

A-share code: 601166

A-share abbreviation: Industrial Bank

Convertible bond code: 113052

Convertible bond abbreviation: Industrial convertible bonds

Industrial Bank Co., Ltd.

Summary of the 2026 Interim Report

I. Important Notice

1. The summary is extracted from the full text of the 2026 Interim Report of Industrial Bank Co., Ltd. To fully understand the Company's operating results, financial position and future development plans, investors should carefully read the full text of the interim report on the website of the Shanghai Stock Exchange.

2. The Company's Board of Directors, directors and senior management members hereby warrant that the information contained in the interim report is true, accurate and complete, free from false representation, misleading statement or material omission, and assume joint and several liabilities.

3. The 16th meeting of the 11th session of the Board of Directors of the Company was held on August 27, 2026. 14 directors shall attend the meeting, and 14 directors actually attended it. The meeting considered and approved the 2026 interim report and the summary thereof.

4. The Company's 2026 interim financial statements have not been audited, but have been reviewed by KPMG Huazhen LLP, which issued a review report.

5. The Company's 2026 interim profit distribution plan was approved by the Company's 2025 Annual General Meeting. The Board of Directors will subsequently implement the plan as approved by the General Shareholders' Meeting. The amount and date of the cash dividend and the record date will be separately announced by the Company.

II. Corporate Profile

1. Basic information

Classes of securities	Listing Exchange	Abbreviation	Code
A share	Shanghai Stock Exchange	Industrial Bank	601166
Convertible corporate bond	Shanghai Stock Exchange	Industrial convertible bonds	113052

Contact persons and details	Secretary to the Board of Directors	Representative of securities affairs
Name	Xia Weichun	Li Dapeng
Tel.	0591-87824863	
Office address	Industrial Bank Building, 398 Jiangbin Middle Avenue, Taijiang District, Fuzhou, Fujian Province	
Email	irm@cib.com.cn	

2. Financial highlights

2.1 Main accounting data and financial indicators

Unit: RMB million

Item	January-June 2026	January-June 2025	Increase/decrease in the current period compared to the same period of last year (%)	January-June 2024
Operating results				
Operating income	110,177	110,458	(0.25)	113,043
Net interest income	72,804	73,755	(1.29)	74,891
Net non-interest income	37,373	36,703	1.83	38,152
Operating profit	48,315	50,502	(4.33)	48,864
Profit before tax	48,372	50,558	(4.32)	48,942
Net profit attributable to shareholders of the parent company	41,131	43,141	(4.66)	43,049
Net profit attributable to shareholders of the parent company, after deduction of non-recurring gains and losses	40,780	42,840	(4.81)	42,768
Net cash flows generated from operating activities	(7,309)	(77,951)	Negative in the same period last year	(288,440)

Item	January-June 2026	January-June 2025	Increase/decrease in the current period compared to the same period of last year (%)	January-June 2024
Per share data (in RMB)				
Basic earnings per share	1.88	1.91	(1.57)	1.94
Diluted earnings per share	1.75	1.76	(0.57)	1.78
Basic earnings per share, after deduction of non-recurring gains and losses	1.86	1.90	(2.11)	1.92
Net cash flow per share from operating activities	(0.35)	(3.74)	Negative in the same period last year	(13.88)
Profitability indicators (%)				
Total return on assets	0.37	0.41	Down 0.04 percentage points	0.42
Weighted average ROE	4.79	5.06	Down 0.27 percentage points	5.50
Weighted average ROE, after deduction of non-recurring gains and losses	4.75	5.02	Down 0.27 percentage points	5.46
Net interest spread	1.41	1.51	Down 10 basis points	1.59
Net interest margin	1.60	1.75	Down 15 basis points	1.86
Cost-to-income ratio	25.60	25.89	Down 0.29 percentage points	25.41

Note: Basic earnings per share, diluted earnings per share and weighted average ROE were calculated based on the *Preparation and Submission Rules for Information Disclosure by Companies Offering Securities to the Public No.9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision)*.

Unit: RMB million

Item	June 30, 2026	December 31, 2025	Increase/decrease at the end of the current period compared to the end of last year (%)	December 31, 2024
Scale indicators				
Total assets	11,460,940	11,094,256	3.31	10,507,898
Total loans	6,164,553	5,948,938	3.62	5,736,610
Including: Corporate loans	4,067,387	3,738,896	8.79	3,441,976
Personal loans	1,852,166	1,923,268	(3.70)	1,991,100
Discounted loans	245,000	286,774	(14.57)	303,534
Loan loss provisions	149,893	146,754	2.14	146,183
Including: Loan loss provisions at fair value through other comprehensive income	308	514	(40.08)	550
Total liabilities	10,500,117	10,180,610	3.14	9,614,287
Total deposits	6,228,064	5,929,615	5.03	5,532,333
Including: Demand deposits	2,093,011	2,028,772	3.17	2,068,250
Time deposits	3,454,791	3,342,457	3.36	2,989,110
Other deposits	680,262	558,386	21.83	474,973
Equity attributable to shareholders of the parent company	948,790	901,716	5.22	881,908
Equity attributable to ordinary shareholders of the parent company	838,790	821,716	2.08	766,106
Per share data (in RMB Yuan)				
Net assets per share attributable to ordinary shareholders of the parent company	39.63	38.83	2.08	36.88

2.2 Items and amounts of non-recurring gains and losses

Unit: RMB million

Item	January-June 2026
Gains and losses on the disposal of non-current assets	12
Government grants recognized in gains and losses	421
Other non-operating income and expense, net	55
Impact on income tax	(132)
Total	356
Non-recurring gains and losses attributable to shareholders of the parent company	351
Non-recurring gains and losses attributable to minority shareholders	5

2.3 Asset quality indicators

Unit: %

Item	June 30, 2026	December 31, 2025	Increase/decrease at the end of the current period compared to the end of last year	December 31, 2024
NPL ratio	1.08	1.08	Unchanged	1.07
Provision coverage ratio	225.67	228.41	Down 2.74 percentage points	237.78
Provision-to-loan ratio	2.43	2.47	Down 0.04 percentage points	2.55

2.4 Capital adequacy ratio

Unit: RMB million

Major indicator	June 30, 2026		December 31, 2025		December 31, 2024	
	The Group	The Bank	The Group	The Bank	The Group	The Bank
Net capital	1,266,365	1,173,389	1,147,112	1,055,170	1,120,544	1,043,880
Including: Common equity tier 1 capital	841,205	781,090	821,451	764,329	766,314	714,164
Additional tier 1 capital	110,224	110,000	80,258	80,000	116,052	115,776

Major indicator	June 30, 2026		December 31, 2025		December 31, 2024	
	The Group	The Bank	The Group	The Bank	The Group	The Bank
Tier 2 capital	316,084	313,373	246,623	241,975	239,449	235,139
Deductions	1,148	31,074	1,220	31,135	1,272	21,200
Total risk-weighted assets	8,913,029	8,500,917	8,460,074	8,053,631	7,848,126	7,494,426
Capital adequacy ratio (%)	14.21	13.80	13.56	13.10	14.28	13.93
Tier 1 capital adequacy ratio (%)	10.66	10.12	10.64	10.10	11.23	10.79
Common equity tier 1 capital adequacy ratio (%)	9.43	8.82	9.70	9.10	9.75	9.25

Note: The data in the above table was compiled in accordance with the *Rule on Capital Management of Commercial Banks* of the National Financial Regulatory Administration (NFRA), as well as its supporting rules.

2.5 Supplementary financial indicators

Unit: %

Major indicator	Standard value	June 30, 2026	December 31, 2025	December 31, 2024
Liquidity ratio (total in RMB and foreign currencies)	≥ 25	61.87	65.72	65.70
Including: RMB	≥ 25	91.21	62.38	64.75
Foreign currencies translated into RMB	≥ 25	59.69	114.90	81.49
Proportion of loans to the largest single borrower	≤ 10	1.45	1.63	1.41
Proportion of loans to the top ten borrowers	≤ 50	9.28	10.08	8.75
Migration ratio of pass loans	-	0.95	1.52	1.54
Migration ratio of special-mention loans	-	24.49	36.48	30.46

Major indicator	Standard value	June 30, 2026	December 31, 2025	December 31, 2024
Migration ratio of substandard loans	-	50.87	79.33	75.85
Migration ratio of doubtful loans	-	91.71	82.52	76.52

Notes: 1. The data in the above table was compiled before consolidation and did not include the data of subsidiaries.

2. The data in the above table was calculated based on the data reported to regulatory authorities. Specifically, the loan migration ratios were calculated as follows:

Migration ratio of pass loans: (Amount of pass loans at the beginning of the year that migrated downward + Amount of loans that were pass loans at the beginning of the year, became non-performing loans and were disposed of during the reporting period)/Balance of pass loans at the beginning of the year * 100%;

Migration ratio of special-mention loans: (Amount of special-mention loans at the beginning of the year that migrated downward + Amount of loans that were special-mention loans at the beginning of the year, became non-performing loans and were disposed of during the reporting period)/Balance of special-mention loans at the beginning of the year * 100%;

Migration ratio of substandard loans: (Amount of substandard loans at the beginning of the year that migrated downward + Amount of loans that were substandard loans at the beginning of the year, became doubtful and loss loans and were disposed of during the reporting period)/Balance of substandard loans at the beginning of the year * 100%;

Migration ratio of doubtful loans: (Amount of doubtful loans at the beginning of the year that migrated downward + Amount of loans that were doubtful loans at the beginning of the year, became loss loans and were disposed of during the reporting period)/Balance of doubtful loans at the beginning of the year * 100%.

3. Shareholders

As at the end of the reporting period, the Company had a total of 329,584 ordinary shareholders. The shareholdings of the top ten ordinary shareholders are set out as follows:

Unit: Share

Name of shareholder	Changes during the reporting period	Number of shares held at the end of the reporting period	Percentage (%)	Number of restricted shares held	Pledged, marked or frozen shares	Nature of shareholder
Fujian Financial Investment Co., Ltd.	-	3,511,918,625	16.59	-	-	State-owned legal person

China National Tobacco Corporation	-	1,110,226,200	5.25	-	-	State-owned legal person
PICC Property and Casualty Company Limited – Traditional – Common Insurance Product – 008C – CT001 Hu	-	948,000,000	4.48	-	-	State-owned legal person
Fujian Provincial Department of Finance	-	841,742,201	3.98	-	-	State organ
PICC Life Insurance Company Limited – Dividends – Dividends for Personal Insurance	-	801,639,977	3.79	-	-	State-owned legal person
Dajia Life Insurance Co., Ltd. – Traditional Product	-	728,048,721	3.44	-	-	Others
Fujian Investment and Development Group Co., Ltd.	14,200,004	610,692,549	2.89	-	-	State-owned legal person
China National Tobacco Fujian Corporation	-	573,954,303	2.71	-	-	State-owned legal person
Ruizhong Life Insurance Co., Ltd. – Self-owned Fund	-	569,179,245	2.69	-	-	Domestic non-state-owned legal person
Hong Kong Securities Clearing Company Limited	(122,716,851)	492,760,377	2.33	-	-	Overseas legal person

Notes: 1. As at the end of the reporting period, Fujian Provincial Department of Finance and Fujian Financial Investment Co., Ltd., a company established and fully contributed by the Fujian Provincial Department of Finance, which held 4,353,660,826 ordinary shares of the Company in aggregate, representing 20.57% of the total share capital of the Company, constituted the largest shareholder of the Company by aggregate shareholding. PICC Property and Casualty Company Limited and PICC Life Insurance Company Limited were controlling subsidiaries of the People's Insurance Company (Group) of China Limited. China National Tobacco Fujian Corporation was a subsidiary of China National Tobacco Corporation.

2. There were no special repurchase accounts for the top ten shareholders, and there were no voting rights entrusted by or to, or waived by, the top ten shareholders. None of the top ten shareholders was involved in share lending under the refinancing business.

4. Convertible corporate bonds

On December 31, 2021, the Company completed the issuance of A share convertible

corporate bonds (hereinafter referred to as the “Convertible Bonds”). The proceeds raised were RMB50 billion and the net proceeds raised after deducting issuance costs were approximately RMB49.92 billion. The above A Share Convertible Bonds have been listed on the Shanghai Stock Exchange for trading on January 14, 2022, with the bond abbreviation of Industrial Convertible Bonds and bond code of 113052. The conversion period of Industrial Convertible Bonds shall commence from the first trading day immediately following the expiry of the six-month period after the date of completion of the issuance, and end on the maturity date, i.e., from June 30, 2022 to December 26, 2027.

As at the end of the reporting period, the number of holders of the Convertible Bonds was 51,062. Particulars of the top ten holders of the Convertible Bonds are set out below:

Name of holders	Amount of bonds held at the end of the reporting period (RMB)	Percentage (%)
Specific accounts for bond repurchase and pledge under the registration and settlement system (Industrial and Commercial Bank of China)	3,814,446,000	9.22
China Merchants Bank Co., Ltd. - Boser CSI Convertible Bond and Exchangeable Bond ETF	3,809,999,000	9.21
Specific accounts for bond repurchase and pledge under the registration and settlement system (Bank of China)	2,143,826,000	5.18
Specific accounts for bond repurchase and pledge under the registration and settlement system (China Construction Bank)	1,978,735,000	4.79
Specific accounts for bond repurchase and pledge under the registration and settlement system (Bank of Beijing Co., Ltd.)	1,822,521,000	4.41
Specific accounts for bond repurchase and pledge under the registration and settlement system (China Merchants Bank Co., Ltd.)	1,587,077,000	3.84
Specific accounts for bond repurchase and pledge under the registration and settlement system (CITIC Securities Company Limited)	1,301,011,000	3.15
Specific accounts for bond repurchase and pledge under the registration and settlement system (Agricultural Bank of China)	1,284,498,000	3.11
CITIC Securities Company Limited – HFT SSE Investment Grade Convertible Bond and Exchangeable Bond ETF	1,151,708,000	2.79
Specific accounts for bond repurchase and pledge under the registration and settlement system (Guosen Securities Co., Ltd.)	810,023,000	1.96

Changes in the Convertible Bonds

Amount of unconverted convertible bonds at the end of the last period (December 31, 2025) (RMB)	41,352,001,000
Amount of conversion during the reporting period (RMB)	90,000
Number of converted shares during the reporting period (shares)	4,317
Amount of redemption or put-back during the reporting period (RMB)	0
Amount of unconverted convertible bonds at the end of the reporting period (RMB)	41,351,911,000
Proportion of unconverted amount to the total issued amount at the end of the reporting period (%)	82.70382%
Number of accumulated converted shares (shares)	388,668,762
Proportion of accumulated converted shares to the total number of issued ordinary shares before the conversion (%)	1.87092%

III. Discussion and Analysis

1. Overall operations during the reporting period

As at the end of the reporting period, the Company's total assets amounted to RMB11,460.94 billion, representing an increase of 3.31% from the end of the previous year. The balance of local and foreign currency deposits reached RMB6,228.064 billion, representing an increase of 5.03% from the end of the previous year. The balance of local and foreign currency loans reached RMB6,164.553 billion, representing an increase of 3.62% from the end of the previous year. The total assets of the Company's overseas branches amounted to RMB304.289 billion, accounting for 2.66% of its total assets.

During the reporting period, the Company recorded operating income of RMB110.177 billion, representing a year-on-year decrease of 0.25%, and net profit attributable to shareholders of the parent company of RMB41.131 billion, representing a year-on-year decrease of 4.66%. The weighted average return on equity was 4.79%, representing a year-on-year decrease of 0.27 percentage points; the return on total assets was 0.37%, representing a year-on-year decrease of 0.04 percentage points; and the cost-to-income ratio was 25.60%, representing a year-on-year decrease of 0.29 percentage points.

As at the end of the reporting period, the Company's balance of NPLs amounted to RMB66,421 million, an increase of RMB2,170 million from the end of the previous year, while the NPL ratio remained unchanged from the end of the previous year at 1.08%. During the reporting period, the Company recognized RMB32,512 million in asset impairment losses, representing a year-on-year increase of 7.93%. The provision-to-loan ratio was 2.43% at the end of the reporting period, down 0.04 percentage points from the

end of the previous year, and the provision coverage ratio was 225.67%, down 2.74 percentage points from the end of the previous year.

2. Income statement analysis

During the reporting period, the Company increased its efforts to develop high-quality credit assets, with steady growth in interest-earning assets. However, affected by the narrowing net interest margin, its net interest income decreased by 1.29% year on year, with the decline narrowing by 0.84 percentage points from the first quarter. The Company further strengthened its comprehensive customer service capabilities, driving a 1.83% year-on-year increase in net non-interest income, among which net fee and commission income increased by 8.61% year on year, mainly due to relatively rapid growth in income from wealth management product distribution, custody and other businesses. The Company effectively controlled operating expenses, with the cost-to-income ratio decreasing by 0.29 percentage points year on year. The Company strengthened asset quality management and made adequate impairment provisions, resulting in a 7.93% year-on-year increase in asset impairment losses. Net profit attributable to shareholders of the parent company amounted to RMB41,131 million, representing a year-on-year decrease of 4.66%.

Unit: RMB million

Item	January-June 2026	January-June 2025
Operating income	110,177	110,458
Net interest income	72,804	73,755
Net non-interest income	37,373	36,703
Taxes and surcharges	(1,143)	(1,234)
Operating and administrative expenses	(28,088)	(28,497)
Impairment loss	(32,512)	(30,122)
Other operating costs	(119)	(103)
Net non-operating income and expense	57	56
Profit before tax	48,372	50,558
Income tax	(7,057)	(7,197)
Net profit	41,315	43,361
Gains and losses of minority shareholders	184	220
Net profit attributable to shareholders of the parent company	41,131	43,141

3. Balance sheet analysis

3.1 Assets

As at the end of the reporting period, the Company's total assets amounted to RMB11,460.94 billion, representing an increase of 3.31% from the end of the previous year; of these, loans (excluding accrued interest) increased by RMB215,615 million, or 3.62%, from the end of the previous year, while the net amount of various investments decreased by RMB142,929 million, or 4.02%, compared with the end of the previous year.

Unit: RMB million

Item	June 30, 2026		December 31, 2025	
	Balance	Percentage (%)	Balance	Percentage (%)
Net loans and advances to customers	6,034,442	52.65	5,821,808	52.48
Investment ^{Note 1}	3,411,573	29.77	3,554,502	32.04
Financial assets purchased under reverse repurchase agreements	389,731	3.40	332,368	3.00
Financial lease receivables	126,194	1.10	110,376	0.99
Deposits with banks and other financial institutions	157,652	1.38	201,728	1.82
Placements with banks and other financial institutions	489,894	4.27	421,546	3.80
Cash and balances with central banks	596,887	5.21	391,045	3.52
Others ^{Note 2}	254,567	2.22	260,883	2.35
Total	11,460,940	100	11,094,256	100

Notes: 1. Including financial assets held for trading, debt investments, other debt investments, other equity instrument investments and long-term equity investments.

2. Including precious metals, derivative financial assets, right-of-use assets, fixed assets, construction in progress, intangible assets, goodwill, deferred income tax assets and other assets.

3.2 Liabilities

As at the end of the reporting period, the total liabilities of the Company amounted to RMB10,500,117 million, representing an increase of RMB319,507 million, or 3.14%, from

the end of the previous year.

Unit: RMB million

Item	June 30, 2026		December 31, 2025	
	Balance	Percentage (%)	Balance	Percentage (%)
Deposits from banks and other financial institutions	2,295,378	21.86	2,245,590	22.06
Placements from banks and other financial institutions	310,689	2.96	330,540	3.25
Financial assets sold under repurchase agreements	289,996	2.76	363,699	3.57
Deposits from customers	6,313,778	60.13	6,020,806	59.14
Bonds payable	935,254	8.91	937,816	9.21
Others ^{Note}	355,022	3.38	282,159	2.77
Total	10,500,117	100	10,180,610	100

Note: Including borrowings from central banks, financial liabilities held for trading, derivative financial liabilities, employee benefits payable, tax payable, provisions, lease liabilities, deferred income tax liabilities and other liabilities.

3.3 Shareholders' equity

Unit: RMB million

Item	December 31, 2025	Increase in the reporting period	Decrease in the reporting period	June 30, 2026
Share capital	21,163	-	-	21,163
Other equity instruments	82,612	30,000	-	112,612
Capital reserve	82,440	-	5	82,435
Other comprehensive income	3,521	41	148	3,414
General reserve	134,490	253	-	134,743
Surplus reserve	10,878	-	-	10,878
Undistributed profits	566,612	41,131	24,198	583,545
Equity attributable to	901,716	71,425	24,351	948,790

Item	December 31, 2025	Increase in the reporting period	Decrease in the reporting period	June 30, 2026
shareholders of the parent company				

4. Cash flow statement analysis

Unit: RMB million

Item	January-June 2026	January-June 2025
Net cash flows from operating activities	(7,309)	(77,951)
Net cash flows from investing activities	385,761	132,506
Net cash flows from financing activities	(7,254)	(185,759)

During the reporting period, the net cash outflow from operating activities was RMB7,309 million, as compared with the net cash outflow of RMB77,951 million in the same period of the previous year, mainly because of a year-on-year increase in cash received from customer deposits and deposits from banks.

The net cash inflow from investing activities was RMB385,761 million, as compared with net cash inflow of RMB132,506 million in the same period of the previous year, mainly because of a year-on-year increase in cash receipts from recovery of investments.

The net cash outflow from financing activities was RMB7,254 million, as compared with net cash outflow of RMB185,759 million in the same period of the previous year, mainly because of an increase in proceeds from bond issuance and a decrease in cash repayments of borrowings.

5. Loan quality analysis

Unit: RMB million

Item	June 30, 2026		December 31, 2025		Increase/decrease in balance at the end of the reporting period compared with that at the end of 2025 (%)
	Balance	Percentage (%)	Balance	Percentage (%)	
Pass	5,991,975	97.20	5,784,295	97.23	3.59
Special mention	106,157	1.72	100,392	1.69	5.74
Substandard	31,252	0.51	28,985	0.49	7.82

Item	June 30, 2026		December 31, 2025		Increase/decrease in balance at the end of the reporting period compared with that at the end of 2025 (%)
	Balance	Percentage (%)	Balance	Percentage (%)	
Doubtful	8,433	0.14	8,145	0.14	3.54
Loss	26,736	0.43	27,121	0.45	(1.42)
Total	6,164,553	100	5,948,938	100	3.62

As at the end of the reporting period, the Company's balance of NPLs was RMB66,421 million, representing an increase of RMB2.17 billion from the end of the previous year, while the NPL ratio remained unchanged at 1.08%. The balance of special mention loans amounted to RMB106,157 million, representing an increase of RMB5,765 million from the end of the previous year. The proportion of special mention loans increased by 0.03 percentage points to 1.72% from the end of the previous year. Overall, asset quality indicators remained stable. During the reporting period, the Company worked hard to advance its initiative of "curbing new NPLs and reducing existing losses". On the one hand, it continued to improve its risk management framework, optimize its risk appetite and limit systems, and strengthen credit model management, with a view to curbing new NPLs at the source. On the other hand, it continued to improve its credit risk mitigation mechanisms, made effective use of the Head Office leaders' supervision and the agile teams for risk prevention and control in key areas, and effectively advanced the resolution and disposal of risks in key areas and large-value projects.

6. Main items with changes of over 30%

Unit: RMB million

Item	June 30, 2026	December 31, 2025	Change over the end of the previous year (%)	Brief description
Cash and balances with central banks	596,887	391,045	52.64	Increase in excess reserves with the People's Bank of China (PBOC)
Precious metals	37,413	12,285	204.54	Increase in precious metals held for trading
Financial liabilities held for trading	73,874	36,547	102.13	Increase in gold accumulation and sales of bonds borrowed

Derivative financial assets	38,045	44,692	(14.87)	Derivative financial instruments decreased by RMB18.3 billion from the end of the previous year, primarily due to a decrease in precious metals derivatives.
Derivative financial liabilities	49,975	38,273	30.58	
Other liabilities	60,909	41,542	46.62	Increase in amounts payable in the process of settlement
Other equity instruments	112,612	82,612	36.31	Issuance of RMB30 billion in perpetual bonds

Unit: RMB million

Item	January-June 2026	January-June 2025	Change over the same period of last year (%)	Brief description
Investment income	20,255	18,297	10.70	These three items are highly correlated. The total consolidated gains and losses amounted to RMB22,446 million, a year-on-year decrease of 2.47%, the fluctuation of which is within a reasonable range.
Gains from changes in fair value	1,869	3,791	(50.70)	
Net foreign exchange gains	322	926	(65.23)	

7. Business analysis

7.1 Corporate banking business

During the reporting period, for the corporate banking business, the Company focused on high-quality development, actively consolidated the fundamentals, delved deeper into segmented fields, contributed to the development of the industrial system, continuously improved the customer management effectiveness, optimized the asset structure, and controlled the cost of liabilities.

As at the end of the reporting period, the total number of corporate banking customers reached 1,723.9 thousand, an increase of 56.9 thousand from the end of the previous year. The balance of corporate loans in domestic and foreign currencies (based on the Bank's standards, excluding bills) was RMB4,071.289 billion, representing an increase of RMB328.377 billion, or 8.77%, from the end of the previous year. The balance of corporate deposits in domestic and foreign currencies (based on the Bank's standards) was RMB4,349.805 billion, representing an increase of RMB214.907 billion, or 5.20%, from the end of the previous year. The average interest payment rate for domestic RMB corporate deposits was 1.27%, a decrease of 23 basis points from the full-year 2025 level.

7.2 Retail banking business

During the reporting period, the Company continued to enhance the quality of its systematic retail development for the retail banking business, established a customer management model featuring “digital operations for basic customers – account management for platinum and black gold customers – centralized direct management for private banking customers”, and strengthened the effectiveness of customer migration to higher tiers. The Company adhered to the deep integration of “comprehensive investment banking, comprehensive asset management and comprehensive wealth management”, optimized its retail deposit structure, improved retail credit quality, promoted the steady development of its credit card business, and strengthened omnichannel service capabilities, thereby driving the high-quality development of its retail banking business.

As at the end of the reporting period, the number of retail customers reached 116,711.9 thousand, an increase of 1,984.8 thousand, or 1.73%, from the end of the previous year. The number of active mobile banking customers reached 73,702.7 thousand, an increase of 3,486.0 thousand, or 4.96%, from the end of the previous year, while the number of monthly active users of mobile banking was 24,674.1 thousand. The balance of retail deposits (based on the Bank’s standards) was RMB1,888.039 billion, representing an increase of RMB87.69 billion, or 4.87%, from the end of the previous year. The balance of retail loans (based on the Bank’s standards, excluding credit cards) was RMB1,481.131 billion, representing a decrease of RMB35.782 billion from the end of the previous year. The Group’s retail banking assets under management (AUM) amounted to RMB6.08 trillion (including the market value of third-party depository funds), representing an increase of 3.80% from the end of the previous year.

7.3 Inter-bank and financial markets businesses

During the reporting period, the Company continued to drive the transformation of its inter-bank and financial markets businesses, conducted research and analysis on domestic and foreign financial markets, and carried out financial markets business based on inter-bank cooperation. It advanced business transformation and income improvement centering on the goal of building a “light bank”. Meanwhile, it expanded the development space of the inter-bank ecosystem by enhancing matchmaking and agency capabilities. During the reporting period, the Company diversified the cooperation with inter-bank customers, achieved a more balanced business structure, forged closer collaboration, and further improved the sustainability, overall value and benefits of development.

As at the end of the reporting period, the Company established partnerships with basically all inter-bank corporate customers across major domestic industries, and jointly built a global cross-border banking service network with 1,308 banks in 103 countries and regions across the globe. The “Bank-to-Bank Platform” recorded more than RMB1.1 trillion in the balance of wealth products sold. The combined assets under management of the Group’s five asset management subsidiaries totaled RMB3.65 trillion, while the assets under custody for asset management products reached RMB11.85 trillion.

7.4 Fintech

During the reporting period, the Company adhered to the strategy of “revitalizing the Bank through technology”, took digital and intelligent development as the fundamental engine for strategic transformation, and set its sights on the goal of building an “Intelligent Industrial Bank”. Upholding the “enterprise-level and standardized” methodology, the Company made promising progress in advancing institutional reform, strengthening the technology foundation, empowering business development, and reinforcing security defenses.

Strengthening overall coordination and leadership and improving institutional mechanisms for digital and intelligent transformation. The Company fully leveraged the coordinating and leading role of the Digital Transformation Committee, and continuously improved the organizational structure for the technology line. By putting strategies first, the Company issued the *2026-2030 Digital and Intelligent Transformation Plan of Industrial Bank*. The Company advanced the “AI+” initiative, further improved its agile R&D mechanisms, strengthened IT cost control and centralized resource management, and continued to strengthen its technology workforce and develop digital and intelligent capabilities across all employees. Solidifying the technology foundation and enhancing the efficiency of computing power support for relevant architecture. The Company strengthened enterprise-level IT architecture management, coordinated the intelligent, green and intensive development and retrofit of data centers in Gui'an, Shanghai, Fuzhou and other locations, accelerated the development of cloud-native infrastructure, advanced the development of an intelligent computing power system featuring “one cloud with multiple chips and integrated training and inference” through coordinated efforts, and made steady progress in upgrading basic software and hardware and optimizing the network architecture. Unleashing the momentum of digital and intelligent operations, the Company expanded digital finance application scenarios, continued to improve its model supply, knowledge engineering and intelligent agent application systems, established a knowledge engineering system covering the entire process from knowledge production and management to application, and launched a unified AI service portal across the Bank. In retail banking, AI marketing strategies reached more than 13 million customer interactions during the reporting period, improving the quality and efficiency of marketing services. In corporate banking, the Company launched an industrial finance map and customer ecosystem management tools. In inter-bank and financial markets, it launched the industry’s first gold accumulation product embedded in the e-CNY app. In middle- and back-office management, it completed the restructuring of the finance and accounting data infrastructure. The Company actively explored applications of cutting-edge technologies, including quantum technology, blockchain, the Internet of Things, satellite remote sensing and digital humans, and developed replicable practices in scenarios such as supply chain document verification, biological asset monitoring, remote sensing-assisted credit extension, and marketing and financial education. Strengthening the data foundation and unlocking the value of data assets. The Company continued to improve its enterprise-level data governance framework and enhance enterprise-level data service capabilities, launching an

intelligent assistant for indicator analysis. The Company optimized the data service functions of the “Xingyicha” platform, further leveraged data to support business development, and established a standardized model system for inclusive finance covering pre-lending, lending and post-lending stages. Striking a balance between security and development and strengthening safeguards against technology risks. The Company fully launched the “Security Campaign”, in which it pressed ahead with practical cybersecurity attack and defense exercises, special inspections and security capability development initiatives, thereby strengthening its corporate security culture.

8. Overview of major subsidiaries

8.1 Industrial Bank Financial Leasing Co., Ltd.

Industrial Bank Financial Leasing Co., Ltd. was established in August 2010 with a registered capital of RMB9 billion. It is a wholly-owned subsidiary of the Company. Its business scope includes financial leasing, transfer and acquisition of financial leasing assets, fixed-income investment, receipt of lease deposits, and domestic establishment of project companies for conducting financial lease business. As at the end of the reporting period, Industrial Financial Leasing recorded total assets of RMB166,872 million and owners’ equity of RMB29,182 million. During the reporting period, it realized operating income of RMB1,754 million and net profit of RMB1,094 million.

8.2 China Industrial International Trust Limited

China Industrial International Trust Limited was established in March 2003 with a registered capital of RMB10 billion. It is a holding subsidiary of the Company, of which the Company holds 73% of the shares. Its business scope includes fund trust, chattel trust, real estate trust, negotiable securities trust, other property or property right trust, and other businesses stipulated by laws and regulations or approved by regulatory authorities. As at the end of the reporting period, Industrial Trust recorded total assets of RMB73,672 million and owners’ equity of RMB21,156 million. During the reporting period, it realized operating income of RMB837 million and recorded a net loss of RMB817 million.

8.3 CIB Fund Management Co., Ltd.

CIB Fund Management Co., Ltd. was established in April 2013, with a registered capital of RMB1.2 billion. It is a holding subsidiary of the Company, of which the Company holds 90% of the shares. Its business scope includes fundraising, fund sales, asset management for specific customers, asset management, and other businesses as permitted by the China Securities Regulatory Commission. As at the end of the reporting period, CIB Fund recorded total assets of RMB6,621 million and owners’ equity of RMB5,849 million. During the reporting period, it realized operating income of RMB965 million and net profit of RMB359 million.

8.4 Industrial Consumer Finance Co., Ltd.

Industrial Consumer Finance Co., Ltd. was established in December 2014, with a registered capital of RMB5,320 million. It is a holding subsidiary of the Company, of which the Company holds 66% of the shares. Its business scope includes the provision of personal

consumption loans, issuance of financial bonds, borrowing from domestic financial institutions, domestic inter-bank lending and borrowing, and other businesses approved by banking regulatory authorities. As at the end of the reporting period, CIB Consumer Finance recorded total assets of RMB62,987 million and net assets of RMB13,154 million. During the reporting period, it realized operating income of RMB3,893 million and net profit of RMB742 million.

8.5 CIB Wealth Management Co., Ltd.

CIB Wealth Management Co., Ltd. was established in December 2019, with a registered capital of RMB10 billion. It is a wholly-owned subsidiary of the Company. Its business scope includes the issuance of wealth management products, financial advisory and consulting services, and other businesses approved by the banking regulatory authorities. As at the end of the reporting period, CIB Wealth Management recorded total assets of RMB21,210 million and owners' equity of RMB20,622 million. During the reporting period, it realized operating income of RMB1,977 million and net profit of RMB1,315 million.

8.6 CIB Financial Asset Investment Co., Ltd.

CIB Financial Asset Investment Co., Ltd. was established in November 2025, with a registered capital of RMB10 billion. It is a wholly-owned subsidiary of the Company. The business scope includes acquiring banks' claims against enterprises for the purpose of debt-to-equity swaps, converting claims into equity and managing the equity; and restructuring, transferring and disposing of claims that cannot be converted into equity; investing in corporate equity for the purpose of debt-to-equity swaps, with the enterprise using all of the equity investment proceeds to repay existing claims; raising funds from qualified investors in accordance with laws and regulations, and issuing private asset management products to support the implementation of debt-to-equity swaps; issuing financial bonds; raising funds through bond repurchase agreements and inter-bank lending and borrowing; conducting necessary investment management of proprietary funds and raised funds. Proprietary funds may be used for inter-bank deposits, inter-bank lending, purchases of central government bonds or other fixed-income securities, and the use of raised funds shall comply with the agreed purposes of fundraising. The business scope also includes financial advisory and consulting services related to the debt-to-equity swap business and other businesses approved by the NFRA. As at the end of the reporting period, CIB Investment recorded total assets of RMB11,167 million and net assets of RMB10,159 million. During the reporting period, it realized operating income of RMB175 million and net profit of RMB155 million.

9. Other material matters

9.1 Issuance of financial bonds: Pursuant to the resolution of the Company's 2024 Annual General Meeting on the issuance of financial bonds, the Company's Shanghai Pilot Free Trade Zone Branch and Hong Kong Branch issued financial bonds overseas under the USD5 billion Medium Term Note Programme, with issuance scales of RMB3 billion and USD800 million, respectively. For details, please refer to the Company's announcements on January 17, 2026 and March 13, 2026.

9.2 Issuance of undated capital bonds: With the approval of the NFRA and the PBOC, the

Company issued the first tranche of undated capital bonds (Bond Connect) in 2026 in the national inter-bank bond market, with an issuance scale of RMB30 billion, and the proceeds were used to supplement the Company's additional tier 1 capital. For details, please refer to the Company's announcements on April 25, 2026.

9.3 Issuance of tier 2 capital bonds: With the approval of the NFRA and the PBOC, the Company issued the first and second tranches of tier 2 capital bonds in 2026 in the national inter-bank bond market, with issuance scales of RMB30 billion and RMB40 billion, respectively. The proceeds were used to supplement the Company's tier 2 capital. For details, please refer to the Company's announcements on May 14, 2026 and June 6, 2026.

9.4 Issuance of special-purpose financial bonds for loans to small and micro enterprises: With the approval of the PBOC, the Company issued the first tranche of special-purpose financial bonds for loans to small and micro enterprises in 2026 in the national inter-bank bond market, with an issuance scale of RMB20 billion. The proceeds were used specifically for the Company's lending business with small and micro enterprises. For details, please refer to the Company's announcement on August 1, 2026.

9.5 Issuance of green finance bonds: With the approval of the PBOC, the Company issued the first tranche of green finance bonds in 2026 in the national inter-bank bond market, with an issuance scale of RMB30 billion. The proceeds were specifically used for granting loans to green industry projects. For details, please refer to the Company's announcement on August 22, 2026.

Board of Directors of Industrial Bank Co., Ltd.
August 27, 2026

INDUSTRIAL BANK CO., LTD.

ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 June 2026
(UNAUDITED)
(A-share report)

IF THERE IS ANY CONFLICT BETWEEN THE CHINESE VERSION AND ITS
ENGLISH TRANSLATION, THE CHINESE VERSION WILL PREVAIL.

REVIEW REPORT

KPMG Huazhen Zhuan Zi No. 2605088

To the shareholders of Industrial Bank Co., Ltd.:

We have reviewed the accompanying financial statements of Industrial Bank Co., Ltd. (the "Bank"), which comprise the consolidated and Bank's balance sheets as at 30 June 2026, and the consolidated and Bank's income statements, the consolidated and Bank's cash flow statements, the consolidated and Bank's statements of changes in shareholders' equity for the six months period then ended, and the notes to the financial statements. The Bank's management is responsible for the preparation of these financial statements in accordance with Accounting Standards for Business Enterprises No.32 - Interim Financial Statements issued by the Ministry of Finance (MOF) of the People's Republic of China. Our responsibility is to issue a review report on these financial statements based on our review work.

We conducted our review in accordance with China Certified Accountants' Standards on Reviewing No.2101 - Review on Financial Statements. The Standards require us to plan and perform the review to obtain limited assurance about the fact of whether the interim financial statements are free from material misstatements. Review is mainly limited to procedures of enquiring relative staff and implementing analytical procedures on financial data, and the extent of assurance is lower than that of auditing. We have not conducted auditing, thus we will not express an audit opinion.

REVIEW REPORT (continued)

KPMG Huazhen Zhuan Zi No. 2605088

Based on our review, nothing has come to our attention that causes us to believe that the aforesaid financial statements have not been prepared in accordance with Accounting Standards for Business Enterprises No.32 - Interim Financial Statements in all material respects.

KPMG Huazhen LLP

Certified Public Accountants
Registered in the People's
Republic of China

Pan Sheng

Beijing, China

He Keren

27 August 2026

Industrial Bank Co., Ltd.
The Consolidated and Bank's Balance Sheets
As at 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>
		<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Assets					
Cash and balances with Central Bank	1	596,887	391,045	596,884	391,033
Deposits with banks and other financial institutions	2	157,652	201,728	145,875	187,013
Precious metals		37,413	12,285	37,413	12,285
Placements with banks and other financial institutions	3	489,894	421,546	522,870	448,708
Derivative financial assets	4	38,045	44,692	38,044	44,639
Financial assets purchased under resale agreements	5	389,731	332,368	387,973	329,647
Loans and advances to customers	6	6,034,442	5,821,808	5,982,696	5,757,303
Financial investments:	7				
Trading assets	7	1,105,100	930,715	1,120,339	974,869
Debt investments	7	1,748,030	1,919,255	1,604,772	1,743,554
Other debt investments	7	551,384	697,208	547,993	689,173
Other equity investments	7	3,410	3,619	2,706	2,915
Finance lease receivables	8	126,194	110,376	-	-
Long-term equity investments	9	3,649	3,705	34,067	34,119
Fixed assets		30,934	29,762	21,619	21,307
Construction in progress		1,910	2,069	1,639	1,837
Right-of-use assets		8,142	8,650	7,290	8,494
Intangible assets		987	1,059	858	927
Goodwill	10	532	532	-	-
Deferred tax assets	11	73,991	72,722	65,725	64,865
Other assets	12	62,613	89,112	42,665	67,252
Total assets		11,460,940	11,094,256	11,161,428	10,779,940

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Balance Sheets (continued)
As at 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

		The Group		The Bank	
	Note V	30 June 2026 (Unaudited)	31 December 2025 (Audited)	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Liabilities and shareholders' equity					
Liabilities					
Borrowing from Central Bank		108,527	103,110	108,527	103,110
Deposits from banks and other financial institutions	13	2,295,378	2,245,590	2,313,831	2,263,101
Placements from banks and other financial institutions	14	310,689	330,540	174,362	184,311
Trading liabilities	15	73,874	36,547	73,378	36,094
Derivative financial liabilities	4	49,975	38,273	49,975	38,273
Financial assets sold under repurchase agreements	16	289,996	363,699	232,628	294,795
Deposits from customers	17	6,313,778	6,020,806	6,323,558	6,026,439
Employee benefits payable	18	39,619	39,534	37,502	37,221
Tax payable	19	5,347	6,659	4,520	4,526
Provisions	20	8,201	7,588	8,187	7,574
Debt securities issued	21	935,254	937,816	902,853	909,219
Lease liabilities		8,254	8,702	7,443	8,591
Deferred tax liabilities	11	316	204	191	80
Other liabilities	22	60,909	41,542	32,878	19,595
Total liabilities		10,500,117	10,180,610	10,269,833	9,932,929

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Balance Sheets (continued)
As at 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

		The Group		The Bank	
	Note V	30 June 2026 (Unaudited)	31 December 2025 (Audited)	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	23	21,163	21,163	21,163	21,163
Other equity instruments	24	112,612	82,612	112,612	82,612
Including: perpetual bonds		110,000	80,000	110,000	80,000
equity component of convertible corporate bonds		2,612	2,612	2,612	2,612
Capital reserve	25	82,435	82,440	82,793	82,798
Other comprehensive income	37	3,414	3,521	3,286	3,343
Surplus reserve	26	10,878	10,878	10,878	10,878
General reserve	27	134,743	134,490	123,514	123,514
Retained earnings	28	583,545	566,612	537,349	522,703
Equity attributable to shareholders of the Bank		948,790	901,716	891,595	847,011
Non-controlling interests		12,033	11,930	-	-
Total shareholders' equity		960,823	913,646	891,595	847,011
Total liabilities and shareholders' equity		11,460,940	11,094,256	11,161,428	10,779,940

The financial statements were approved by the Board of Directors of the Bank on 27 August 2026.

Lyu Jiajin
Chairman of the Board
Legal Representative

Chen Xinjian
President
Financial Director

Lin Shu
Person in-charge of the
Accounting Body

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Income Statements
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<i>Six months ended 30 June</i>		<i>Six months ended 30 June</i>	
		2026	2025	2026	2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
I. Operating income		110,177	110,458	101,052	101,221
Net interest income	29	72,804	73,755	66,713	67,475
Interest income	29	147,965	159,222	140,103	150,972
Interest expense	29	(75,161)	(85,467)	(73,390)	(83,497)
Net fee and commission income	30	14,201	13,075	12,390	10,577
Fee and commission income	30	16,879	15,487	14,213	12,873
Fee and commission expense	30	(2,678)	(2,412)	(1,823)	(2,296)
Investment income	31	20,255	18,297	20,048	18,019
Including: income (loss) from joint ventures and associates		5	(10)	9	(15)
income from derecognition of financial assets at amortised cost		8,585	5,477	8,585	5,466
Gains from changes in fair values	32	1,869	3,791	1,442	4,101
Net foreign exchange gains		322	926	335	929
Other income		421	374	57	29
Other operating income		295	224	58	75
Income from asset disposal		10	16	9	16
II. Operating expenses		(61,862)	(59,956)	(56,724)	(55,030)
Taxes and surcharges	33	(1,143)	(1,234)	(979)	(1,017)
General and administrative expenses	34	(28,088)	(28,497)	(25,233)	(25,755)
Credit impairment losses	35	(32,465)	(30,071)	(30,402)	(28,114)
Impairment losses on other assets		(47)	(51)	(47)	(52)
Other operating expenses		(119)	(103)	(63)	(92)
III. Operating profit		48,315	50,502	44,328	46,191
Add: Non-operating income		109	163	97	145
Less: Non-operating expenses		(52)	(107)	(50)	(93)
IV. Total profit		48,372	50,558	44,375	46,243
Less: Income tax expenses	36	(7,057)	(7,197)	(5,784)	(5,947)
V. Net profit		41,315	43,361	38,591	40,296

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Income Statements (continued)
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<i>Six months ended 30 June</i>		<i>Six months ended 30 June</i>	
		2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
V. Net profit (continued)		41,315	43,361	38,591	40,296
(1) Categorised by continuity of operation					
1. Net profit from continuing operations		41,315	43,361	38,591	40,296
2. Net profit from discontinued operations		-	-	-	-
(2) Categorised by ownership					
1. Attributable to shareholders of the Bank		41,131	43,141	38,591	40,296
2. Non-controlling interests		184	220	-	-
VI. Other comprehensive income, net of tax	37	(146)	690	(98)	754
(1) Other comprehensive income attributable to shareholders of the Bank		(148)	690	(98)	754
1. Items that may be reclassified subsequently to profit or loss					
a. Changes in fair value of other debt investments		56	(490)	93	(418)
b. Credit losses of other debt investments		(374)	651	(374)	641
c. Translation differences of financial statements denominated in foreign currencies		(13)	(2)	-	-
d. Other comprehensive income recognised under equity method		(44)	174	(44)	174
2. Items that will not be reclassified subsequently to profit or loss					
a. The movement of net asset or liability of defined benefit plan		205	388	205	388
b. Changes in fair value of other equity investments		22	(31)	22	(31)
(2) Other comprehensive income attributable to non-controlling interests		2	-	-	-
VII. Total comprehensive income		<u>41,169</u>	<u>44,051</u>	<u>38,493</u>	<u>41,050</u>
Total comprehensive income attributable to shareholders of the Bank		40,983	43,831	38,493	41,050
Non-controlling interests		186	220	-	-

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Income Statements (continued)
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<u><i>Six months ended 30 June</i></u>		<u><i>Six months ended 30 June</i></u>	
		2026	2025	2026	2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
VIII. Earnings per share					
(expressed in RMB)					
Basic earnings per share	38.1	1.88	1.91		
Diluted earnings per share	38.2	1.75	1.76		

The financial statements were approved by the Board of Directors of the Bank on 27 August 2026.

Lyu Jiajin
Chairman of the Board
Legal Representative

Chen Xinjian
President
Financial Director

Lin Shu
Person in-charge of the
Accounting Body

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Cash Flow Statements
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>
		2026	2025	2026	2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
I. Cash flows from operating activities					
Net decrease in deposits with Central Bank and interbank deposits		-	2,432	-	9,972
Net increase in deposits from customers and deposits from banks and other financial institutions		387,388	192,464	387,763	186,444
Net decrease in financial assets held for trading		20,047	5,646	26,274	-
Net decrease in finance lease receivables		-	5,112	-	-
Net increase in borrowing from Central Bank		5,152	-	5,152	-
Net increase in placements from banks and other financial institutions and financial assets sold under repurchase agreements		-	38,639	-	57,504
Cash receipts from interest, fee and commission		138,201	144,748	127,984	134,633
Other cash receipts relating to operating activities		9,700	8,327	4,368	7,304
Subtotal of cash inflows from operating activities		560,488	397,368	551,541	395,857
Net increase in deposits with Central Bank and interbank deposits		(18,662)	-	(12,753)	-
Net increase in placements with banks and other financial institutions and financial assets purchased under resale agreements		(86,924)	(123,417)	(92,714)	(133,974)
Net increase in loans and advances to customers		(243,365)	(197,019)	(255,135)	(195,529)
Net increase in financial assets held for trading		-	-	-	(3,163)
Net increase in finance lease receivables		(15,921)	-	-	-
Net decrease in borrowing from Central Bank		-	(21,147)	-	(21,147)
Net decrease in placements from banks and other financial institutions and financial assets sold under repurchase agreements		(78,897)	-	(57,320)	-
Cash payments to interest, fee and commission		(76,569)	(80,301)	(73,616)	(77,907)
Cash payments to and on behalf of employees		(18,300)	(19,503)	(16,365)	(17,492)
Cash payments of various types of taxes		(17,086)	(18,374)	(14,278)	(16,367)
Other cash payments relating to operating activities		(12,073)	(15,558)	(9,198)	(14,472)
Subtotal of cash outflows from operating activities		(567,797)	(475,319)	(531,379)	(480,051)
Net cash flow (used in) generated from operating activities	39	(7,309)	(77,951)	20,162	(84,194)

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Cash Flow Statements (continued)
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<u>The Group</u>		<u>The Bank</u>	
		<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>	<u>Six months ended 30 June</u>
		2026	2025	2026	2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
II. Cash flows from investing activities					
Cash receipts from recovery of investments		2,695,182	2,415,640	2,656,126	2,403,577
Cash receipts from investment income		57,276	57,989	56,761	56,751
Cash receipts from disposals of fixed assets, intangible assets and other long-term assets		746	281	44	217
Subtotal of cash inflows from investing activities		2,753,204	2,473,910	2,712,931	2,460,545
Cash payments to acquire investments		(2,363,734)	(2,333,552)	(2,339,614)	(2,311,597)
Cash payments to acquire fixed assets, intangible assets and other long-term assets		(3,709)	(7,852)	(1,983)	(7,793)
Subtotal of cash outflows from investing activities		(2,367,443)	(2,341,404)	(2,341,597)	(2,319,390)
Net cash flow generated from investing activities		385,761	132,506	371,334	141,155
III. Cash flows from financing activities					
Proceeds from issuance of other equity instruments		30,000	31,991	30,000	29,992
Proceeds from issuance of bonds		694,786	528,054	685,316	525,635
Subtotal of cash inflows from financing activities		724,786	560,045	715,316	555,627
Cash repayments of borrowings		(696,796)	(706,051)	(691,261)	(704,371)
Cash payments for distribution of dividends or profits or settlement of interest expenses		(33,730)	(36,280)	(33,149)	(35,607)
Including: Dividends paid to non-controlling shareholders of subsidiaries		(37)	(70)	-	-
Other cash payments relating to financing activities		(1,514)	(3,473)	(1,409)	(1,385)
Subtotal of cash outflows from financing activities		(732,040)	(745,804)	(725,819)	(741,363)
Net cash flow used in financing activities		(7,254)	(185,759)	(10,503)	(185,736)

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated and Bank's Cash Flow Statements (continued)
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

	Note V	<i>The Group</i>		<i>The Bank</i>	
		<u>Six months ended 30 June</u>		<u>Six months ended 30 June</u>	
		2026	2025	2026	2025
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(955)	103	(948)	104
V. Net increase (decrease) in cash and cash equivalents	39	370,243	(131,101)	380,045	(128,671)
Add: Opening balance of cash and cash equivalents		787,973	512,603	770,175	500,211
VI. Closing balance of cash and cash equivalents	39	<u>1,158,216</u>	<u>381,502</u>	<u>1,150,220</u>	<u>371,540</u>

The financial statements were approved by the Board of Directors of the Bank on 27 August 2026.

Lyu Jiajin
Chairman of the Board
Legal Representative

Chen Xinjian
President
Financial Director

Lin Shu
Person in-charge of the
Accounting Body

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Consolidated Statement of Changes In Shareholders' Equity
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

		For the six months ended 30 June 2026								
		Attributable to shareholders of the Bank								
(Unaudited)	Note V	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total
I. Balance at 1 January 2026		21,163	82,612	82,440	3,521	10,878	134,490	566,612	11,930	913,646
II. Changes for the period										
(I) Net profit		-	-	-	-	-	-	41,131	184	41,315
(II) Other comprehensive income	37	-	-	-	(148)	-	-	-	2	(146)
Subtotal of (I) and (II)		-	-	-	(148)	-	-	41,131	186	41,169
(III) Capital contribution and decrease from shareholders		-	30,000	(5)	-	-	-	-	-	29,995
Issuing perpetual bonds	24	-	30,000	(5)	-	-	-	-	-	29,995
(IV) Profit distribution		-	-	-	-	-	253	(24,157)	(83)	(23,987)
1. Appropriation to general reserve	28	-	-	-	-	-	253	(253)	-	-
2. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	(22,560)	(37)	(22,597)
3. Distribution to perpetual bonds holders	28	-	-	-	-	-	-	(1,344)	(46)	(1,390)
(V) Others		-	-	-	41	-	-	(41)	-	-
Transfer of other comprehensive income to retained earnings		-	-	-	41	-	-	(41)	-	-
III. Balance at 30 June 2026		21,163	112,612	82,435	3,414	10,878	134,743	583,545	12,033	960,823

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.

The Consolidated Statement of Changes In Shareholders' Equity (continued)

For the six months ended 30 June 2025

(Expressed in millions of Renminbi, unless otherwise stated)

		For the six months ended 30 June 2025									
		Attributable to shareholders of the Bank									
(Unaudited)	Note V	Share capital	Other equity instruments	Capital reserve	Less: treasury shares	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total
I. Balance at 1 January 2025		20,774	118,960	74,733	-	5,561	10,684	125,365	525,831	11,703	893,611
II. Changes for the period											
(I) Net profit		-	-	-	-	-	-	-	43,141	220	43,361
(II) Other comprehensive income	37	-	-	-	-	690	-	-	-	-	690
Subtotal of (I) and (II)		-	-	-	-	690	-	-	43,141	220	44,051
(III) Capital contribution and decrease from shareholders		389	29,454	9,083	(57,171)	-	-	-	-	(14)	(18,259)
1. Capital reduction from shareholders		-	-	(2)	-	-	-	-	-	(18)	(20)
2. Contribution from conversion of convertible bonds	24	389	(546)	9,098	-	-	-	-	-	-	8,941
3. Issuing of perpetual bonds	24	-	30,000	(9)	-	-	-	-	-	2,000	31,991
4. Redemption of other equity instrument	24	-	-	(4)	(57,171)	-	-	-	-	(1,996)	(59,171)
(IV) Profit distribution		-	-	-	-	-	-	226	(25,973)	(144)	(25,891)
1. Appropriation to general reserve	28	-	-	-	-	-	-	226	(226)	-	-
2. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	-	(22,433)	(70)	(22,503)
3. Dividends paid to preference shareholders	28	-	-	-	-	-	-	-	(2,597)	-	(2,597)
4. Distribution to perpetual bonds holders	28	-	-	-	-	-	-	-	(717)	(74)	(791)
(V) Others		-	-	-	-	1	-	-	(1)	-	-
Transfer of other comprehensive income to retained earnings		-	-	-	-	1	-	-	(1)	-	-
III. Balance at 30 June 2025		21,163	148,414	83,816	(57,171)	6,252	10,684	125,591	542,998	11,765	893,512

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.

The Consolidated Statement of Changes In Shareholders' Equity (continued)

For the year ended 31 December 2025

(Expressed in millions of Renminbi, unless otherwise stated)

		For the year ended 31 December 2025								
		Attributable to shareholders of the Bank								
(Audited)	Note V	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Non-controlling interests	Total
I. Balance at 1 January 2025		20,774	118,960	74,733	5,561	10,684	125,365	525,831	11,703	893,611
II. Changes for the year										
(I) Net profit		-	-	-	-	-	-	77,469	385	77,854
(II) Other comprehensive income		-	-	-	(2,243)	-	-	-	-	(2,243)
Subtotal of (I) and (II)		-	-	-	(2,243)	-	-	77,469	385	75,611
(III) Capital contribution and decrease from shareholders		389	(36,348)	7,706	-	-	-	-	(14)	(28,267)
1. Capital reduction from shareholders		-	-	(2)	-	-	-	-	(18)	(20)
2. Contribution from conversion of convertible bonds	24	389	(546)	9,099	-	-	-	-	-	8,942
3. Issuing perpetual bonds	24	-	50,000	(18)	-	-	-	-	2,000	51,982
4. Redemption of perpetual bonds	24	-	(29,960)	(44)	-	-	-	-	(1,996)	(32,000)
5. Redemption of preference shares		-	(55,842)	(1,329)	-	-	-	-	-	(57,171)
(IV) Profit distribution		-	-	-	-	194	9,125	(36,485)	(144)	(27,310)
1. Appropriation to surplus reserve	26	-	-	-	-	194	-	(194)	-	-
2. Appropriation to general reserve	27	-	-	-	-	-	9,125	(9,125)	-	-
3. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	(22,433)	(70)	(22,503)
4. Dividends paid to preference shareholders	28	-	-	-	-	-	-	(2,597)	-	(2,597)
5. Distribution to perpetual debt holders	28	-	-	-	-	-	-	(2,136)	(74)	(2,210)
(V) Others		-	-	1	203	-	-	(203)	-	1
1. Transfer of other comprehensive income to retained earnings		-	-	-	203	-	-	(203)	-	-
2. Passive dilution under equity method		-	-	1	-	-	-	-	-	1
III. Balance at 31 December 2025		21,163	82,612	82,440	3,521	10,878	134,490	566,612	11,930	913,646

The financial statements were approved by the Board of Directors of the Bank on 27 August 2026.

Lyu Jiajin
Chairman of the Board
Legal Representative

Chen Xinjian
President
Financial Director

Lin Shu
Person in-charge of the
Accounting Body

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Bank's Statement of Changes In Shareholders' Equity
For the six months ended 30 June 2026
(Expressed in millions of Renminbi, unless otherwise stated)

		<i>For the six months ended 30 June 2026</i>							
(Unaudited)	Note V	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total
I. Balance at 1 January 2026		21,163	82,612	82,798	3,343	10,878	123,514	522,703	847,011
II. Changes for the period									
(I) Net profit		-	-	-	-	-	-	38,591	38,591
(II) Other comprehensive income	37	-	-	-	(98)	-	-	-	(98)
Subtotal of (I) and (II)		-	-	-	(98)	-	-	38,591	38,493
(III) Capital contribution from shareholders		-	30,000	(5)	-	-	-	-	29,995
Issuing perpetual bonds	24	-	30,000	(5)	-	-	-	-	29,995
(IV) Profit distribution		-	-	-	-	-	-	(23,904)	(23,904)
1. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	(22,560)	(22,560)
2. Distribution to perpetual debt holders	28	-	-	-	-	-	-	(1,344)	(1,344)
(V) Others		-	-	-	41	-	-	(41)	-
Transfer of other comprehensive income to retained earnings		-	-	-	41	-	-	(41)	-
III. Balance at 30 June 2026		21,163	112,612	82,793	3,286	10,878	123,514	537,349	891,595

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Bank's Statement of Changes In Shareholders' Equity (continued)
For the six months ended 30 June 2025
(Expressed in millions of Renminbi, unless otherwise stated)

		<i>For the six months ended 30 June 2025</i>								
(Unaudited)	Note V	Share capital	Other equity instruments	Capital reserve	Less: treasury shares	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total
I. Balance at 1 January 2025		20,774	118,960	75,085	-	5,295	10,684	115,054	487,115	832,967
II. Changes for the period										
(I) Net profit		-	-	-	-	-	-	-	40,296	40,296
(II) Other comprehensive income	37	-	-	-	-	754	-	-	-	754
Subtotal of (I) and (II)		-	-	-	-	754	-	-	40,296	41,050
(III) Capital contribution from shareholders		389	29,454	9,090	(57,171)	-	-	-	-	(18,238)
1. Contribution from conversion of convertible bonds	24	389	(546)	9,098	-	-	-	-	-	8,941
2. Issuing perpetual bonds	24	-	30,000	(8)	-	-	-	-	-	29,992
3. Redemption of other equity instrument		-	-	-	(57,171)	-	-	-	-	(57,171)
(IV) Profit distribution		-	-	-	-	-	-	-	(25,747)	(25,747)
1. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	-	(22,433)	(22,433)
2. Dividends paid to preference shareholders	28	-	-	-	-	-	-	-	(2,597)	(2,597)
3. Distribution to perpetual debt holders	28	-	-	-	-	-	-	-	(717)	(717)
(V) Others		-	-	-	-	1	-	-	(1)	-
Transfer of other comprehensive income to retained earnings		-	-	-	-	1	-	-	(1)	-
III. Balance at 30 June 2025		21,163	148,414	84,175	(57,171)	6,050	10,684	115,054	501,663	830,032

The accompanying notes form an integral part of these financial statements.

Industrial Bank Co., Ltd.
The Bank's Statement of Changes In Shareholders' Equity (continued)
For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

		For the year ended 31 December 2025							
(Audited)	Note V	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total
I. Balance at 1 January 2025		20,774	118,960	75,085	5,295	10,684	115,054	487,115	832,967
II. Changes for the year									
(I) Net profit		-	-	-	-	-	-	71,611	71,611
(II) Other comprehensive income		-	-	-	(2,155)	-	-	-	(2,155)
Subtotal of (I) and (II)		-	-	-	(2,155)	-	-	71,611	69,456
(III) Capital contribution from shareholders		389	(36,348)	7,713	-	-	-	-	(28,246)
1. Contribution from conversion of convertible bonds	24	389	(546)	9,099	-	-	-	-	8,942
2. Issuing perpetual bonds	24	-	50,000	(17)	-	-	-	-	49,983
3. Redemption of perpetual bonds	24	-	(29,960)	(40)	-	-	-	-	(30,000)
4. Redemption of other equity instrument		-	(55,842)	(1,329)	-	-	-	-	(57,171)
(IV) Profit distribution		-	-	-	-	194	8,460	(35,820)	(27,166)
1. Appropriation to surplus reserve		-	-	-	-	194	-	(194)	-
2. Appropriation to general reserve	27	-	-	-	-	-	8,460	(8,460)	-
3. Dividends paid to ordinary shareholders	28	-	-	-	-	-	-	(22,433)	(22,433)
4. Dividends paid to preference shareholders	28	-	-	-	-	-	-	(2,597)	(2,597)
5. Distribution to perpetual bonds holders	28	-	-	-	-	-	-	(2,136)	(2,136)
(V) Others		-	-	-	203	-	-	(203)	-
Transfer of other comprehensive income to retained earnings		-	-	-	203	-	-	(203)	-
III. Balance at 31 December 2025		21,163	82,612	82,798	3,343	10,878	123,514	522,703	847,011

The financial statements were approved by the Board of Directors of the Bank on 27 August 2026.

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