173,662
Land use rights	(d)	176,762	185,706
Intangible assets	(e)	151,536	151,431
Long-term deferred expenses		59,584	60,393
Deferred expenses		45,022	51,730
Settlement and clearing accounts		14,742	11,354
Receivables from disposal of financial assets		10,734	10,734
Goodwill		7,126	7,126
Investment property		1,644	1,799
Others		263,854	355,258
		2,536,561	2,873,843
Less: Allowances for impairment losses		(456,908)	(333,954)
Net balance		2,079,653	2,539,889



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS (continued)

(a) Right-of-use assets

	RMB'000
Cost:	
As at 1 January 2023	1,203,295
Additions	109,304
Disposals	(106,166)
As at 31 December 2023	1,206,433
Additions	99,490
Disposals	(170,336)
As at 31 December 2024	1,135,587
Accumulated depreciation:	
As at 1 January 2023	(404,521)
Charged for the year	(132,245)
Disposals	77,948
As at 31 December 2023	(458,818)
Charged for the year	(120,669)
Disposals	106,432
As at 31 December 2024	(473,055)
Net book value:	
As at 31 December 2023	747,615
As at 31 December 2024	662,532

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS (continued)

(b) Interests receivable

	31 December 2024 RMB'000	31 December 2023 RMB'000
Interests receivable arising from:		
Financial investments	318,673	409,602
Loans and advances to customers	17,972	46,635
Total	336,645	456,237

Interest receivable only includes interest that has been due for the relevant financial instruments but not yet received at the balance sheet date. Interest on financial instruments based on the effective interest method has been reflected in the balance of corresponding financial instruments.

(c) Repossessed assets

	31 December 2024 RMB'000	31 December 2023 RMB'000
Land use rights and buildings	182,578	171,412
Other	–	2,250
Less: Impairment allowances	(40,220)	(33,866)
Net repossessed assets	142,358	139,796



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS (continued)

(d) Land use rights

	31 December 2024 RMB'000	31 December 2023 RMB'000
Located in Mainland China		
Over 50 years	21,830	22,206
10 – 50 years	154,932	163,500
Total	176,762	185,706

(e) Intangible assets

	RMB'000
Cost:	
As at 1 January 2023	274,274
Additions	29,623
Disposals	(300)
As at 31 December 2023	303,597
As at 1 January 2024	303,597
Additions	28,695
Disposals	(101)
As at 31 December 2024	332,191

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS (continued)

(e) Intangible assets (continued)

	RMB'000
Accumulated depreciation:	
As at 1 January 2023	(128,053)
Charged for the year	(24,268)
Disposals	155
<hr/>	
As at 31 December 2023	(152,166)
<hr style="border-top: 1px dashed black;"/>	
As at 1 January 2024	(152,166)
Charged for the year	(28,512)
Disposals	23
<hr/>	
As at 31 December 2024	(180,655)
<hr style="border-top: 1px dashed black;"/>	
Net book value:	
As at 31 December 2023	151,431
<hr/>	
As at 31 December 2024	151,536
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Intangible assets include core deposits, real estate use rights, computer software, etc. Core deposits are accounts that a financial institution expects to maintain for an extended period of time due to ongoing business relationships. The core deposit intangibles reflect the present value of the additional cash flow resulting from the use of the account deposit at a lower alternative financing cost in the future period.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. OTHER ASSETS (continued)

(e) Intangible assets (continued)

The respective amortisation periods for intangible assets are as follows:

– Land use rights	30 – 70 years
– Real estate use rights	20 – 25 years
– Computer software	3 – 10 years
– Core deposits	10 years
– Others	20 years

24. DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China		
– Banks	8,077,330	6,265,271
– Other financial institutions	8,390,861	10,690,147
Gross Balance	16,468,191	16,955,418
Accrued interest	218,940	245,185
Total	16,687,131	17,200,603

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

25. PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China – Banks	2,590,000	4,000,000
Gross Balance	2,590,000	4,000,000
Accrued interest	3,623	2,897
Total	2,593,623	4,002,897



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. BORROWING FROM OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China – Other financial institutions	2,000,000	1,218,000
Gross Balance	2,000,000	1,218,000
Accrued interest	30,302	19,965
Total	2,030,302	1,237,965

27. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(a) Analysed by type and location of counterparty

	31 December 2024 RMB'000	31 December 2023 RMB'000
In mainland China – Banks	15,292,481	25,727,229
Gross Balance	15,292,481	25,727,229
Accrued interest	201	4,141
Total	15,292,682	25,731,370

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

27. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(continued)

(b) Analysed by type of collateral

	31 December 2024 RMB'000	31 December 2023 RMB'000
Debt securities		
– Government	1,400,000	3,400,000
– Policy banks	3,100,000	18,200,000
Sub-total	4,500,000	21,600,000
Acceptance Bill		
– Bank	10,792,481	4,127,229
Gross Balance	15,292,481	25,727,229
Accrued interest	201	4,141
Total	15,292,682	25,731,370



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

28. DEPOSITS FROM CUSTOMERS

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Demand deposits			
– Corporate customers		77,359,692	93,778,957
– Individual customers		24,263,850	24,403,087
Sub-total		101,623,542	118,182,044
Time deposits			
– Corporate customers		60,778,144	67,482,862
– Individual customers		186,383,824	161,172,774
Sub-total		247,161,968	228,655,636
Pledged deposits			
– Acceptances		24,020,613	18,331,129
– Letters of guarantees		1,307,339	1,599,201
– Letters of credit		3,635,496	2,560,109
– Others		39,516	22,005
Sub-total		29,002,964	22,512,444
Inward and outward remittances		71,135	135,615
Convertible negotiated deposit	(a)	3,900,000	3,900,000
Accrued interest		9,173,080	7,826,531
Total		390,932,689	381,212,270

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

28. DEPOSITS FROM CUSTOMERS (continued)

(a) Convertible negotiated deposit

Jiangxi Provincial Department of Finance has saved funds of negotiated deposit raised from local government special bond into deposit account of Jiangxi Provincial Department of Finance in the Bank of Jiangxi. The deposit can be converted into ordinary shares to replenish other tier-one capital of the Bank. The maturity of the deposit shall be set in accordance with the maturity requirements of the convertible negotiated deposit in batches. Among them, RMB0.8 billion is for the six-year maturity, RMB0.8 billion for the seven-year maturity, RMB0.8 billion for the eight-year maturity, RMB0.8 billion for the nine-year maturity and RMB0.7 billion for the ten-year maturity. The interest is paid semiannually on the convertible negotiated deposit, and the interest rate shall match with the corresponding local government special bond issuance interest rate. The conversion for convertible negotiated deposit into ordinary shares of the Bank shall satisfy the following conditions at the same time: (i) the core tier-one capital adequacy ratio of the Bank is lower than 5.125%; (ii) Jiangxi Provincial Department of Finance consent to the conversion; and (iii) the class and number of the converted ordinary shares and the shareholding structure of the Bank after the conversion shall satisfy the particular requirement of the Hong Kong Stock Exchange for the minimum public float. When the conditions are met, the negotiated deposits will be converted into ordinary shares periodically and included in the core tier-one capital.

29. DEBT SECURITIES ISSUED

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Certificates of interbank deposits issued	(a)	59,473,466	45,371,276
Other bonds issued	(b)	5,999,494	—
Accrued interest		1,455	—
Total		65,474,415	45,371,276

(a) Certificates of interbank deposits issued

In 2024, the Group issued a number of certificates of interbank deposit with total nominal amount of RMB107,520.00 million (31 December 2023: RMB110,200.00 million) and duration between 1-12 months (31 December 2023: 1-12 months). The effective interest rates range from 1.68% to 2.46% per annum (31 December 2023: 1.80% to 2.85% per annum).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

29. DEBT SECURITIES ISSUED (continued)

(b) Other bonds issued

On December 25, 2024, the Group issued Jiangxi Bank Co., Ltd. 2024 Green Financial Bonds (“江西銀行股份有限公司 2024 年綠色金融債券”) with a total face value of RMB6.0 billion. The bonds carry a 3-year maturity and a fixed annual coupon rate of 1.77%.

30. OTHER LIABILITIES

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Accrued staff costs	(a)	1,212,870	1,441,839
Lease liabilities		752,825	837,235
Guarantee deposits from leases		455,450	504,775
Other tax payables		200,327	291,361
Provisions	(b)	167,236	322,717
Notes payable		83,718	–
Settlement and clearing accounts		77,697	58,796
Deferred income		76,206	131,873
Non-performing assets collection		39,221	39,275
Payables for purchase of fixed assets		21,181	15,882
Receipt in advance		20,766	24,371
Dividend payable		17,390	17,535
Others		138,168	203,863
Total		3,263,055	3,889,522

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

30. OTHER LIABILITIES (continued)

(a) Accrued staff costs

	31 December 2024 RMB'000	31 December 2023 RMB'000
Salaries, bonuses and allowances	1,108,252	1,307,879
Social insurance	400	2,924
Housing fund	41	296
Employee education costs and labor union expenditure	9,996	16,663
Supplementary retirement benefits	94,181	114,077
Total	1,212,870	1,441,839

Contributions to the defined contribution retirement plan are recognised as expenses when incurred, and there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

30. OTHER LIABILITIES (continued)

(b) Provisions

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Credit commitments provision	(i)	161,179	293,091
Litigations and disputes provision		6,057	29,626
Total		167,236	322,717

(i) Movements of credit commitments provision is as follows:

	Year ended 31 December 2024			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January	250,045	252	42,794	293,091
Transferred:				
– to 12-month ECL	125	(125)	–	–
– to lifetime ECL not credit-impaired	(7)	7	–	–
– to lifetime ECL credit-impaired	(5)	(26)	31	–
(Released)/Charged for the year	(90,599)	1,512	(42,825)	(131,912)
As at 31 December	159,559	1,620	–	161,179

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

30. OTHER LIABILITIES (continued)

(b) Provisions (continued)

(i) Movements of credit commitments provision is as follows: (continued)

	Year ended 31 December 2023			Total RMB'000
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	
As at 1 January	220,823	279	373,438	594,540
Transferred:				
– to 12-month ECL	151	(151)	–	–
– to lifetime ECL not credit-impaired	(8)	8	–	–
– to lifetime ECL credit-impaired	(8)	(30)	38	–
Charged/(Released) for the year	29,087	146	(330,682)	(301,449)
As at 31 December	250,045	252	42,794	293,091



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. SHARE CAPITAL

	31 December 2024	31 December 2023
Number of shares in Mainland China (in thousands)	4,678,777	4,678,777
Ordinary shares in Mainland China (RMB'000)	4,678,777	4,678,777
Number of H-shares in Hong Kong (in thousands)	1,345,500	1,345,500
Ordinary shares listed in Hong Kong (H-share) (RMB'000)	1,345,500	1,345,500
Total (RMB'000)	6,024,277	6,024,277

32. OTHER EQUITY INSTRUMENTS

(a) Perpetual debt outstanding at the end of the year

Financial instrument outstanding	Time issued	Accounting Classifications	Initial Interest rate	Issue price	Quantities	In thousands of RMB	Maturity
Perpetual Debts	23 August 2021	Equity	4.80%	RMB100/bond	40,000,000	4,000,000	None
Perpetual Debts	21 September 2022	Equity	3.67%	RMB100/bond	20,000,000	2,000,000	None
Perpetual Debts	15 December 2022	Equity	4.79%	RMB100/bond	20,000,000	2,000,000	None
Less: issuing cost						(2,040)	
Book Value						7,997,960	

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. OTHER EQUITY INSTRUMENTS (continued)

(b) Main clause

Perpetual debts presented in the balance sheet represent the undated capital bonds issued by the Bank. With the authorisation of the annual general meeting and the approval from regulatory authorities, the Bank was permitted to issue undated capital bonds of an amount no more than RMB8.0 billion in 2021.

With the approval of Jiangxi Banking and Insurance Regulatory Bureau on Jiangxi Bank's Issuance of undated capital bonds (Jiangxi Banking and Insurance Regulatory Bureau [2020] No. 362) and the Decision of the People's Bank of China on Granting Administrative License (Bank Approval Word [2021] No. 22), the Bank issued the "2021 Capital Bond with No Fixed Maturity (First Tranche)" for a total of RMB4.0 billion on 23 August 2021. The unit par value of the bond is RMB100.0, the interest rate for the first 5 years is 4.80%, and the coupon rate adjusted period will be every 5 years from the issuance of the Bonds. In any coupon rate adjusted period, the coupon rate of the Bonds will be made at a prescribed fixed coupon rate.

The Bank issued the "2022 Capital Bond with No Fixed Maturity (First Tranche)" for a total of RMB2.0 billion on 21 September 2022. The unit par value of the bond is RMB100.0, the interest rate for the first 5 years is 3.67%, and the coupon rate adjusted period will be every 5 years from the issuance of the Bonds. In any coupon rate adjusted period, the coupon rate of the Bonds will be made at a prescribed fixed coupon rate. The book value of the instruments was RMB1,999.5 million which was the result of purchase price deduct the issuance cost of RMB0.5 million.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. OTHER EQUITY INSTRUMENTS (continued)

(b) Main clause (continued)

The Bank issued the “2022 Capital Bond with No Fixed Maturity (Second Tranche)” for a total of RMB2.0 billion on 15 December 2022. The unit par value of the bond is RMB100.0, the interest rate for the first 5 years is 4.79%, and the coupon rate adjusted period will be every 5 years from the issuance of the Bonds. In any coupon rate adjusted period, the coupon rate of the Bonds will be made at a prescribed fixed coupon rate. The book value of the instruments was RMB1,999.5 million which was the result of purchase price deduct the issuance cost of RMB0.5 million.

The Bonds will continue to be outstanding so long as the Bank’s business continues to operate. This bond issuance is subject to the Bank’s conditional redemption clause. The issuer shall have the right to redeem the current Bonds in whole or in part on the annual coupon payment date (including the coupon payment date of the fifth year after the issuance date) five years after the issuance date. The issuer has the right to redeem the Bonds in whole, but not in part, in the event of an unpredictable regulatory change that prevents the current issuance from being counted as other Tier 1 capital. The issuer shall exercise the right of redemption upon the approval of the NFRA and upon meeting the following conditions: (1) replace the redeemed bond with a capital instrument of the same or higher class, and the replacement of the capital instrument shall be implemented only if the profitability of the Bank remains sustainable; (2) or the capital adequacy ratio remains significantly higher than the NFRA after the exercise of the right.

The Bank has the right to cancel, in whole or in part, distributions on the Bonds and any such cancellation does not constitute an event of default. The Bank will fully consider the interests of bondholders when exercising this right. The Bank is free to use the interest of the cancelled bond for other due debts. Cancellation of any distributions to the Bonds, no matter in whole or in part, will not impose any other restriction on the Bank, except in relation to dividend distributions to ordinary shares. The dividend is paid on a non-cumulative basis, that is, the dividend not paid in full to the shareholder previously will not accumulated to the next interest-bearing year.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

33. RESERVES

(a) Capital reserve

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Share premium		13,291,249	13,291,249
Other comprehensive income	(i)	1,207,470	654,494
Total		14,498,719	13,945,743

(i) Other comprehensive income

	2024 RMB'000	2023 RMB'000
As at 1 January	654,494	299,490
Changes in fair value recognised in other comprehensive income	1,104,123	469,975
Transfer to profit or loss upon disposal	(171,966)	(31,801)
Changes in impairment losses recognised in other comprehensive income	(194,856)	35,165
Less: Income tax effect	(184,325)	(118,335)
As at 31 December	1,207,470	654,494



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

33. RESERVES (continued)

(b) Surplus reserve

The surplus reserve at the end of each of the reporting period represented statutory surplus reserve fund and discretionary surplus reserve fund. Pursuant to the Company Law of the PRC and the Article of Association of the Group, the Group is required to appropriate 10% of its net profit as on an annual basis determined under the People's Republic of China Generally Accepted Accounting Principles ("PRC GAAP") after making good prior year's accumulated loss, to statutory surplus reserve fund until the reserve fund balance reaches 50% of its registered capital.

The Group appropriated an amount of RMB92.75 million to the statutory surplus reserve fund for the year ended 31 December 2024 (year ended 31 December 2023: RMB106.59 million).

The Group may also appropriate discretionary surplus reserve fund in accordance with the resolution of the shareholders.

(c) General reserve

Pursuant to the "Measures on Impairment Allowances for Financial Enterprises (Cai Jin [2012] No. 20)" issued by the Ministry of Finance ("MOF"), the Group is required to set aside a general reserve through net profit appropriation which should not be lower than 1.5% of the ending balance of its gross risk-bearing assets on an annual basis. The balance of the general reserve amounted to RMB7,940.40 million as at 31 December 2024 (31 December 2023: RMB7,645.26 million).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

34. RETAINED EARNINGS

(a) Appropriation of profits

In accordance with the resolution of the Group's Board of Directors Meeting held on 28 March 2025, the proposed profit appropriations for the year ended 31 December 2024 is listed as follows:

- Appropriation of statutory surplus reserve amounted to RMB92.75 million;
- Appropriation of general reserve amounted to RMB295.14 million; and
- Declaration of cash dividend of RMB0.38 per 10 shares before tax and in an aggregation amount of RMB228.92 million to all existing shareholders of record.

On August 26, 2024, the Group distributed the interest of 2021 capital bonds with no fixed term (first tranche) of RMB192.00 million; on September 25, 2024, the Group distributed the interest of 2022 capital bonds with no fixed term (first tranche) of RMB73.40 million; and on December 19, 2024, the Group distributed the interest of 2022 capital bonds with no fixed term (second tranche) of RMB95.80 million.

In accordance with the resolution of the Group's Board of Directors Meeting held on 28 March 2024, the proposed profit appropriations for the year ended 31 December 2023 is listed as follows:

- Appropriation of statutory surplus reserve amounted to RMB106.59 million;
- Appropriation of general reserve amounted to RMB626.16 million; and
- Declaration of cash dividend of RMB0.40 per 10 shares before tax and in an aggregation amount of RMB240.97 million to all existing shareholders of record.

On August 25, 2023, the Group distributed the interest of 2021 capital bonds with no fixed term (first tranche) of RMB192.00 million; on September 25, 2023, the Group distributed the interest of 2022 capital bonds with no fixed term (first tranche) of RMB73.40 million; and on December 19, 2023, the Group distributed the interest of 2022 capital bonds with no fixed term (second tranche) of RMB95.80 million.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

34. RETAINED EARNINGS (continued)

(b) Movements in components of equity

Details of the changes in the Bank's individual components of equity between the beginning and the end of the year are set out below.

	Share capital RMB'000	Other equity instruments RMB'000	Capital reserve RMB'000	Surplus reserve RMB'000	General reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2024	6,024,277	7,997,960	13,958,588	3,327,023	7,456,314	7,390,290	46,154,452
Changes in equity for the year							
Profit for the year	-	-	-	-	-	927,534	927,534
Other comprehensive income	-	-	552,976	-	-	-	552,976
Total comprehensive income	-	-	552,976	-	-	927,534	1,480,510
Issuance of perpetual debt	-	-	-	-	-	-	-
Appropriation of profits							
- Appropriation to surplus reserve	-	-	-	92,753	-	(92,753)	-
- Appropriation to general reserve	-	-	-	-	295,141	(295,141)	-
- Appropriation to shareholders	-	-	-	-	-	(240,971)	(240,971)
- Appropriation to perpetual debt interest	-	-	-	-	-	(361,200)	(361,200)
Balance at 31 December 2024	6,024,277	7,997,960	14,511,564	3,419,776	7,751,455	7,327,759	47,032,791

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

34. RETAINED EARNINGS (continued)

(b) Movements in components of equity (continued)

	Share capital RMB'000	Other equity instruments RMB'000	Capital reserve RMB'000	Surplus reserve RMB'000	General reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2023	6,024,277	7,997,961	13,603,584	3,220,431	6,830,158	7,719,536	45,395,947
Changes in equity for the year							
Profit for the year	-	-	-	-	-	1,065,915	1,065,915
Other comprehensive income	-	-	355,004	-	-	-	355,004
Total comprehensive income	-	-	355,004	-	-	1,065,915	1,420,919
Issuance of perpetual debt	-	(1)	-	-	-	-	(1)
Appropriation of profits							
- Appropriation to surplus reserve	-	-	-	106,592	-	(106,592)	-
- Appropriation to general reserve	-	-	-	-	626,156	(626,156)	-
- Appropriation to shareholders	-	-	-	-	-	(301,213)	(301,213)
- Appropriation to perpetual debt interest	-	-	-	-	-	(361,200)	(361,200)
Balance at 31 December 2023	6,024,277	7,997,960	13,958,588	3,327,023	7,456,314	7,390,290	46,154,452



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

35. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS

(a) Net decrease in cash and cash equivalents

	2024 RMB'000	2023 RMB'000
Cash and cash equivalents as at 31 December	8,659,791	13,040,148
Less: Cash and cash equivalents as at 1 January	(13,040,148)	(19,040,727)
Net decrease in cash and cash equivalents as at 31 December	(4,380,357)	(6,000,579)

(b) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following balances with maturities of less than or equal to 90 days from date of purchase and used for purpose of meeting short-term cash commitments:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Cash on hand	822,624	839,171
Deposits with the central bank	5,204,520	4,713,648
Deposits with banks and other financial institutions	687,285	3,587,329
Placements with banks and other financial institutions	1,945,362	3,900,000
Total	8,659,791	13,040,148

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

35. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS (continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Debt securities issued RMB'000	Accrued interest arising from debt securities issued RMB'000	Lease liabilities RMB'000	Total RMB'000
Balance at 1 January 2024	45,371,276	–	837,235	46,208,511
Changes from financing cash flows:				
– Proceeds from debt securities issued	112,371,722	–	–	112,371,722
– Interest paid on debt securities issued	–	1,455	–	1,455
– Repayment of debt securities issued	(93,451,812)	–	–	(93,451,812)
– Capital element of lease rentals paid	–	–	(143,867)	(143,867)
Total changes from financing cash flows	64,291,186	1,455	693,368	64,986,009
Other changes:				
– Net decrease in lease liabilities	–	–	37,419	37,419
– Interest expense	1,181,774	–	22,038	1,203,812
Balance at 31 December 2024	65,472,960	1,455	752,825	66,227,240

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

35. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS (continued)

(c) Reconciliation of liabilities arising from financing activities (continued)

	Debt securities issued RMB'000	Accrued interest arising from debt securities issued RMB'000	Lease liabilities RMB'000	Total RMB'000
Balance at 1 January 2023	52,161,884	–	883,087	53,044,971
Changes from financing cash flows:				
– Proceeds from debt securities issued	108,910,445	–	–	108,910,445
– Interest paid on debt securities issued	–	–	–	–
– Repayment of debt securities issued	(116,923,093)	–	–	(116,923,093)
– Capital element of lease rentals paid	–	–	(156,647)	(156,647)
Total changes from financing cash flows	44,149,236	–	726,440	44,875,676
Other changes:				
– Net decrease in lease liabilities	–	–	76,577	76,577
– Interest expense	1,222,040	–	34,218	1,256,258
Balance at 31 December 2023	45,371,276	–	837,235	46,208,511

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) Related parties of the Group

(i) Major shareholders

Major shareholders include shareholders of the Bank with direct or indirect 5% or above shareholding, or with the right to appoint a director, member of the Board of supervisors in the Bank.

Shareholding in the Bank:

	Registered location	Legal representative	Business	Percentage of shares held as at 31 December 2024	Percentage of shares held as at 31 December 2023
Jiangxi Provincial Expressway Investment Group Co., Ltd. ("江西省交通投資集團有限責任公司")	Nanchang	Xie Jianfa	Infrastructure	15.56%	15.56%
Jiangxi Financial Holding Group Co., Ltd. ("江西省金融控股集團有限公司")	Nanchang	Qi Wei	Asset operation and management	6.14%	6.11%
Nanchang Traffic Investment Group Co., Ltd. ("南昌市產業投資集團有限公司")	Nanchang	Li Shui Ping	Domestic trade	5.46%	5.46%
China National Tobacco Corporation Jiangxi Branch ("中國煙草總公司江西省公司")	Nanchang	Jiang Kai	Wholesale	4.37%	4.37%

Jiangxi Copper Company Limited ("江西銅業股份有限公司" or "江銅") with 2.32% voting rights of Group (2023: 2.32%) has appointed a supervisor, Zhou Minhui, in prior years. Mr. Zhou has resigned on 12 June 2024 and 江銅 has no further appointment thereafter.

The official names of these related parties are in Chinese. The English translation is for reference only.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(a) Related parties of the Group (continued)

(i) Major shareholders (continued)

Registered capital of major shareholders and its changes:

	Currency	31 December 2024 RMB	31 December 2023 RMB
Jiangxi Provincial Expressway Investment Group Co., Ltd. ("江西省交通投資集團有限責任公司")	RMB	9,505 Million	9,505 Million
Jiangxi Financial Holding Group Co., Ltd. ("江西省金融控股集團有限公司")	RMB	8,000 Million	8,000 Million
Nanchang Traffic Investment Group Co., Ltd. ("南昌市產業投資集團有限公司")	RMB	4,771 Million	4,771 Million
China National Tobacco Corporation Jiangxi Branch ("中國煙草總公司江西省公司")	RMB	287 Million	287 Million

(ii) Subsidiaries of the Bank

The detailed information of the Bank's subsidiaries is set out in Note 20.

(iii) Associates of the Bank

The detailed information of the Bank's associates is set out in Note 19.

(iv) Other related parties

Other related parties can be individuals or enterprises, including members of the Board of Directors, the Board of Supervisors and senior management, and close family members of such individuals; entities (and their subsidiaries) controlled or jointly controlled by members of the Board of Directors, the Board of Supervisors and senior management, and close family members of such individuals; and entities controlled or jointly controlled by the major shareholders of the Bank as set out in Note 36(a) or their controlling shareholders.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel

(i) Transactions between the Group and major shareholders

The significant transactions with related-parties of the Group were submitted to the board of directors for review on an item-by-item basis, and relevant announcements had been published on the bank's website.

	2024		2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Transactions during the year:				
Interest income	123,499	0.65%	97,654	0.50%
Interest expense	8,807	0.08%	11,648	0.11%

	31 December 2024		31 December 2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Balances as at the year end:				
Loans and advances to customers	4,099,383	1.26%	3,464,620	1.13%
Deposits from customers	404,725	0.10%	416,439	0.11%
Financial investments	–	0.00%	190,593	0.12%



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel (continued)

(ii) Transactions between the Bank and subsidiaries

The subsidiaries of the Bank are its related parties. The transactions between the Bank and its subsidiaries are eliminated on consolidation.

	2024		2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Transactions during the year:				
Interest income	38,729	0.21%	34,570	0.18%
Interest expense	18,425	0.17%	16,803	0.15%
Fee and commission income	42	0.01%	–	0.00%
Operating expenses	7,413	0.23%	11,104	0.33%

	31 December 2024		31 December 2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Balances as at the year end:				
Placements with banks and other financial institutions	1,163,758	4.12%	1,804,407	9.73%
Deposits from banks and other financial institutions	138,236	0.82%	545,123	3.07%
Bank acceptance	83,718	0.24%	–	0.00%

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel (continued)

(iii) Transactions between the Bank and associates

	2024		2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Transactions during the year:				
Interest expense	3,869	0.04%	4,397	0.04%

	31 December 2024		31 December 2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Balances as at the year end:				
Deposits from banks and other financial institutions	126,659	0.75%	154,126	0.87%



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(b) Transactions with related parties other than key management personnel (continued)

(iv) Transactions between the Bank and other related parties

	2024		2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Transactions during the year:				
Interest income	118,172	0.62%	112,717	0.58%
Interest expense	60,021	0.56%	194,971	1.76%
Fee and commission income	14,411	2.09%	9,102	1.41%

	31 December 2024		31 December 2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Balances as at the year end:				
Loans and advances to customers	2,943,287	0.91%	3,009,413	0.98%
Deposits from customers	2,315,237	0.59%	5,692,701	1.49%
Deposits from banks and other financial institutions	1,351,381	8.03%	369	0.00%
Financial investments	66,483	0.04%	66,323	0.04%
Bank acceptances	1,427,630	4.04%	1,397,598	3.80%
Letters of guarantees	13,277	0.36%	3,346	0.06%
Letters of credit	38,526	0.36%	38,526	0.36%

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(c) Key management personnel

The key management personnel are those persons who have the authority and responsibility to plan, direct and control the activities of the Group, directly or indirectly, including members of the Board of Directors, the Board of Supervisors and executive officers.

(i) Transactions between the Bank and key management personnel

	2024		2023	
	Amount RMB'000	Percentage	Amount RMB'000	Percentage
Transactions during the year:				
Interest income	27	0.00%	44	0.00%
Interest expense	26	0.00%	24	0.00%
Balances as at the year end:				
Loans and advances to customers	–	0.00%	1,001	0.00%
Deposits from customers	1,734	0.00%	3,029	0.00%



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

36. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (continued)

(c) Key management personnel (continued)

(ii) Key management personnel compensation

The aggregate compensation of key management personnel is listed as follows:

	2024 RMB'000	2023 RMB'000
Salaries and other emoluments	5,038	5,096
Discretionary bonuses	–	–
Contributions by the employer to social insurance and staff welfares, housing fund, etc.	724	860
Other welfares	165	246
Total	5,927	6,202

37. FAIR VALUE

(a) Methods and assumptions for measurement of fair value

The Group adopts the following methods and assumptions when evaluating fair values:

(i) Debt securities and equity investments

The fair values of debt securities and equity investments that are traded in an active market are based on their quoted market prices in an active market at the end of the reporting period.

(ii) Financial investments and other financial assets

Fair values are estimated as the present value of the future cash flows, discounted at the market interest rates at the end of the reporting period.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(a) Methods and assumptions for measurement of fair value (continued)

(iii) *Debt securities issued and other financial liabilities*

Fair values of debt securities issued are based on their quoted market prices at the end of the reporting period, or the present value of estimated future cash flows. The fair values of other financial liabilities are valued at the present value of estimated future cash flows. The discount rates are based on the market interest rates at the end of the reporting period.

The Group has established policies and internal controls with respect to the measurement of fair values, specified the framework of fair value measurement of financial instruments, fair value measurement methodologies and procedures.

(b) Fair value measurement

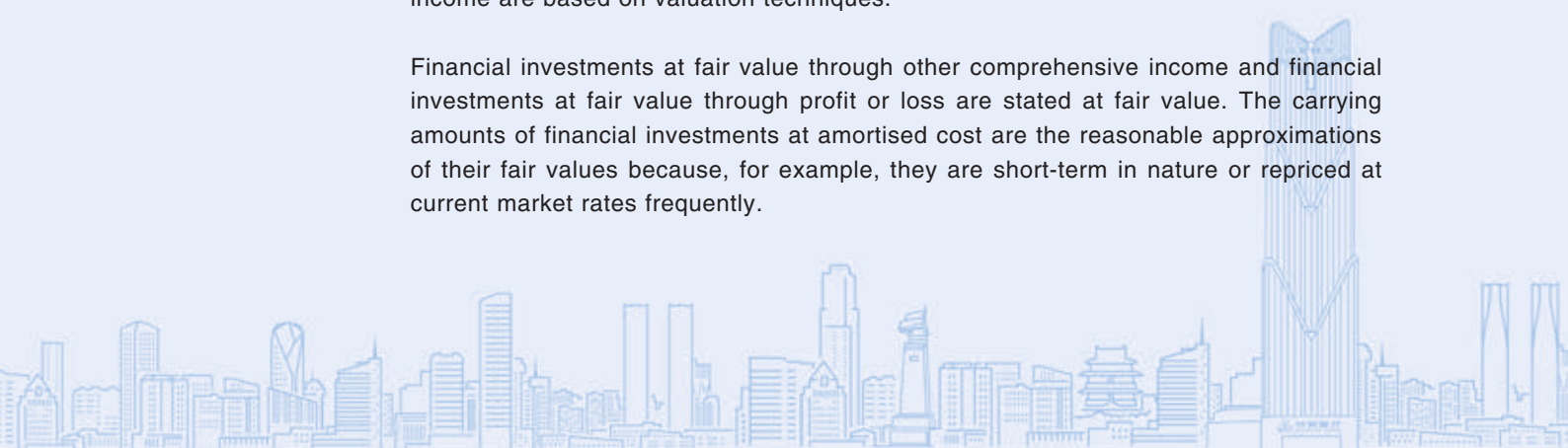
(i) *Financial assets*

The Group's financial assets mainly consist of cash and deposits with the central bank, receivables with banks and other financial institutions, loans and advances to customers, and financial investments.

Deposits with the central bank and receivables with banks and other financial institutions are mostly priced at market interest rates and due within one year. Accordingly, the carrying amounts approximate the fair values.

Loans and advances to customers are mostly priced at floating rates close to the PBOC rates. Accordingly, the carrying amounts approximate the fair values. The fair values of loans and advances to customers measured at fair value through other comprehensive income are based on valuation techniques.

Financial investments at fair value through other comprehensive income and financial investments at fair value through profit or loss are stated at fair value. The carrying amounts of financial investments at amortised cost are the reasonable approximations of their fair values because, for example, they are short-term in nature or repriced at current market rates frequently.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(b) Fair value measurement (continued)

(ii) *Financial liabilities*

The Group's financial liabilities mainly include payables to banks and other financial institutions, deposits from customers and debt securities issued.

(c) Fair value hierarchy

The following table presents the fair value of financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1 and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3: Fair value measured using significant unobservable inputs.

Financial investments

If there is a reliable market quote for financial instruments, the fair value of financial instruments is based on quoted market prices. If a reliable quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include reference to the fair value of another instrument that is substantially the same and discounted cash flow analysis. The inputs used in valuation techniques include risk-free and benchmark interest rates, and credit spreads. Where discounted cash flow analysis is used, estimated cash flows are based on the management's best estimates and the discount rate used is reference to another instrument that is substantially the same.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

Loans and advances to customers

Discounted bills and forfeiting in loans and advances to customers are valued by using a discounted cash flow model, the discounted rate is established based on the interbank offered rates and spreads adjusted by credit risk and liquidity.

	31 December 2024			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Recurring fair value measurements assets				
<i>Loans and advances to customers measured at FVOCI</i>				
– Corporate loans and advances	–	–	10,302,309	10,302,309
– Discounted bills	–	–	37,072,517	37,072,517
Sub-total	–	–	47,374,826	47,374,826
<i>Financial investments at fair value through profit or loss</i>				
– Debt securities	–	8,576,110	938,301	9,514,411
– Equity instruments	765,027	–	401,256	1,166,283
– Fund investments	33,810,963	–	–	33,810,963
– Other financial investments	–	–	2,899,123	2,899,123
Sub-total	34,575,990	8,576,110	4,238,680	47,390,780
<i>Financial investments at fair value through other comprehensive income</i>				
– Debt securities	–	37,770,554	–	37,770,554
– Equity instruments	–	–	10,250	10,250
– Investment management products managed by securities companies and trust plans	–	–	3,000	3,000
Sub-total	–	37,770,554	13,250	37,783,804
Total	34,575,990	46,346,664	51,626,756	132,549,410

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

	31 December 2023			Total RMB'000
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	
Recurring fair value measurements assets				
<i>Loans and advances to customers measured at FVOCI</i>				
– Corporate loans and advances	–	–	8,582,582	8,582,582
– Discounted bills	–	–	31,209,850	31,209,850
Sub-total	–	–	39,792,432	39,792,432
<i>Financial investments at fair value through profit or loss</i>				
– Debt securities	–	16,350,621	1,507,133	17,857,754
– Equity instruments	614,246	–	410,903	1,025,149
– Fund investments	29,731,958	–	–	29,731,958
– Other financial investments	–	–	2,339,168	2,339,168
Sub-total	30,346,204	16,350,621	4,257,204	50,954,029
<i>Financial investments at fair value through other comprehensive income</i>				
– Debt securities	–	27,508,364	–	27,508,364
– Equity instruments	–	–	10,250	10,250
– Investment management products managed by securities companies and trust plans	–	–	1,214,720	1,214,720
Sub-total	–	27,508,364	1,224,970	28,733,334
Total	30,346,204	43,858,985	45,274,606	119,479,795

During the reporting period, the Group had no significant transfers among instruments in Level 1, Level 2 and Level 3.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

A reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy on an on-going basis is as below:

	Year ended 31 December 2024	
	Loans and advances to customers RMB'000	Financial investments RMB'000
As at 1 January 2024	39,792,432	5,482,174
Total gains		
– In profit or loss for the current year	622,983	397,751
– In other comprehensive income for the current year	34,714	116,259
Purchases	130,265,634	205,891
Settlements	(123,340,937)	(1,950,145)
As at 31 December 2024	47,374,826	4,251,930
Total unrealised gains or losses for the year included in profit or loss for assets and liabilities held at the end of the year	83,019	351,649



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

	Year ended 31 December 2023	
	Loans and advances to customers RMB'000	Financial investments RMB'000
As at 1 January 2023	44,151,078	10,426,798
Total gains or (losses)		
– In profit or loss for the current year	615,857	(12,038)
– In other comprehensive income for the current year	(47,415)	379,178
Purchases	73,168,623	–
Settlements	(78,095,711)	(5,311,764)
As at 31 December 2023	39,792,432	5,482,174
Total unrealised gains or losses for the year included in profit or loss for assets and liabilities held at the end of the year	(467,826)	(747,299)

During the year ended 31 December 2024, there were no significant transfers into or out of Level 3 (year ended 31 December 2023: nil).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

The valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3. Quantitative information of Level 3 fair value measurement is as below:

	Fair value as at 31 December 2024 RMB'000	Valuation techniques	Unobservable input
Loans and advances to customers measured at FVOCI			
– Corporate loans and advances	10,302,309	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Discounted bills	37,072,517	Discounted cash flow	Risk-adjusted discount rate, cash flow
Financial investments at fair value through profit or loss			
– Debt securities	938,301	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Equity instruments	401,256	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Other financial investments	2,899,123	Discounted cash flow	Risk-adjusted discount rate, cash flow
Financial investments at fair value through other comprehensive income			
– Equity instruments	10,250	Market comparison technique	Adjusted market multiple
– Investment management products managed by securities companies and trust plans	3,000	Discounted cash flow	Risk-adjusted discount rate, cash flow

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

	Fair value as at 31 December 2023 RMB'000	Valuation techniques	Unobservable input
Loans and advances to customers measured at FVOCI			
– Corporate loans and advances	8,582,582	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Discounted bills	31,209,850	Discounted cash flow	Risk-adjusted discount rate, cash flow
Financial investments at fair value through profit or loss			
– Debt securities	1,507,133	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Equity instruments	410,903	Discounted cash flow	Risk-adjusted discount rate, cash flow
– Other financial investments	2,339,168	Discounted cash flow	Risk-adjusted discount rate, cash flow
Financial investments at fair value through other comprehensive income			
– Equity instruments	10,250	Market comparison technique	Adjusted market multiple
– Investment management products managed by securities companies and trust plans	1,214,720	Discounted cash flow	Risk-adjusted discount rate, cash flow

During the year ended 31 December 2024, there were no significant change in the valuation techniques (year ended 31 December 2023: nil).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(c) Fair value hierarchy (continued)

As at 31 December 2024, unobservable inputs such as risk-adjusted discount rate and cash flow were used in the valuation of financial investments at fair value classified as Level 3, which were mainly discounted bills and forfeiting in loans and advances to customers and investment management products managed by securities companies and trust plans. The fair value of these financial investments fluctuates according to the changes in the unobservable inputs.

The sensitivity of the fair value measurement on changes in unobservable inputs for Level 3 financial instruments measured at fair value on an ongoing basis.

(d) Financial instruments carried at other than fair value

As at the end of the reporting period, the carrying amounts and the fair value of the financial assets and the financial liabilities of the Group have no significant difference except following items.

	31 December 2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets					
– Financial investments at amortised cost – debt securities	71,255,332	72,156,078	–	72,156,078	–
Financial liabilities					
– Certificates of interbank deposits issued	59,473,466	59,543,857	–	59,543,857	–
– Other Bonds Issued	5,999,495	5,994,078	–	5,994,078	–
Sub-total	65,472,961	65,537,935	–	65,537,935	–

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

37. FAIR VALUE (continued)

(d) Financial instruments carried at other than fair value (continued)

	Carrying amount RMB'000	31 December 2023			
		Fair value RMB'000	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Financial assets					
– Financial investments at amortised cost – debt securities	68,294,204	68,407,493	–	68,407,493	–
Financial liabilities					
– Certificates of interbank deposits issued	45,371,276	45,414,704	–	45,414,704	–
Sub-total	45,371,276	45,414,704	–	45,414,704	–

38. ENTRUSTED LENDING BUSINESS

The Group provides entrusted lending business services to customers. All entrusted loans are funded by entrusted funds from these customers. The Group does not take any credit risk in relation to these transactions. The Group acts as an agent to hold and manage these assets and liabilities at the direction of the entrustor and receives fee income for the services provided. The entrusted assets are not the assets of the Group and are not recognised in the statements of financial position. Surplus funding is accounted for as deposits from customers.

As at 31 December, the entrusted assets and liabilities were as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Entrusted loans	18,356,288	16,678,381
Entrusted funds	(18,356,288)	(16,678,381)

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

39. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Credit commitments

The Group's credit commitments take the form of approved loans with signed contracts, unused credit card commitments, bank acceptances, letters of credit and financial guarantees.

The contractual amounts of loans commitments represent the amounts should the contracts be fully drawn upon. The Group provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Acceptances comprise of undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from the customers.

	31 December 2024 RMB'000	31 December 2023 RMB'000
Loan commitments		
– Original contractual maturity within one year	–	–
– Original contractual maturity more than one year (inclusive)	–	–
Sub-total	–	–
Unused credit card commitments		
– Original contractual maturity within one year	8,739,508	8,258,253
Sub-total	8,739,508	8,258,253
Bank acceptances	35,331,599	36,790,557
Letters of guarantees	3,704,013	5,693,682
Letters of credit	10,643,937	10,617,460
Total	58,419,057	61,359,952

The Group may be exposed to credit risk in all the above credit businesses. The management periodically assesses credit risk and makes allowances for any probable losses. As the facilities may expire without being drawn upon, the total of the contractual amounts shown above is not representative of expected future cash outflows.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

39. COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(b) Credit risk-weighted amount

	31 December 2024 RMB'000	31 December 2023 RMB'000
Credit risk-weighted amount	13,057,373	11,464,468

The credit risk-weighted amount represents the amount calculated with reference to the guidelines issued by the NFRA.

(c) Capital commitments

As at 31 December, the Group's authorised capital commitments are as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Contracted but not paid for	114,873	7,576
Authorized but not contracted	435	–

(d) Outstanding litigations and disputes

As at 31 December 2024, there was no outstanding legal proceedings that had a significant impact on the financial statements against the Group (31 December 2023: nil).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

39. COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(e) Pledged assets

(i) Assets pledged as collaterals

Analysed by type of collateral

	31 December 2024 RMB'000	31 December 2023 RMB'000
Debt securities		
– Government	1,413,930	5,207,286
– Policy banks	3,153,963	17,584,321
Sub-total	4,567,893	22,791,607
Bank acceptances	10,806,838	4,130,971
Total	15,374,731	26,922,578

Analysed by type of asset

	31 December 2024 RMB'000	31 December 2023 RMB'000
Financial investment		
– Financial assets at fair value through other comprehensive income	314,089	5,037,297
– Financial assets at amortised cost	4,253,804	17,754,310
Loans and advances to customers		
– Loans and advances to customers at fair value through other comprehensive income	10,806,838	4,130,971
Total	15,374,731	26,922,578

Financial assets pledged by the Group as collaterals for liabilities are for repurchase agreements. The total amount of mortgage bonds issued by the Group for borrowing from the central bank is RMB22,968.99 million (2023: RMB20,465.69 million).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

39. COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(e) Pledged assets (continued)

(ii) Received pledged assets

As part of the reverse repurchase agreements, the Group has received securities as collateral that allowed to sell or repledge in the absence of default by their owners; the fair value of such collateral accepted by the Group was nil as at 31 December 2024 (31 December 2023: nil).

(f) Redemption obligations

As an underwriting agent of PRC government bonds, the Group has the responsibility to buy back its bonds if 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 payable 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 in the markets at the redemption date. The redemption obligations below represent the nominal value of government bonds underwritten and sold by the Group, but not yet matured at the end of the reporting period:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Redemption obligations	3,284	2,360

The Group expects that the amount of redemption before the maturity date of these government bonds through the Group will not be material.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

40. INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

(a) Structured entities sponsored by third party institutions in which the Group holds an interest

The Group holds interests in certain structured entities sponsored by third party institutions through investments in the units issued by these structured entities. Such structured entities include investment management products managed by securities companies and trust plans and wealth management products issued by financial institutions. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of third party investors. These vehicles are financed through the issue of units to investors.

The following table sets out an analysis of the carrying amounts of interests held by the Group in unconsolidated structured entities, as well as an analysis of the line items in the consolidated statement of financial position in which relevant assets are recognised:

	31 December 2024	
	Carrying amount RMB'000	Maximum exposure RMB'000
Financial investments at fair value through profit or loss	36,710,086	36,710,086
Financial investments at fair value through other comprehensive income	3,000	3,000
Financial investments at amortised cost	7,468,520	7,468,520
Total	44,181,606	44,181,606

	31 December 2023	
	Carrying amount RMB'000	Maximum exposure RMB'000
Financial investments at fair value through profit or loss	33,587,316	33,587,316
Financial investments at fair value through other comprehensive income	1,214,721	1,214,721
Financial investments at amortised cost	21,366,731	21,366,731
Total	56,168,768	56,168,768

The carrying amounts of the unconsolidated structural entities equal to the maximum exposures.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

40. INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

(continued)

(b) Structured entities sponsored by the Group which the Group does not consolidate but holds an interest in

The types of unconsolidated structured entities sponsored by the Group include non-principal-guaranteed wealth management products. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of investors. These structured entities are financed through the issue of units to investors. Interest held by the Group includes investments in units issued by these structured entities and fees charged by providing management services.

As at 31 December 2024, the amount of assets held by the unconsolidated non-principal-guaranteed wealth management products, which are sponsored by the Group, was RMB19,585.75 million (31 December 2023: RMB29,944.17 million). For the year ended 31 December 2024, the Group recorded commission income as the manager of these wealth management products amounting to RMB305.02 million (year ended 31 December 2023: RMB270.37 million).

(c) Unconsolidated structure entities sponsored by the Group during the year which the Group does not consolidate and does not have an interest in

During the year ended 31 December 2024, the aggregated amount of the non-principal guaranteed wealth management products sponsored and issued by the Group after 1 January, but matured before 31 December amounted to RMB360.00 million (year ended 31 December 2023: RMB89.35 million).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

41. CAPITAL MANAGEMENT

The Group's capital management includes capital adequacy ratio management, capital financing management and economic capital management, of which the primary focus is on capital adequacy ratio management. The Group calculates the capital adequacy ratio in accordance with guidelines issued by the NFRA. The capital of the Group is divided into core tier-one capital, other core tier-one capital and tier-two capital.

Capital adequacy ratio management is the key in capital management. The capital adequacy ratio reflects the soundness of the Group's operations and risk management capabilities. The main objective in capital adequacy ratio management is to set an optimal capital adequacy ratio that meets the regulatory requirements by benchmarking against the capital adequacy ratio level of leading peer banks with reference to its own business environment and conditions.

The Group considers its strategic development plans, business expansion plans and risk variables when conducting scenario analysis and stress testing and executing other measures to forecast, plan and manage its capital adequacy ratio.

Since the "Regulation Governing Capital of Commercial Banks" ("商業銀行資本管理辦法") has come into force on 1 January 2024, the Group calculated its capital adequacy ratio as of 31 December 2024 in accordance with this measure. While the Group's capital adequacy ratio as of 31 December 2023 was calculated in accordance with "Regulation Governing Capital of Commercial Banks (Provisional)" ("商業銀行資本管理辦法(試行)") issued by the China Banking and Insurance Regulatory Commission on 7 June 2012.

The NFRA requires commercial banks to meet the requirements of capital adequacy ratios from 1 January 2024 in accordance with "Regulation Governing Capital of Commercial Banks". For non-systemically important banks, the minimum ratios for core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio are 7.50%, 8.50% and 10.50%, respectively.

The on-balance sheet risk-weighted assets are measured using different risk weights, which are determined according to the credit, market and other risks associated with each asset and counterparty, taking into account any eligible collaterals or guarantees. Similar practice is adopted for off-balance sheet exposure, with adjustments made to reflect the more contingent nature of any potential losses. Market risk-weighted assets are calculated using the simplified standardised approach. Operational risk-weighted assets are calculated using the standardised approach.

The capital adequacy ratios and related components of the Group illustrated below are computed based on the Group's statutory financial statements prepared in accordance with PRC GAAP.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

41. CAPITAL MANAGEMENT (continued)

The Group's capital adequacy ratios calculated in accordance with "Regulation Governing Capital of Commercial Banks" and relevant requirements promulgated by the NFRA are as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Total core tier-one capital	39,934,353	39,044,912
– Share capital	6,024,277	6,024,277
– Qualifying portion of capital reserve	14,498,719	13,945,743
– Surplus reserve	3,419,776	3,327,023
– General reserve	7,940,401	7,645,260
– Retained earnings	7,903,320	7,836,463
– Qualifying portions of non-controlling interests	147,860	266,146
Core tier-one capital deductions	(3,105,966)	(1,817,656)
Net core tier-one capital	36,828,387	37,227,256
Other tier-one capital	11,917,674	11,933,446
Net tier-one capital	48,746,061	49,160,702
Tier-two capital	4,596,177	4,669,438
– Surplus allowances for loan impairment	4,556,748	4,598,466
– Qualifying portions of non-controlling interests	39,429	70,972
Net capital base	53,342,238	53,830,140
Total risk weighted assets	395,972,931	397,301,595
Core tier-one capital adequacy ratio	9.30%	9.37%
Tier-one capital adequacy ratio	12.31%	12.37%
Capital adequacy ratio	13.47%	13.55%

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

42. SEGMENT REPORTING

(a) Operating segments

The Group manages its business by business lines. Consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group defines reporting segments based on the following operating segments:

Corporate banking

This segment represents the provision of a range of financial products and services to corporations, government agencies and financial institutions. These products and services include corporate loans and advances, trade financing and deposit taking activities, agency services, consulting and advisory services, remittance and settlement services and guarantee services.

Retail banking and credit card

This segment represents the provision of a range of financial products and services to retail customers. These products and services include personal loans and deposit taking activities, bank card business, personal wealth management services and remittance services.

Financial markets business

This segment covers the Group's financial markets business operations. The financial markets business includes inter-bank money market transactions, repurchases transactions and investments. It also trades in debt securities. The financial markets business segment also covers management of the Group's overall liquidity position, including the issuance of debts.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

42. SEGMENT REPORTING (continued)

(a) Operating segments (continued)

Others

These represent assets, liabilities, income and expenses which cannot directly attributable or cannot be allocated to a segment on a reasonable basis.

Measurement of segment assets and liabilities and of segment income, expenses and results is based on the Group's accounting policies.

Internal charges and transfer prices are determined with reference to market rates and have been reflected in the performance of each segment. Interest income and expense earned from third parties are referred to as "external net interest income/expense". Net interest income and expense arising from internal charges and transfer pricing adjustments are referred to as "internal net interest income/expense".

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



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

42. SEGMENT REPORTING (continued)

(a) Operating segments (continued)

	Year ended 31 December 2024				
	Corporate banking RMB'000	Retail banking and credit card RMB'000	Financial markets business RMB'000	Others RMB'000	Total RMB'000
External net interest income/(expense)	7,806,325	(1,447,016)	2,243,313	–	8,602,622
Internal net interest (expense)/income	(2,544,178)	4,382,401	(1,899,341)	61,118	–
Net interest income	5,262,147	2,935,385	343,972	61,118	8,602,622
Net fee and commission income/(expense)	249,185	(13,522)	332,460	(5,487)	562,636
Net trading gains	–	–	145,425	–	145,425
Net gains arising from financial investments	9,849	55	2,209,061	–	2,218,965
Other operating income	66,976	15,597	(38,809)	(14,185)	29,579
Operating income	5,588,157	2,937,515	2,992,109	41,446	11,559,227
Operating expenses	(552,067)	(1,320,062)	(1,575,299)	11,119	(3,436,309)
Impairment losses on assets	(6,165,069)	(619,207)	(456,221)	(135,805)	(7,376,302)
Share of profits of associates	–	–	–	5,711	5,711
(Loss)/profit before taxation	(1,128,979)	998,246	960,589	(77,529)	752,327
Segment assets	229,114,551	93,246,913	250,378,763	894,517	573,634,744
Segment liabilities	(173,088,600)	(218,993,891)	(132,522,032)	(449,301)	(525,053,824)
Other segment information					
– Credit commitments	49,679,549	8,739,508	–	–	58,419,057
– Depreciation and amortisation	25,610	134,557	256,525	–	416,692
– Capital expenditure	9,853	80,832	154,102	–	244,787

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

42. SEGMENT REPORTING (continued)

(a) Operating segments (continued)

	Year ended 31 December 2023				
	Corporate banking RMB'000	Retail banking and credit card RMB'000	Financial markets business RMB'000	Others RMB'000	Total RMB'000
External net interest income/(expense)	6,986,014	(1,221,009)	3,006,360	–	8,771,365
Internal net interest (expense)/income	(1,570,015)	3,656,249	(2,144,988)	58,754	–
Net interest income	5,415,999	2,435,240	861,372	58,754	8,771,365
Net fee and commission income/(expense)	215,991	378	311,592	(6,327)	521,634
Net trading gains	–	–	102,821	–	102,821
Net gains arising from financial investments	36,472	387	1,479,771	–	1,516,630
Other operating income	181,470	126,568	55,720	20,430	384,188
Operating income	5,849,932	2,562,573	2,811,276	72,857	11,296,638
Operating expenses	(585,363)	(1,262,450)	(1,781,268)	(1,766)	(3,630,847)
Impairment losses on assets	(5,766,342)	(635,821)	(117,108)	(145,214)	(6,664,485)
Share of profits of associates	–	–	–	9,049	9,049
(Loss)/profit before taxation	(501,773)	664,302	912,900	(65,074)	1,010,355
Segment assets	215,095,252	97,557,130	238,743,536	949,445	552,345,363
Segment liabilities	(189,774,209)	(192,213,820)	(122,267,089)	(557,728)	(504,812,846)
Other segment information					
– Credit commitments	53,101,699	8,258,253	–	–	61,359,952
– Depreciation and amortisation	19,092	139,037	302,664	–	460,793
– Capital expenditure	1,455	84,766	184,525	–	270,746

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

42. SEGMENT REPORTING (continued)

(b) Geographical segments

Geographically, the Group mainly conducts its business in Jiangxi Province of the PRC and majority of its customers and assets are located in Jiangxi Province of the PRC.

43. RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments: credit risk, market risk, liquidity risk and operational risk.

This note presents information about the Group's exposure to each of the above risks and their sources, and the Group's objectives, policies and procedures for measuring and managing these risks.

The Group aims to seek the appropriate balance between the risks and benefits from its use of financial instruments and minimise potential adverse effects.

The Board of Directors is the highest decision-making authority within the Group in terms of risk management and oversees the Group's risk management functions through the Risk Management Committee. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Senior management is the highest execution level in the risk management structure and reports directly to the Risk Management Committee of the Board of Directors. Based on the risk management strategies determined by the Board of Directors, senior management is responsible for formulating and implementing risk management policies and systems, as well as supervising, identifying and controlling the risks that various businesses are exposed to.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its contractual obligation or commitment to the Group agreed in the contract. It arises primarily from credit and bond investment portfolios and guarantees granted.

Credit business

The Board of Directors is responsible for setting the Group's risk management strategy and the overall risk tolerance level. The Board of Directors also monitors the Group's risk management process and regularly assesses the Group's risk position and risk management strategies. The Board of Directors gives advice on internal controls relating to risk management. The responsible departments for credit risk management include the Credit Approval Department and Risk Management Department. The Risk Management Department is responsible for implementing the Group's overall risk management system. Besides risk monitoring and control, the Risk Management Department is also responsible for formulating risk management policies. To ensure the independence of credit approval, the Credit Approval Department is independent from customer relationship and product management departments. Front office departments of branches carry out credit businesses according to the Group's risk management policies and procedures.

The Group continuously improves the internal control mechanism and strengthens the management of the credit business. The Group has established comprehensive assessment and inquiry mechanisms, assigning the credit management accountability to the relevant departments and individuals.

For corporate and institutional businesses, the Group has established industry-specific limits for credit approval. It has put in place continuous monitoring mechanism, with regular reporting of credit exposures to the Board of Directors. The Group's credit risk management covers key operational phases, including pre-lending evaluations, credit approval and post-lending monitoring. With respect to pre-lending evaluations, the Group assesses customer credit ratings and performs integrated analysis on the risk and return of the loan. In the credit approval phase, all credit applications are approved by designated credit officers. During the post-lending monitoring, the Group continually monitors outstanding loans and other credit related businesses. Any adverse events that may significantly affect a borrower's repayment ability are reported immediately and actions are taken to mitigate the risks.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Credit business (continued)

For personal credit operation business, credit assessment of applicants is used as the basis for loan approval. In the credit assessment, customer relationship managers are required to assess the income level, credit history and repayment ability of the applicant. The customer relationship managers then forward the application and their recommendations to the loan-approval departments for further approval. The Group monitors borrowers' repayment ability, the status of collaterals and any changes to their value during the post-lending phase. Once a loan becomes overdue, the Group starts the recovery process according to standardised loan recovery procedures.

Treasury Business

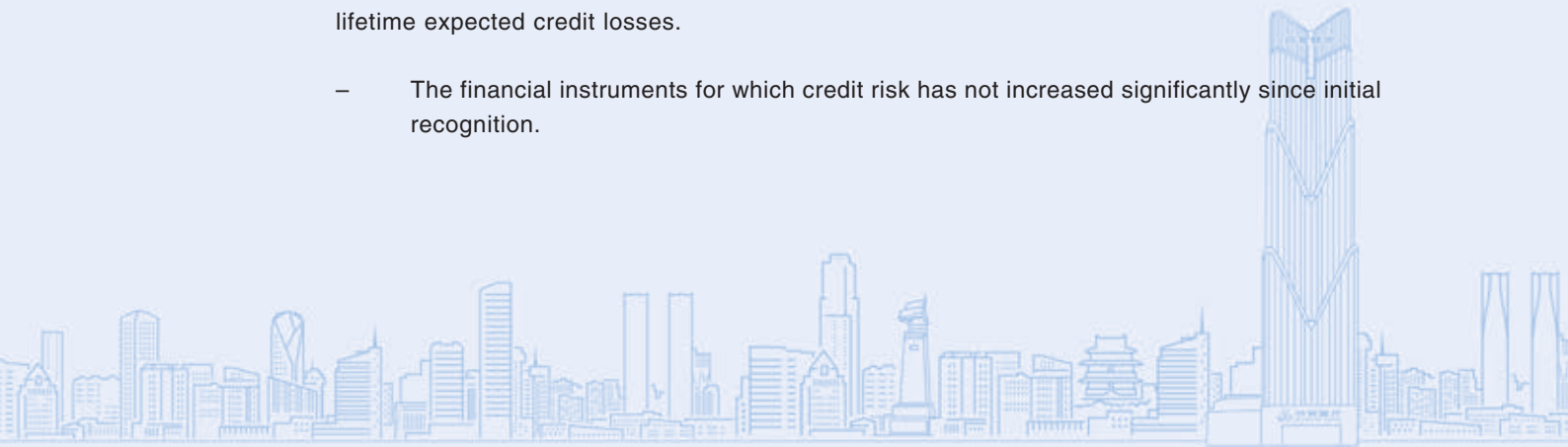
The Group's treasury business is exposed to the credit risk associated with the investment business and interbank business. The Group manages the credit risk exposures by setting up credit limits on internal credit rating of its treasury business and interbank business. Credit risk exposure is closely monitored on a systematic and real-time basis, and credit limits are reviewed and updated regularly.

Measurement of ECL

Based on whether there is a significant increase in credit risk and whether the asset has incurred credit impairment, the Group measures allowances for loss of different assets with 12-month ECL or lifetime ECL respectively.

The Group measures loss provision of the financial instruments that meet the following conditions according to the amount of expected credit losses within the next 12 months and measures loss allowances for other financial instruments in accordance with the amount of lifetime expected credit losses.

- The financial instruments for which credit risk has not increased significantly since initial recognition.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(i) *Significant increase in credit risk*

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. While determining whether the credit risk has significantly increased since initial recognition or not, the Group takes into account the analysis based on the historical data, external credit risk rating and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Group compares the risk of default of financial instruments on the balance sheet date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments.

When one or more of the following criteria are triggered, the Group assumes that credit risk on financial instruments has increased significantly:

- the principal or interest of the contract is more than 30 days past due, but less than 90 days;
- the asset risk is classified as “Special mention”;
- significant changes in the probability of default on credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower’s ability to meet its debt obligations;
- an actual or expected significant change in the debtor’s operating capabilities;
- other situations where the Group has identified a significant increase in credit risk.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(i) *Significant increase in credit risk (continued)*

The Group uses watch lists to monitor credit risk of financial instruments related to loans and treasury operations and conducts regular assessments at the counterparty level. The standards used in determining whether credit risk increases significantly are regularly monitored and reviewed by the management for the appropriateness.

As at 31 December 2024, the Group has not considered that any of its financial instruments has lower credit risk and no longer compared the credit risk at the balance sheet date with that at the initial recognition to identify whether there was a significant increase in credit risk (31 December 2023: nil).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(ii) *Definition of “default” and “credit-impaired assets”*

The criteria adopted by the Group to determine whether a credit impairment occurs under new financial instrument standards is consistent with the definition of credit-impaired assets. In assessing whether credit impairment has been incurred or not, the Group mainly considers the following factors:

- the principal or interest of the contract is more than 90 days past due;
- the asset risk is classified as “substandard”, “doubtful” or “loss”;
- significant financial difficulty of the issuer or debtor; a breach of contract by the debtor, such as default or overdue in repayment of interests or principal;
- for economic or contractual reasons relating to the debtor’s financial difficulty, the creditor has granted to the debtor a concession that would not otherwise be considered;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties faced by the issuer or the debtor;
- other credit-impaired circumstances determined by the Group.

The credit impairment on a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event. For credit-impaired financial assets, the Group evaluates the future cash flow (including the recoverable value of the collateral held), mainly based on individual financial assets, in different circumstances and accrues the differences between the present value and the book value determined at the original effective interest rate as impairment loss or gain in profit or loss.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) Notes to the parameters, assumptions and valuation techniques

The ECL is the result of the discounted product of probability of default (PD), exposure at default (EAD) and loss given default (LGD). The definitions of these terms are as follows:

- PD refers to the likelihood that a counterparty will be unable to meet his repayment obligations over the next 12 months or the remaining lifetime of the loan;
- EAD is the amount that the Group should be reimbursed upon default of an obligor over the next 12 months or the remaining lifetime of the loan;
- LGD refers to the expected degree of loss arising from the exposure at default which is predicted by the Group. LGD varies according to different types of counterparties, methods and priority of recovering debts, and the availability of collaterals or other credit support.

The Group adopts the PD/LGD model approach to assess the expected credit losses. This approach involves obtaining model parameters including the EAD of credit risk exposure, PD, LGD, and lifetime, then calculating weighted average ECL under multiple scenarios. Among these, Stage 1 Indebtedness: for financial instruments without significant increases in credit risk since initial recognition, ECL is measured as expected losses for the next 12 months from the Reporting Date. If the remaining term is less than 12 months, the calculation is based on the actual remaining term; Stage 2 Indebtedness: for financial instruments that have a significant increase in credit risk since initial recognition but have no objective evidence of impairment, the term is the remaining term from the Reporting Date. If the remaining term is less than 12 months, the calculation is based on 12 months; Stage 3 Indebtedness: the next lifetime impairment loss of the assets is measured. As Stage 3 assets are deemed to be in default, the PD is set at 1. This model was developed based on historical observed data and is applicable to all assets within the same portfolio and credit rating. The approach is supported through historical analysis.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) Notes to the parameters, assumptions and valuation techniques (continued)

Forward-looking information incorporated in the ECL

The calculation of ECL incorporates forward-looking information. Through the analysis of historical data, the Group identifies the key macroeconomic indicators that affect the credit risk and ECL of various business types, such as Gross Domestic Product Growth, Production Price Index, Consumer Price Index, Investment in Fixed Assets and Financing Size of Total Retail Sales of Consumer Goods, etc.

The impact of these economic indicators on the PD varies for different types of business. The Group applied experts' judgement in this process, according to the result of experts' judgment, the Group predicts these economic indicators on a quarterly basis and determines the impact of these economic indicators on the PD by conducting regression analysis.

In addition to providing a baseline economic scenario, the Group combines statistical analysis with the result of experts' judgement to determine the other possible scenarios and their weights. The Group measures the related impairment allowance using either a weighted ECL of 12 months (stage 1) or a weighted ECL of lifetime (stage 2 and stage 3). The weighted credit loss above is calculated by multiplying the ECL for each scenario by the weight of the corresponding scenario.

The Group adopts three economic scenarios in the ECL measurement for making forward-looking forecasts of macroeconomic indicators to meet the requirements of IFRS 9. The "Baseline scenario model" represents the most likely outcome and the other two scenarios, referred to as the "Optimistic scenario model" and the "Pessimistic scenario model", represent less likely outcomes which are more optimistic or more pessimistic compared to the "Baseline scenario model".

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) Notes to the parameters, assumptions and valuation techniques (continued)

The probability weight assigned for each scenario reflects the Group's view for the economic environment, which implements the Group's prudent and consistent credit strategy of ensuring the adequacy of impairment allowance.

As at 31 December 2024, the Group assigned a higher probability weight to the baseline scenario, weights greater than the bad and good scenario models to reflect accurate forward-looking forecasts for the year (31 December 2023: same as above). The key/significant macroeconomic scenario assumptions used by the Group to assess the ECL are mainly comprised of: cumulative growth rate of GDP, with projected values ranging from: Baseline Scenario: 4.91%, Optimistic Scenario 6.09%, Pessimistic Scenario 3.7%.

The calculation of ECL is affected by macroeconomic factors and economic scenarios. If more pessimistic macroeconomic factors are applied in ECL assessment or a higher probability weight is assigned to the Bad scenario, it would result in an increase in ECL.

There have been no significant changes in the valuation techniques and key assumptions during the reporting period.

(1) Maximum credit risk exposure

The maximum exposure to credit risk is represented by the net carrying amount of each type of financial assets at the end of the reporting period. The maximum exposure to credit risk in respect of those off-balance sheet item as at 31 December is disclosed in Note 39(a).



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) Notes to the parameters, assumptions and valuation techniques (continued)

(2) The credit quality of financial assets is analysed as follows:

	31 December 2024			
	Loans and advances to customers RMB'000	Deposits/placements with banks and other financial institutions RMB'000	Financial assets held under resale agreements RMB'000	Financial investments (Note (a)) RMB'000
Balance of financial assets that are assessed for expected credit losses over the next 12 months				
– Overdue but not credit-impaired	326	–	–	–
– Neither overdue nor credit-impaired	326,804,778	27,831,527	–	110,591,106
Sub-total	326,805,104	27,831,527	–	110,591,106
Balance of financial assets that are not credit impaired and assessed for lifetime expected credit losses				
– Overdue but not credit-impaired	2,029,674	–	–	3,666,666
– Neither overdue nor credit-impaired	13,187,572	–	–	–
Sub-total	15,217,246	–	–	3,666,666
Balance of credit-impaired financial assets that are assessed for lifetime expected credit losses				
– Overdue and credit-impaired	7,952,047	–	–	5,374,383
– Credit-impaired but not overdue	3,785,001	–	–	873,113
Sub-total	11,737,048	–	–	6,247,496
Less: Allowances for impairment losses	(11,670,850)	(55,119)	–	(3,863,832)
Total	342,088,548	27,776,408	–	116,641,436

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) *Notes to the parameters, assumptions and valuation techniques (continued)*

(2) The credit quality of financial assets is analysed as follows: (continued)

	31 December 2023			
	Loans and advances to customers RMB'000	Deposits/placements with banks and other financial institutions RMB'000	Financial assets held under resale agreements RMB'000	Financial investments (Note (a)) RMB'000
Balance of financial assets that are assessed for expected credit losses over the next 12 months				
– Overdue but not credit-impaired	2,315	–	–	–
– Neither overdue nor credit-impaired	310,943,094	20,436,560	–	105,004,566
Sub-total	310,945,409	20,436,560	–	105,004,566
Balance of financial assets that are not credit impaired and assessed for lifetime expected credit losses				
– Overdue but not credit-impaired	4,942,627	–	–	4,742,695
– Neither overdue nor credit-impaired	8,827,476	–	–	–
Sub-total	13,770,103	–	–	4,742,695
Balance of credit-impaired financial assets that are assessed for lifetime expected credit losses				
– Overdue and credit-impaired	7,328,514	–	–	5,554,214
– Credit-impaired but not overdue	5,846,697	–	–	735,369
Sub-total	13,175,211	–	–	6,289,583
Less: Allowances for impairment losses	(12,373,851)	(49,987)	–	(3,227,963)
Total	325,516,872	20,386,573	–	112,808,881

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) *Notes to the parameters, assumptions and valuation techniques (continued)*

(2) The credit quality of financial assets is analysed as follows: (continued)

- (a) Financial investments comprise financial investments at amortised cost and financial investments at fair value through other comprehensive income (excluding equity instruments).

The fair value of collaterals held against loans and advances to customers that are overdue but not credit-impaired at 31 December 2024 amounted to RMB2,295.40 million (31 December 2023: RMB4,294.42 million).

The fair value of collaterals held against loans and advances to customers that are credit-impaired at 31 December 2024 amounted to RMB16,769.66 million (31 December 2023: RMB21,163.14 million). The collaterals mainly include land use rights, buildings, machinery and equipment, etc. The fair value of collaterals were estimated by the Group based on the latest external valuations available, adjusted in light of disposal experience and current market conditions.

(3) Rescheduled loans and advances to customers

The Group has formulated a set of loan restructuring policies to reschedule the contractual terms with customers, to maximise the collectability of loans and to manage customer relationships.

The carrying amount of rescheduled loans and advances to customers is as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Rescheduled loans and advances to customers	397,181	485,479
Credit-impaired loans and advances to customers included in above	291,505	357,217

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iii) Notes to the parameters, assumptions and valuation techniques (continued)

(4) Credit rating of debt securities

The Group adopts a credit rating approach in managing the credit risk of the debt securities portfolio. Debt securities are rated with reference to major rating agencies where the issuers of the securities are located. The carrying amounts of debt securities investments analysed by the rating agency designations as at the end of the reporting period are as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000
Impaired debt securities	825,000	856,515
Sub-total	825,000	856,515
Neither overdue nor credit-impaired		
<i>Ratings</i>		
– AAA	107,415,649	103,363,880
– AA – to AA+	9,019,938	7,562,203
– A – to A+	341,408	370,591
Sub-total	116,776,995	111,296,674
<i>Unrated</i>	938,301	1,507,133
Sub-total	938,301	1,507,133
Total	118,540,296	113,660,322

The above financial investments include debt securities issued by the government and policy banks, which amounted to RMB97.702 billion as at 31 December 2024 (31 December 2023: RMB94.127 billion).

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Measurement of ECL (continued)

(iv) Grouping of risks

The Group obtained sufficient information to group the credit risk exposures to expected credit losses by taking into account the credit risk characteristics of the business lines, product types, customer types, industries to which the customers belong and market distribution.

(b) Market risk

Market risk is the risk of loss, in respect of the Group's activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices, stock prices and other prices.

The Board of Directors is ultimately responsible for monitoring the Group's market risk to ensure that the Group has effectively identified, measured and monitored all types of market risk. The Risk Management Committee monitors the market risk management process within the scope authorised by the Board of Directors, which include review and approval of market risk management strategies, policies and procedures. The Group is primarily exposed to market risk in its financial markets business. The Financial Market Department is responsible for carrying out capital investments and transactions. The Finance Management Department and Risk Management Department are responsible for monitoring and managing the interest rate risk and foreign exchange risk on a daily basis. The Risk Management Department is responsible for formulating the market risk management policies and procedures, as well as identifying, measuring and monitoring the Group's market risk.

Sensitivity analysis is a technique which assesses the sensitivity of the Group's overall risk profile and its risk profile for each period with reference to the interest rate risks for different maturities.

Scenario analysis is a multi-factor analysis method which assesses the impact of multiple factors interacting simultaneously, taking into consideration of the probabilities of various scenarios.

Foreign currency gap analysis is a technique which estimates the impact of foreign exchange rate movements on the Group's current profit or loss. The foreign currency gap mainly arises from the currency mismatch in the Group's on/off-balance sheet items.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Sensitivity gap analysis is a technique which estimates the impact of interest rate movements on the Group's current profit or loss. It is used to work out the gap between future cash inflows and outflows by categorising each of the Group's interest-bearing assets and interest-taking liabilities into different periods based on repricing dates.

The results of stress testing are assessed against a set of forward-looking scenarios using stress moves in market variables. The results are used to estimate the impact on profit or loss.

Effective duration analysis is a technique which estimates the impact of interest rate movements by giving a weight to each period's exposure according to its sensitivity, calculating the weighted exposure, and summarising all periods' weighted exposures to estimate the non-linear impact of a change in interest rates on the Group's economic value.

Interest rate risk

The Group is primarily exposed to interest rate risk arising from repricing risk in its commercial banking business and the risk of financial markets business position.

Repricing risk

Repricing risk, which is also known as "maturity mismatch risk," is the most common form of interest rate risk. It is caused by the differences in timing between the maturities (related to fixed interest instruments) or repricing (related to floating interest instruments) of assets, liabilities and off-balance sheet items. The mismatch of repricing timing causes the Group's income or its inherent economic value to vary with the movement in interest rates.

The Finance Management Department is responsible for measuring, monitoring and managing interest rate risk. The Group regularly performs assessment on the interest rate repricing gap between the assets and liabilities that are sensitive to changes in interest rates and sensitivity analysis on the net interest income as a result of changes in interest rates. The primary objective of interest rate risk management is to minimise potential adverse effects on its net interest income or its inherent economic value caused by interest rate volatility.

Trading interest rate risk

Trading interest rate risk mainly arises from the financial markets business' investment portfolios. Interest rate risk is monitored using the effective duration analysis method. The Group employs other supplementary methods to measure its interest rate sensitivity, which is expressed as changes in the investment portfolios' fair value given a 100 basis points (1%) movement in the interest rates.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk (continued)

- (i) The following tables indicate the assets and liabilities at the end of the reporting period by the expected next repricing dates or by maturity dates, depending on which is earlier:

	31 December 2024					
	Total RMB'000	Non-interest bearing RMB'000	Less than three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000
Assets						
Cash and deposits with the central bank	28,893,145	944,875	27,948,270	-	-	-
Deposits with banks and other financial institutions	723,812	119,727	574,102	29,983	-	-
Placements with banks and other financial institutions	27,052,596	317,472	10,074,260	16,660,864	-	-
Financial assets held under resale agreements	-	-	-	-	-	-
Loans and advances to customers (Note (a))	342,088,548	822,957	59,860,242	118,916,393	71,719,601	90,769,355
Financial investments (Note (b))	164,042,466	38,061,306	5,125,101	9,954,772	69,941,994	40,959,293
Others	10,834,177	10,834,177	-	-	-	-
Total assets	573,634,744	51,100,514	103,581,975	145,562,012	141,661,595	131,728,648
Liabilities						
Borrowing from the central bank	28,534,646	207,021	1,859,949	2,283,321	24,184,355	-
Deposits from banks and other financial institutions	16,687,131	218,983	12,859,191	2,508,957	1,100,000	-
Placements from banks and other financial institutions	2,593,623	3,623	-	290,000	2,300,000	-
Borrowing from other financial institutions	2,030,302	30,302	1,100,000	850,000	50,000	-
Financial assets sold under repurchase agreements	15,292,682	201	13,746,625	1,545,856	-	-
Deposits from customers	390,932,689	118,256,538	60,968,864	73,642,553	136,566,287	1,498,447
Debt securities issued	65,474,415	1,455	22,844,994	36,628,472	5,999,494	-
Others	3,508,336	2,755,510	37,995	99,784	357,018	258,029
Total liabilities	525,053,824	121,473,633	113,417,618	117,848,943	170,557,154	1,756,476
Asset-liability gap	48,580,920	(70,373,119)	(9,835,643)	27,713,069	(28,895,559)	129,972,172

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk (continued)

- (i) The following tables indicate the assets and liabilities at the end of the reporting period by the expected next repricing dates or by maturity dates, depending on which is earlier: (continued)

	31 December 2023					
	Total RMB'000	Non-interest bearing RMB'000	Less than three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000
Assets						
Cash and deposits with the central bank	32,128,146	979,147	31,148,999	-	-	-
Deposits with banks and other financial institutions	3,691,587	1,125,277	2,466,873	99,437	-	-
Placements with banks and other financial institutions	16,694,986	184,042	3,893,825	12,617,119	-	-
Financial assets held under resale agreements	-	-	-	-	-	-
Loans and advances to customers (Note (a))	325,516,872	1,002,103	53,937,065	112,551,395	71,043,046	86,983,263
Financial investments (Note (b))	163,773,160	34,004,484	12,998,756	15,627,109	61,686,734	39,456,077
Others	10,540,612	10,540,612	-	-	-	-
Total assets	552,345,363	47,835,665	104,445,518	140,895,060	132,729,780	126,439,340
Liabilities						
Borrowing from the central bank	26,124,256	186,207	4,222,907	21,715,142	-	-
Deposits from banks and other financial institutions	17,200,603	245,185	8,185,418	7,498,000	1,272,000	-
Placements from banks and other financial institutions	4,002,897	2,897	1,500,000	2,500,000	-	-
Borrowing from other financial institutions	1,237,965	19,965	700,000	518,000	-	-
Financial assets sold under repurchase agreements	25,731,370	4,141	25,727,229	-	-	-
Deposits from customers	381,212,270	7,826,531	174,426,736	79,790,373	116,064,054	3,104,576
Debt securities issued	45,371,276	-	16,608,434	28,762,842	-	-
Others	3,932,209	3,094,974	35,521	75,699	408,814	317,201
Total liabilities	504,812,846	11,379,900	231,406,245	140,860,056	117,744,868	3,421,777
Asset-liability gap	47,532,517	36,455,765	(126,960,727)	35,004	14,984,912	123,017,563

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk (continued)

- (i) The following tables indicate the assets and liabilities at the end of the reporting period by the expected next repricing dates or by maturity dates, depending on which is earlier: (continued)
- (a) As at 31 December 2024, for loans and advances to customers, the category “Less than three months” of the Group includes overdue amounts (net of allowances for impairment losses) of RMB4,575.62 million (31 December 2023: RMB6,593.40 million).
- (b) As at 31 December 2024, for financial investments, the category “Less than three months” of the Group includes overdue amounts (net of allowances for impairment losses) of RMB8,271.12 million (31 December 2023: RMB4,330.61 million).
- (ii) Interest rate sensitivity analysis

The Group uses sensitivity analysis to measure the impact of changes in interest rate on the Group’s net profit and equity. The following table sets forth the results of the Group’s interest rate sensitivity analysis on net profit and equity with an assumption that all other variables held constant.

	31 December 2024 (decrease)/ increase RMB'000	31 December 2023 (decrease)/ increase RMB'000
Changes in net profit		
Up 100 bps parallel shift in yield curves	(865,174)	(1,179,692)
Down 100 bps parallel shift in yield curves	835,420	1,143,761

	31 December 2024 (decrease)/ increase RMB'000	31 December 2023 (decrease)/ increase RMB'000
Changes in equity		
Up 100 bps parallel shift in yield curves	(905,989)	(620,955)
Down 100 bps parallel shift in yield curves	984,302	669,863

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FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Interest rate risk (continued)

(ii) Interest rate sensitivity analysis (continued)

The sensitivity analysis above is based on a static interest rate risk profile of the Group's assets and liabilities. This analysis measures only the impact of changes in interest rates within one year, showing how annualised net profit or loss and equity would have been affected by repricing of the Group's assets and liabilities within the one-year period. The sensitivity analysis is based on the following assumptions:

- Interest rate movements at the end of each of the reporting period apply to financial instruments of the Group;
- At the end of each of the reporting period, an interest rate movement of 100 basis points is based on the assumption of interest rates movement over the next 12 months;
- There is a parallel shift in the yield curve with the changes in interest rates;
- There are no other changes to the assets and liabilities portfolio;
- Other variables (including exchange rates) remain unchanged; and
- The analysis does not take into account the effect of risk management measures taken by the management.

Due to the adoption of the aforementioned assumptions, the actual changes in the Group's net profit or loss and equity caused by an increase or decrease in interest rates might vary from the estimated results of this sensitivity analysis.

Foreign exchange risk

Foreign currency risk

The Group's currency risk mainly arises from foreign currency deposits with banks and other financial institutions, placements with banks and other financial institutions, loans and advances to customers and deposits from customers. The Group manages currency risk by matching its foreign currency denominated assets with corresponding liabilities in the same currencies.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Foreign exchange risk (continued)

Foreign currency risk (continued)

(i) The Group's currency exposures as at 31 December were as follows:

	31 December 2024				
	RMB	USD	HKD	Others	Total
	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)
Assets					
Cash and deposits with the central bank	28,876,190	13,089	2,266	1,600	28,893,145
Deposits with banks and other financial institutions	507,230	185,847	15,815	14,920	723,812
Placements with banks and other financial institutions	25,959,922	1,092,674	-	-	27,052,596
Financial assets held under resale agreements	-	-	-	-	-
Loans and advances to customers	341,601,325	487,223	-	-	342,088,548
Financial investments	164,042,466	-	-	-	164,042,466
Others	10,834,177	-	-	-	10,834,177
Total assets	571,821,310	1,778,833	18,081	16,520	573,634,744
Liabilities					
Borrowing from the central bank	28,534,646	-	-	-	28,534,646
Deposits from banks and other financial institutions	16,687,131	-	-	-	16,687,131
Placements from banks and other financial institutions	2,593,623	-	-	-	2,593,623
Borrowing from other financial institutions	2,030,302	-	-	-	2,030,302
Financial assets sold under repurchase agreements	15,292,682	-	-	-	15,292,682
Deposits from customers	390,731,563	190,375	9,798	953	390,932,689
Debt securities issued	65,474,415	-	-	-	65,474,415
Others	3,487,474	20,862	-	-	3,508,336
Total liabilities	524,831,836	211,237	9,798	953	525,053,824
Net position	46,989,474	1,567,596	8,283	15,567	48,580,920
Credit commitments	57,449,342	969,715	-	-	58,419,057

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Foreign exchange risk (continued)

Foreign currency risk (continued)

(i) The Group's currency exposures as at 31 December were as follows: (continued)

	31 December 2023				
	RMB	USD	HKD	Others	Total
	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)
Assets					
Cash and deposits with the central bank	32,114,698	10,730	1,834	884	32,128,146
Deposits with banks and other financial institutions	2,459,224	1,201,385	9,548	21,430	3,691,587
Placements with banks and other financial institutions	16,694,986	-	-	-	16,694,986
Financial assets held under resale agreements	-	-	-	-	-
Loans and advances to customers	324,896,601	620,271	-	-	325,516,872
Financial investments	163,773,160	-	-	-	163,773,160
Others	10,540,612	-	-	-	10,540,612
Total assets	550,479,281	1,832,386	11,382	22,314	552,345,363
Liabilities					
Borrowing from the central bank	26,124,256	-	-	-	26,124,256
Deposits from banks and other financial institutions	17,200,603	-	-	-	17,200,603
Placements from banks and other financial institutions	4,002,897	-	-	-	4,002,897
Borrowing from other financial institutions	1,237,965	-	-	-	1,237,965
Financial assets sold under repurchase agreements	25,731,370	-	-	-	25,731,370
Deposits from customers	381,013,898	188,144	9,657	571	381,212,270
Debt securities issued	45,371,276	-	-	-	45,371,276
Others	3,914,480	17,729	-	-	3,932,209
Total liabilities	504,596,745	205,873	9,657	571	504,812,846
Net position	45,882,536	1,626,513	1,725	21,743	47,532,517
Credit commitments	59,369,505	1,990,447	-	-	61,359,952

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(b) Market risk (continued)

Foreign exchange risk (continued)

Foreign currency risk (continued)

(ii) Exchange rate sensitivity analysis

	31 December 2024 (decrease)/ increase RMB'000	31 December 2023 (decrease)/ increase RMB'000
Changes in net profit		
Foreign exchange rates decreases by 100 bps	(11,936)	(12,375)
Foreign exchange rates increases by 100 bps	11,936	12,375

The sensitivity analysis mentioned above is based on a static foreign exchange exposure profile of assets and liabilities and certain simplified assumptions as set out below:

- The foreign exchange sensitivity is the gain and loss recognised as a result of 100 basis points fluctuation in the foreign currency exchange rates against RMB;
- The fluctuation of exchange rates by 100 basis points is based on the assumption of exchange rates movement over the next 12 months;
- The exchange rates against RMB for the US dollars and other foreign currencies change in the same direction simultaneously and thus other foreign currencies are converted into US dollars for the sensitivity analysis mentioned above to show how net profit or loss would have been affected; and
- Other variables (including interest rates) remain unchanged.

The analysis does not take into account the effect of risk management measures taken by the Group.

Due to the assumptions adopted, actual changes in the Group's net profit or loss resulting from the increase or decrease in foreign exchange rates may vary from the estimated results of this sensitivity analysis.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk

Liquidity risk is the risk that a commercial bank is unable to obtain funds on a timely basis or obtain funds at a reasonable cost to sustain its asset business or meet repayment obligations. This risk exists even if a bank's solvency remains strong. In accordance with liquidity policies, the Group monitors the future cash flows and maintains an appropriate level of highly liquid assets.

The Asset and Liability Management Committee ("ALMC") is responsible for managing the Group's overall liquidity risk. The ALMC is responsible for the formulation of the liquidity policies in accordance with regulatory requirements and prudential principles. Such policies include:

- Maintaining liquidity at a stable and sufficient level; establishing integrated liquidity risk management system; ensuring the meeting on a timely basis of liquidity requirements and the payment of assets, liabilities and off-balance sheet business, whether under a normal operating environment or a state of stress; balancing the effectiveness and security of funds in an efficient manner; and
- Making timely and reasonable adjustments to capital structure and scale in response to market changes and business developments; pursuing profit maximisation and cost minimisation to a modest extent while ensuring appropriate liquidity; achieving the integration of the security, liquidity and effectiveness of the Group's funds.

The Finance Management Department takes the lead to execute liquidity management policies and is responsible for formulating and revising the liquidity management strategies, and for identifying, measuring, monitoring and releasing the liquidity risk of the Group. It is also responsible for managing and forecasting the working capital on a regular basis together with the Finance Market Department and ensuring the liquidity of working capital meets management requirements based on the liquidity strategies. The Finance Market Department is responsible for performing the operation following the instructions of the Finance Management Department. Significant disbursement or portfolio changes must be reported to the ALMC on a timely basis.

A substantial portion of the Group's assets are funded by deposits from customers. These deposits from customers, which have been growing in recent years, are widely diversified in terms of type and duration and represent a stable source of funds.

The Group principally uses liquidity gap analysis to measure liquidity risk. Scenario analysis and stress testing are also adopted to assess the impact of liquidity risk.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of assets and liabilities of the Group into relevant maturity groupings based on the remaining periods to repayment at 31 December:

	31 December 2024							Total RMB'000
	Indefinite (Note (a)/(b)/(c)) RMB'000	Repayable on demand RMB'000	Within one month RMB'000	Between one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000	
Assets								
Cash and deposits with the central bank	22,861,308	6,031,837	-	-	-	-	-	28,893,145
Deposits with banks and other financial institutions	-	683,363	10,143	30,306	-	-	-	723,812
Placements with banks and other financial institutions	-	-	4,739,644	5,483,720	16,829,232	-	-	27,052,596
Financial assets held under resale agreements	-	-	-	-	-	-	-	-
Loans and advances to customers	3,812,030	1,580,005	16,872,902	38,418,262	118,916,393	71,719,601	90,769,355	342,088,548
Financial investments	859,515	46,016,589	2,050,344	769,024	9,819,162	66,731,723	37,796,109	164,042,466
Others	3,907,113	6,825,027	1,446	5,904	35,103	53,078	6,506	10,834,177
Total assets	31,439,966	61,136,821	23,674,479	44,707,216	145,599,890	138,504,402	128,571,970	573,634,744

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

	Indefinite (Note (a)/(b)/(c)) RMB'000	Repayable on demand RMB'000	Within one month RMB'000	31 December 2024				Total RMB'000
				Between one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000	
Liabilities								
Borrowing from the central bank	-	-	1,896,616	2,326,622	24,311,408	-	-	28,534,646
Deposits from banks and other financial institutions	-	1,439,338	6,730,479	4,825,157	2,538,537	1,153,620	-	16,687,131
Placements from banks and other financial institutions	-	-	-	292,265	2,301,358	-	-	2,593,623
Borrowing from other financial institutions	-	-	-	1,118,774	861,512	50,016	-	2,030,302
Financial assets sold under repurchase agreements	-	-	6,875,905	6,870,921	1,545,856	-	-	15,292,682
Deposits from customers	-	11,704,368	24,151,060	38,183,165	75,412,056	139,847,592	1,534,448	390,932,689
Debt securities issued	-	-	5,245,951	17,599,043	36,628,472	6,000,949	-	65,474,415
Others	288,733	1,933,652	42,459	96,365	138,618	750,480	258,029	3,508,336
Total liabilities	288,733	115,077,358	45,042,470	71,312,312	143,737,817	147,802,657	1,792,477	525,053,824
Long/(short) position	31,151,233	(53,940,537)	(21,367,991)	(26,605,096)	1,862,073	(9,298,255)	126,779,493	48,580,920

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

	Indefinite (Note (a)/(b)/(c)) RMB'000	Repayable on demand RMB'000	Within one month RMB'000	31 December 2023				Total RMB'000
				Between one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000	
Assets								
Cash and deposits with the central bank	26,567,719	5,560,427	-	-	-	-	-	32,128,146
Deposits with banks and other financial institutions	-	1,796,586	1,298,119	487,192	109,690	-	-	3,691,587
Placements with banks and other financial institutions	-	-	1,895,777	2,041,106	12,758,103	-	-	16,694,986
Financial assets held under resale agreements	-	-	-	-	-	-	-	-
Loans and advances to customers	5,271,241	3,029,211	15,262,007	31,376,716	112,551,388	71,043,046	86,983,263	325,516,872
Financial investments	4,377,674	32,015,819	2,320,451	6,546,314	15,753,488	62,762,515	39,996,899	163,773,160
Others	4,468,854	5,963,985	306	3,412	42,391	57,428	4,236	10,540,612
Total assets	40,685,488	48,366,028	20,776,660	40,454,740	141,215,060	133,862,989	126,984,398	552,345,363

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

	Indefinite (Note (a)/(b)/(c)) RMB'000	Repayable on demand RMB'000	Within one month RMB'000	31 December 2023				Total RMB'000
				Between				
				one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000	
Liabilities								
Borrowing from the central bank	-	4,047	1,119,466	3,187,011	21,813,732	-	-	26,124,256
Deposits from banks and other financial institutions	-	835,559	4,688,238	2,760,615	7,596,156	1,320,035	-	17,200,603
Placements from banks and other financial institutions	-	-	-	1,501,100	2,501,797	-	-	4,002,897
Borrowing from other financial institutions	-	-	-	717,033	520,932	-	-	1,237,965
Financial assets sold under repurchase agreements	-	-	21,733,811	3,997,559	-	-	-	25,731,370
Deposits from customers	-	113,933,871	30,465,088	33,683,943	81,462,851	118,528,910	3,137,607	381,212,270
Debt securities issued	-	-	1,728,089	14,880,345	28,762,842	-	-	45,371,276
Others	383,102	2,211,157	34,954	65,449	262,038	606,628	368,881	3,932,209
Total liabilities	383,102	116,984,634	59,769,646	60,793,055	142,920,348	120,455,573	3,506,488	504,812,846
Long/(short) position	40,302,386	(68,618,606)	(38,992,986)	(20,338,315)	(1,705,288)	13,407,416	123,477,910	47,532,517

- (a) Indefinite amount of cash and deposits with the central bank represents the statutory deposit reserves and fiscal deposits with the central bank.
- (b) Indefinite amount of loans and advances to customers includes all the credit-impaired loans as well as those overdue more than one month. Loans and advances to customers with no credit-impairment but overdue within one month are classified into the category of "Repayable on demand".
- (c) Financial investments comprise financial investments at amortised cost, financial investments at fair value through profit or loss and financial investments at fair value through other comprehensive income. Indefinite amount of financial investments represent credit-impaired investments or those overdue more than one month. Equity investments is listed in the category of Indefinite.

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The following tables provide an analysis of the Group's contractual undiscounted cash flow and credit commitments at the end of the reporting period:

	31 December 2024								
	Carrying amount RMB'000	Contractual undiscounted cash flow RMB'000	Indefinite RMB'000	Repayable on demand RMB'000	Within one month RMB'000	Between one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000
Financial liabilities									
Borrowing from the central bank	28,534,646	28,888,244	-	-	1,898,307	2,334,919	24,655,018	-	-
Deposits from banks and other financial institutions	16,687,131	17,107,688	-	1,439,340	6,832,023	4,982,761	2,593,236	1,260,328	-
Placements from banks and other financial institutions	2,593,623	2,606,108	-	-	-	293,643	2,312,465	-	-
Borrowing from other financial institutions	2,030,302	2,030,503	-	-	-	1,118,834	861,630	50,039	-
Financial assets sold under repurchase agreements	15,292,682	15,324,306	-	-	6,878,306	6,891,222	1,554,778	-	-
Deposits from customers	390,992,689	402,947,003	-	118,256,538	23,697,186	37,393,065	74,414,293	147,454,466	1,731,455
Debt securities issued	65,474,415	66,228,600	-	-	5,250,000	17,860,000	37,106,200	6,212,400	-
Lease liabilities	752,825	895,725	-	-	25,426	12,791	102,362	397,721	357,425
Total financial liabilities	522,298,313	536,028,177	-	119,695,878	44,581,248	70,887,235	143,599,982	155,374,954	2,088,880
Credit commitments	58,419,057	58,419,057	-	9,717,745	7,315,118	14,100,083	25,288,465	1,450,334	547,312

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

	31 December 2023								
	Carrying amount RMB'000	Contractual undiscounted cash flow RMB'000	Indefinite RMB'000	Repayable on demand RMB'000	Within one month RMB'000	Between one month and three months RMB'000	Between three months and one year RMB'000	Between one year and five years RMB'000	More than five years RMB'000
Financial liabilities									
Borrowing from the central bank	26,124,256	26,499,089	-	4,047	1,120,805	3,202,265	22,171,972	-	-
Deposits from banks and other financial institutions	17,200,603	17,660,597	-	835,559	4,761,877	2,804,485	7,790,148	1,468,528	-
Placements from banks and other financial institutions	4,002,897	4,026,599	-	-	-	1,510,100	2,516,499	-	-
Borrowing from other financial institutions	1,237,965	1,238,122	-	-	-	717,080	521,042	-	-
Financial assets sold under repurchase agreements	25,731,370	25,749,209	-	-	21,735,434	4,013,775	-	-	-
Deposits from customers	381,212,270	385,053,878	-	111,594,740	29,866,844	33,134,306	80,941,781	126,174,623	3,341,584
Debt securities issued	45,371,276	45,840,000	-	-	1,730,000	14,940,000	29,170,000	-	-
Lease liabilities	837,235	1,017,689	-	-	24,275	11,412	137,115	415,035	429,852
Total financial liabilities	501,717,872	507,085,183	-	112,434,346	59,239,235	60,333,423	143,248,557	128,058,186	3,771,436
Credit commitments	61,359,952	61,359,952	-	16,423,607	11,480,953	10,305,588	21,734,970	868,101	546,733

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

43. RISK MANAGEMENT (continued)

(d) Operational risk

Operational risk refers to the risks of losses caused by defects in internal processes, employees and information technology systems as well as external events.

During the Reporting Period, the Bank analyzed and studied the new regulatory requirements on operational risk management and, taking into account the actual situation, clarified the idea of optimizing the operational risk management system, formulated a work plan to optimize the operational risk management system, and planned to complete the optimization of the operational risk management system in two years, so as to meet the regulatory requirements and enhance the Group's capability of operational risk management in a practical manner. According to the overall plan, in terms of organizational structure, the Group clarified the requirements of Directors, Supervisors and senior management to perform their duties, and cleared up the management responsibilities of the three lines of defense. In terms of system establishment, the Group completed and officially published the revision on the statement of operational risk preferences and operational risk management policies. In terms of operational risk tool construction, the Group carried out pilot projects on operational risk control and self-assessment and loss data cleaning and supplementing in a timely manner. In terms of system construction, the Group established the construction plan of operational risk management system, which is planned to be completed and put into operation by the end of 2025.

During the Reporting Period, the Group had no significant cases of operational risk.



CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

44. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	31 December 2024 RMB'000	31 December 2023 RMB'000
Assets		
Cash and deposits with the central bank	28,874,128	32,108,159
Deposits with banks and other financial institutions	683,314	3,623,171
Placements with banks and other financial institutions	28,209,810	18,494,766
Loans and advances to customers	335,411,629	319,659,082
Financial investments:		
– Financial investments at fair value through profit or loss	47,257,113	50,825,011
– Financial investments at fair value through other comprehensive income	37,783,804	28,733,334
– Financial investments at amortised cost	78,867,882	84,005,792
Interest in associates	153,544	147,832
Investment in subsidiaries	1,793,916	1,793,916
Property and equipment	1,830,353	1,978,157
Deferred tax assets	6,383,605	5,483,742
Other assets	2,046,383	2,511,554
Total assets	569,295,481	549,364,516
Liabilities and equity		
Liabilities		
Borrowing from the central bank	28,534,646	26,124,256
Deposits from banks and other financial institutions	16,825,368	17,745,692
Placements from banks and other financial institutions	2,593,623	4,002,897
Financial assets sold under repurchase agreements	15,292,682	25,731,370
Deposits from customers	390,664,122	380,928,950
Income tax payable	228,959	–
Debt securities issued	65,474,415	45,371,276
Other liabilities	2,648,875	3,305,623
Total liabilities	522,262,690	503,210,064

CHAPTER XIV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

44. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (continued)

	31 December 2024 RMB'000	31 December 2023 RMB'000
Equity		
Share capital	6,024,277	6,024,277
Other equity instruments		
– Perpetual debt	7,997,960	7,997,960
Capital reserve	14,511,564	13,958,588
Surplus reserve	3,419,776	3,327,023
General reserve	7,751,455	7,456,314
Retained earnings	7,327,759	7,390,290
Total equity	47,032,791	46,154,452
Total liabilities and equity	569,295,481	549,364,516

45. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified, to conform with the current year's presentation and disclosures. The Company's directors consider that such presentation would better reflect the financial performance and position of the Group.

During the current year, interest income generated from trade finance of approximately RMB330,724.07 thousand (2023: approximately RMB282,224.54 thousand) were regrouped from interest income generated from discounted bills to interest income generated from corporate loans and advances. The comparatives figures had been regrouped to conform with the current year presentation.

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2024

The information set out below does not form part of the consolidated financial report and is included herein for information purpose only.

In accordance with the Hong Kong Listing Rules and Banking (Disclosure) Rules, the Group discloses the unaudited supplementary financial information as follows:

1. LIQUIDITY COVERAGE RATIO AND LEVERAGE RATIO

Liquidity coverage ratio

	31 December 2024	Average for the year ended 31 December 2024
Liquidity coverage ratio (RMB and foreign currency)	403.22%	343.82%

	31 December 2023	Average for the year ended 31 December 2023
Liquidity coverage ratio (RMB and foreign currency)	333.38%	364.25%

Pursuant to the Administrative Measures for Liquidity Risk Management of Commercial Banks, the liquidity coverage ratio of commercial banks shall reach 100% by the end of 2019.

Leverage Ratio

	31 December 2024	31 December 2023
Leverage Ratio	7.87%	8.25%

Pursuant to the Leverage Ratio Management of Commercial Banks issued by the former CBIRC and was effective since 1 April 2015, a minimum leverage ratio 4% is required for commercial banks.

The above liquidity coverage ratio and leverage ratio are calculated in accordance with the formula promulgated by the former CBIRC and based on the financial information prepared in accordance with PRC GAAP.

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2024

2. CURRENCY CONCENTRATIONS

	31 December 2024			Total RMB'000
	USD (RMB'000 equivalent)	HKD (RMB'000 equivalent)	Others (RMB'000 equivalent)	
Spot assets	1,784,763	18,210	17,944	1,820,917
Spot liabilities	(3,036,070)	(18,081)	(17,812)	(3,071,963)
Net position	(1,251,307)	129	132	(1,251,046)

	31 December 2023			Total RMB'000
	USD (RMB'000 equivalent)	HKD (RMB'000 equivalent)	Others (RMB'000 equivalent)	
Spot assets	2,245,997	11,480	19,276	2,276,753
Spot liabilities	(2,844,975)	(11,381)	(19,088)	(2,875,444)
Net position	(598,978)	99	188	(598,691)

The Group has no structural position as at the end of reporting period.

3. INTERNATIONAL CLAIMS

The Group is principally engaged in business operations within Mainland China, and regards all claims on third parties outside Mainland China as international claims.

International claims include loans and advances to customers, balances with the central bank, amounts due from banks and other financial institutions.

A country or geographical area is reported where it constitutes 10% or more of the aggregate amount of international claims, after taking into account all risk transfers. Risk transfers are only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose Head Office is located in another country.

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2024

3. INTERNATIONAL CLAIMS (continued)

	31 December 2024			
	Banks and other financial institutions	Public sector entities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
All regions outside Mainland China	117,581	–	1,985	119,566

	31 December 2023			
	Banks and other financial institutions	Public sector entities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
All regions outside Mainland China	1,121,343	–	270,965	1,392,308

4. GROSS AMOUNT OF OVERDUE LOANS AND ADVANCES

	31 December 2024	31 December 2023
	RMB'000	RMB'000
Gross loans and advances which have been overdue with respect to either principal or interest for years of		
– Between 3 and 6 months (inclusive)	858,387	489,223
– Between 6 months and 1 year (inclusive)	3,875,536	1,954,800
– Over 1 year	3,105,537	4,622,400
Total	7,839,460	7,066,423
As a percentage of gross loans and advances		
– Between 3 and 6 months (inclusive)	0.24%	0.15%
– Between 6 months and 1 year (inclusive)	1.10%	0.58%
– Over 1 year	0.88%	1.37%
Total	2.22%	2.10%

APPENDIX

In accordance with the regulatory requirements of the former CBIRC, Jiangxi Bank Co., Ltd. supplemented the disclosure of material related party transactions considered by the Board of Directors:

During the Reporting Period, in accordance with the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions, and the Interim Measures for the Equity Management of Commercial Banks, Jiangxi Bank Co., Ltd. submitted the material related party transactions related to related parties as defined in the above-mentioned documents (“Related Party Involving with NFRA”) to the Board for consideration and obtained approvals, details of which are as follows:

Time	Content	Credit line (Expressed In Renminbi Yuan)	Comment
August 30, 2024	The twenty-ninth meeting of the third session of the Board	Proposal on material related party transaction of a group credit of RMB4.95 billion by Jiangxi Provincial Communications Investment Group Co., Ltd.	4,950,000,000
		Proposal on material related party transaction by Nanchang Industrial Investment Group Co., Ltd. and other 2 entities, among which:	
November 15, 2024	The thirty-first extraordinary meeting of the third session of the Board	1. Material related party transaction of RMB5.09 billion by Nanchang Industrial Investment Group Co., Ltd.	5,090,000,000
		2. Material related party transaction of RMB2.7 billion by Jiangxi Copper Corporation Limited	2,700,000,000
		3. Material related party transaction of RMB4.9 billion by Jiangxi Financial Leasing Co., Ltd.	4,900,000,000
December 27, 2024	The thirty-third extraordinary meeting of the third session of the Board	Proposal on material related party transaction of a group credit of RMB5.0 billion by Jiangxi Financial Holding Group Co., Ltd.	5,000,000,000

DEFINITIONS

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

“Articles of Association”	articles of association of the Bank (as modified from time to time)
“Bank”, “Company” or “Jiangxi Bank”	Jiangxi Bank Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“former CBRC”	the former China Banking Regulatory Commission
“former CBIRC”	the former China Banking and Insurance Regulatory Commission, currently “National Financial Regulatory Administration”
“former CBRC Jiangxi Office”	the former China Banking Regulatory Commission Jiangxi Office
“former CBIRC Jiangxi Office”	the former China Banking and Insurance Regulatory Commission Jiangxi Office, currently “National Financial Regulatory Administration Jiangxi Office”
“Corporate Governance Code”	Corporate Governance Code in Appendix C1 of the Listing Rules
“China” or “PRC”	the People’s Republic of China, but for the purpose of this annual report only, excluding the Hong Kong and Macau Special Administrative Regions and Taiwan
“Director(s)”	director(s) of the Bank
“Domestic Share(s)”	ordinary share(s), with a nominal value of RMB1.00 each in the Bank’s share capital, which are subscribed for or credited as paid up in Renminbi
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“Group”	Jiangxi Bank and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the Bank’s share capital, which are listed on the Main Board of the Hong Kong Stock Exchange
“Latest Practicable Date”	March 28, 2025, being the Latest Practicable Date prior to the printing of this annual report for ascertaining certain information contained herein
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PBOC” or “Central Bank”	the People’s Bank of China
“China Banking Association”	China Banking Association
“Prospectus”	the prospectus issued by the Bank on June 13, 2018 for the global public offering
“Reporting Period”	the twelve months from January 1, 2024 to December 31, 2024
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shareholders”	shareholders of the Bank
“Supervisors”	supervisors of the Bank
“USD”	United States dollars, the lawful currency of the United States
“1269 Action Plan”	The “1269” Action Plan for the Modernization of Key Manufacturing Industry Chains in Jiangxi Province (2023-2026), the core principle of which is to make effort to strengthen and expand 12 key manufacturing industry chains and build 6 advanced manufacturing clusters through unremitting efforts in the next few years, so as to achieve an average annual growth of approximately 9% in industrial revenue above designated size, and write a new chapter in the modernization of industrial chains in Jiangxi Province