

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

(A joint stock company incorporated in the People's Republic of China with limited liability)
(H Shares Stock Code: 6196)

FIRST QUARTERLY REPORT OF 2024

The board of directors (the “**Board**”) of Bank of Zhengzhou Co., Ltd.* (the “**Bank**”) hereby announces the unaudited first quarterly results of the Bank and its subsidiaries for the three months ended 31 March 2024 (the “**Reporting Period**”), which was prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Zhengzhou, Henan, the PRC
29 April 2024

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

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

IMPORTANT NOTICES:

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

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

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

Unit: RMB'000

Item	January to March 2024	January to March 2023	Increase/ decrease as compared with the corresponding period of the previous year (%)
Operating income ⁽¹⁾	3,407,584	3,294,537	3.43
Net profit attributable to shareholders of the Bank	967,445	1,188,068	(18.57)
Net cash flows used in operating activities	(102,343)	(685,074)	(85.06)
Net cash flows used in operating activities per share (<i>RMB/share</i>) ⁽²⁾	(0.01)	(0.08)	(87.50)
Basic earnings per share (<i>RMB/share</i>) ⁽²⁾	0.11	0.13	(15.38)
Diluted earnings per share (<i>RMB/share</i>) ⁽²⁾	0.11	0.13	(15.38)
Weighted average return on net assets (%) (on annualised basis) ⁽²⁾	8.98	11.49	Decreased by 2.51 percentage points as compared with the corresponding period of the previous year

Notes:

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

In June 2023, the Bank issued one new share for every 10 shares to ordinary shareholders by way of conversion of capital reserve. After the implementation of the capitalization issue, the number of ordinary shares of the Bank changed from 8,265,537,599 to 9,092,091,358. Basic earnings per share and diluted earnings per share during the comparison period were recalculated on the basis of the number of shares after the capitalization issue.

Unit: RMB'000

Scale indicators	31 March 2024	31 December 2023	Increase/ decrease as compared with the end of the previous year (%)
Total assets	632,851,641	630,709,429	0.34
Loans and advances to customers			
Corporate loans	261,796,885	253,460,203	3.29
Personal loans	84,710,049	84,146,734	0.67
Discounted bills	18,382,326	23,001,269	(20.08)
Gross loans and advances to customers	364,889,260	360,608,206	1.19
Add: Accrued interests	1,420,748	1,526,725	(6.94)
Less: Provision for impairment ⁽¹⁾	13,198,212	11,809,634	11.76
Book value of loans and advances to customers	353,111,796	350,325,297	0.80
Total liabilities	577,252,817	576,394,573	0.15
Deposits from customers			
Corporate deposits	151,091,472	157,539,175	(4.09)
Personal deposits	189,155,343	168,643,217	12.16
Other deposits ⁽²⁾	30,957,755	34,779,047	(10.99)
Total deposits from customers	371,204,570	360,961,439	2.84
Add: Accrued interests	5,997,436	5,560,471	7.86
Book value of deposits from customers	377,202,006	366,521,910	2.91
Share capital	9,092,091	9,092,091	–
Shareholders' equity	55,598,824	54,314,856	2.36
Equity attributable to shareholders of the Bank	53,713,013	52,452,824	2.40
Equity attributable to ordinary shareholders of the Bank	43,714,158	42,453,969	2.97
Net assets per share attributable to ordinary shareholders of the Bank (RMB/share)	4.81	4.67	3.00

Notes:

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

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

There are no differences between the net profit attributable to shareholders of the Bank for the Reporting Period ended 31 March 2024 and the equity attributable to shareholders of the Bank as at the end of the Reporting Period as presented in the Group's consolidated financial statements prepared under China Accounting Standards for Business Enterprises and those prepared under IFRSs.

(III) Supplementary financial indicators

Regulatory indicators	Regulatory standards	31 March 2024	31 December 2023	31 December 2022	31 December 2021
Core tier-one capital adequacy ratio (%) ⁽¹⁾	≥7.5	8.54	8.90	9.29	9.49
Tier-one capital adequacy ratio (%) ⁽¹⁾	≥8.5	10.58	11.13	11.63	13.76
Capital adequacy ratio (%) ⁽¹⁾	≥10.5	11.85	12.38	12.72	15.00
Leverage ratio (%) ⁽¹⁾	≥4	7.52	7.60	7.69	8.72
Liquidity ratio (%) ⁽²⁾	≥25	68.08	59.10	72.34	63.72
Liquidity coverage ratio (%) ⁽²⁾	≥100	182.53	265.83	300.13	339.61
Non-performing loan ratio (%) ⁽³⁾	≤5	1.87	1.87	1.88	1.85
Allowance to non-performing loans (%) ⁽³⁾	≥150	193.44	174.87	165.73	156.58
Allowance to total loans (%) ⁽³⁾	≥2.5	3.62	3.28	3.12	2.90
Return on total assets (%) (on annualised basis)		0.63	0.30	0.45	0.61
Cost-to-income ratio (%) ⁽⁴⁾		18.22	27.05	22.98	23.06

Notes:

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

(IV) Analysis on capital adequacy ratios and leverage ratio

Capital adequacy ratios

Unit: RMB'000

Item	31 March 2024	31 December 2023
Net core tier-one capital	42,803,946	40,526,517
Net tier-one capital	53,042,929	50,718,655
Net tier-two capital	6,336,402	5,653,950
Net total capital	59,379,331	56,372,605
Total risk-weighted assets	501,167,396	455,490,556
Core tier-one capital adequacy ratio (%)	8.54	8.90
Tier-one capital adequacy ratio (%)	10.58	11.13
Capital adequacy ratio (%)	11.85	12.38

Leverage ratio

Unit: RMB'000

Item	31 March 2024	31 December 2023	30 September 2023	30 June 2023
Net tier-one capital	53,042,929	54,229,055	54,940,953	54,771,065
Balance of on/off-balance sheet assets after adjustment	705,091,526	713,854,338	709,251,765	708,589,535
Leverage ratio (%)	7.52	7.60	7.75	7.73

(V) Analysis on liquidity coverage ratio*Unit: RMB'000*

Item	31 March 2024
Qualified quality liquid assets	76,075,652
Net cash outflow for the next 30 days	41,679,209
Liquidity coverage ratio (%)	182.53

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

Five-category loan classification	31 March 2024		31 December 2023		Change (%)
	Amount	Proportion (%)	Amount	Proportion (%)	
Normal	349,810,555	95.87	346,468,982	96.08	0.96
Special-mention	8,253,714	2.26	7,382,722	2.05	11.80
Sub-standard	3,447,233	0.94	3,674,439	1.02	(6.18)
Doubtful	1,518,019	0.42	1,292,407	0.36	17.46
Loss	1,859,739	0.51	1,789,656	0.49	3.92
Total	<u>364,889,260</u>	<u>100.00</u>	<u>360,608,206</u>	<u>100.00</u>	1.19

(VII) Changes in major accounting data and financial indicators and the reasons therefor

Unit: RMB'000

Item	January to March 2024	January to March 2023	Increase/ decrease as compared with the corresponding period of the previous year (%)	Main reason
Net fee and commission income	110,412	161,462	(31.62)	Mainly due to the decrease in the scale of the agency and custody business of the Bank during the Reporting Period.
Net trading gains	152,236	44,738	240.28	Mainly due to the change in the fair value of the financial assets at fair value through profit or loss.
Net investment gains	244,512	130,294	87.66	Mainly due to the change in investment income of bonds held for trading during the Reporting Period as compared with the corresponding period of the previous year.
Other operating income	44,374	12,508	254.76	Mainly due to the increase in other business income of subsidiaries as compared with the corresponding period of the previous year.
Credit impairment losses	(1,589,571)	(1,131,115)	40.53	Mainly due to the increased provision made by the Bank.
Share of (losses)/profits of associates	(1,480)	24,420	N/A	Mainly due to the decrease in the profit of associates of the Bank as compared with the corresponding period of the previous year.
Income tax expense	(162,289)	(278,469)	(41.72)	Mainly due to the decrease in the total profit of the Bank as compared with the corresponding period of the previous year.

Unit: RMB'000

Item	31 March 2024	31 December 2023	Increase/ decrease as compared with the end of the previous year (%)	Main reason
Financial assets held under resale agreements	6,129,955	10,689,146	(42.65)	Mainly due to the fact that the Bank adjusted the structure of such assets after
Financial assets sold under repurchase agreements	15,283,944	25,131,941	(39.19)	comprehensive consideration of asset and liability matching and market liquidity situation.
Fair value reserve	482,130	189,386	154.58	Mainly due to the increase of changes in the fair value of financial investments at fair value through other comprehensive income during the Reporting Period as compared with the corresponding period of the previous year.

II. DISCUSSION AND ANALYSIS ON OPERATION

Continuous work to improve the quality and efficiency of services to the real economy.

During the Reporting Period, the Bank thoroughly implemented the guiding principles from the financial and economic work conferences of the central government, provinces and municipalities, fulfilled its responsibility to serve the real economy, provided strong support in the modernization of the seven major provincial and municipal industrial clusters and the “28+20” industrial chain, and in the steady and healthy development of the real estate market; assisted in the construction of major projects such as the “Three in One Batch” in the province with cumulative investment of RMB8.915 billion; and further promoted the activities such as “10,000 People Helping 10,000 Enterprises” and the “Four Connections”, allocating more financial resources to key sectors and weak links in social development, and cementing the base of financial services for the real economy.

Dimensional efforts to strengthen the foundation of business development.

During the Reporting Period, the Bank adhered to the strategic vision of “being a boutique bank with regional characteristics”, upheld the customer demand-oriented principle, and continuously optimized product research and development, innovated operation system and solidly promoted the development of its core business by focusing on the areas of clothing, food, housing and transportation of the public. It realized quality development by integrating and co-building with communities, signing a cumulative total of 554 community sites, of which 357 were stationed. It continued to improve the five major channels of outlets, agriculture, community, online and air banking to consolidate customer base building and operation. Focusing on inclusive small and micro finance customer base, the Bank actively put in place various policies that benefit enterprises to enhance the quality and efficiency of financial services for small and micro-enterprises.

Constant endeavor to optimize the operation of policy-based technology innovation finance.

During the Reporting Period, the Bank shouldered the primary responsibility for the operation of policy-based technology innovation finance in Henan Province, closely focused on the “Ten Major Strategies” of the Henan Provincial Party Committee and Provincial Government, vigorously developed policy-based technology innovation finance, accelerated the transformation of the internal operation mechanism, innovated the mode of science and technology credit services, and accurately empowered the development of technology innovation enterprises. At the same time, it continuously improved service quality and efficiency, focused on building a whole life-cycle cultivation chain for technology innovation enterprises, and recorded an increase in the balance of policy-based technological innovation financial loans by 7.94% compared with the beginning of the year. With its financial impetus driving Henan’s innovation in technology and industry, the Bank is striving to become a first-class commercial bank with distinctive features in its policy-based technology innovation financial business.

III. SHAREHOLDER INFORMATION

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

As at the end of the Reporting Period, the Bank had a total of 98,668 holders of ordinary shares, including 98,617 holders of A shares and 51 holders of H shares.

Unit: shares

Name of shareholder	Nature of shareholder	Class of shares	Number of shares held	Shareholding percentage (%)	Shareholding of the top 10 holders of ordinary shares		
					Number of shares held subject to trading moratorium	Pledged, marked or frozen status of shares	Number
HKSCC Nominees Limited ⁽²⁾	Overseas legal person	H shares	2,020,252,753	22.22	–	Unknown	–
Zhengzhou Finance Bureau (鄭州市財政局)	State-owned	A shares	657,246,311	7.23	–	Pledged	93,278,900
Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司)	State-owned legal person	A shares	608,105,180	6.69	207,515,000	–	–
Bridge Trust Co., Ltd. (百瑞信託有限公司)	State-owned legal person	A shares	385,930,906	4.24	–	–	–
Yutai International (Henan) Real Estate Development Co., Ltd. (豫泰國際(河南)房地產開發有限公司)	Domestic non state-owned legal person	A shares	348,722,000	3.84	–	Pledged Frozen	348,722,000 26,620,000
Henan Guoyuan Trade Co., Ltd. (河南國原貿易有限公司)	Domestic non state-owned legal person	A shares	320,590,857	3.53	121,000,000	Pledged Frozen	198,984,500 207,576,857
Zhongyuan Trust Co., Ltd. (中原信託有限公司)	State-owned legal person	A shares	318,676,633	3.50	–	–	–
Henan Chendong Industry Co., Ltd. (河南晨東實業有限公司)	Domestic non state-owned legal person	A shares	160,372,221	1.76	–	Pledged Frozen	160,304,992 67,229
Henan Shengrun Holding Group Co., Ltd. (河南盛潤控股集團有限公司)	Domestic non state-owned legal person	A shares	133,100,000	1.46	–	Pledged Frozen	133,100,000 133,100,000
Henan Investment Group Co., Ltd. (河南投資集團有限公司)	State-owned legal person	A shares	119,482,821	1.31	–	–	–

Shareholding of the top 10 holders of ordinary shares not subject to trading moratorium

Name of shareholder	Number of ordinary shares held not subject to trading moratorium at the end of the Reporting Period	Type of shares	
		Class of shares	Number
HKSCC Nominees Limited ⁽²⁾	2,020,252,753	H shares	2,020,252,753
Zhengzhou Finance Bureau (鄭州市財政局)	657,246,311	A shares	657,246,311
Zhengzhou Investment Holdings Co., Ltd. (鄭州投資控股有限公司)	400,590,180	A shares	400,590,180
Bridge Trust Co., Ltd. (百瑞信託有限責任公司)	385,930,906	A shares	385,930,906
Yutai International (Henan) Real Estate Development Co., Ltd. (豫泰國際(河南)房地產開發有限公司)	348,722,000	A shares	348,722,000
Zhongyuan Trust Co., Ltd. (中原信託有限公司)	318,676,633	A shares	318,676,633
Henan Guoyuan Trade Co., Ltd. (河南國原貿易有限公司)	199,590,857	A shares	199,590,857
Henan Chendong Industry Co., Ltd. (河南晨東實業有限公司)	160,372,221	A shares	160,372,221
Henan Shengrun Holding Group Co., Ltd. (河南盛潤控股集團有限公司)	133,100,000	A shares	133,100,000
Henan Investment Group Co., Ltd. (河南投資集團有限公司)	119,482,821	A shares	119,482,821

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

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

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

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

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

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

Notes:

- (1) The figures above are sourced from the register of shareholders of the Bank as at 31 March 2024.
- (2) The shares held by HKSCC Nominees Limited are held by it in the capacity of nominee and represent the aggregate number of H shares held by all institutional and individual investors registered in HKSCC Nominees Limited as at the end of the Reporting Period.

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

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

IV. OTHER SIGNIFICANT EVENTS

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

V. RELEASE OF QUARTERLY REPORT

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

VI. QUARTERLY FINANCIAL STATEMENTS

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

for the three months ended 31 March 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	three months ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Interest income	6,081,712	6,152,198
Interest expense	(3,225,662)	(3,206,663)
Net interest income	2,856,050	2,945,535
Fee and commission income	143,610	192,919
Fee and commission expense	(33,198)	(31,457)
Net fee and commission income	110,412	161,462
Net trading gains	152,236	44,738
Net gains arising from investments	244,512	130,294
Other operating income	44,374	12,508
Operating income	3,407,584	3,294,537
Operating expenses	(659,534)	(669,454)
Credit impairment losses	(1,589,571)	(1,131,115)
Other operating expenses	(3,486)	–
Operating profit	1,154,993	1,493,968
Share of (losses)/profits of associates	(1,480)	24,420
Profit before taxation	1,153,513	1,518,388
Income tax expense	(162,289)	(278,469)
Profit for the period	991,224	1,239,919
Net profit attributable to:		
Equity shareholders of the Bank	967,445	1,188,068
Non-controlling interests	23,779	51,851
	991,224	1,239,919

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

for the three months ended 31 March 2024 (continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

	three months ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Profit for the period	991,224	1,239,919
Other comprehensive income:		
Other comprehensive income net of tax		
attributable to equity shareholders of the Bank	292,744	1,859
Items that may be reclassified subsequently to profit or loss		
–Change in fair value/credit losses from debt investments measured at fair value through other comprehensive income	286,484	1,859
Item that will not be reclassified subsequently to profit or loss		
–Net income from investments in equity instruments designated as fair value through other comprehensive income	6,260	–
Other comprehensive income net of tax	292,744	1,859
Total comprehensive income	1,283,968	1,241,778
Total comprehensive income attributable to:		
Equity shareholders of the Bank	1,260,189	1,189,927
Non-controlling interests	23,779	51,851
	1,283,968	1,241,778
Basic and diluted earnings per share (restated for comparative period) (in RMB)	0.11	0.13

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED*at 31 March 2024**(Expressed in thousands of Renminbi, unless otherwise stated)*

	31 March 2024 (unaudited)	31 December 2023 (audited)
Assets		
Cash and deposits with central bank	24,032,893	26,369,865
Deposits with banks and other financial institutions	1,539,535	1,244,162
Placements with banks and other financial institutions	6,658,154	6,227,699
Financial assets held under resale agreements	6,129,955	10,689,146
Loans and advances to customers	353,111,796	350,325,297
Financial investments:		
Financial investments at fair value through profit or loss	39,535,661	40,723,996
Financial investments at fair value through other comprehensive income	27,987,394	22,872,676
Financial investments measured at amortised cost	123,896,317	122,756,433
Lease receivables	32,966,010	32,817,168
Interest in associates	602,921	604,401
Property and equipment	3,469,081	3,424,145
Deferred tax assets	6,278,278	6,278,278
Other assets	6,643,646	6,376,163
Total assets	<u>632,851,641</u>	<u>630,709,429</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED*at 31 March 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)*

	31 March 2024 (unaudited)	31 December 2023 (audited)
Liabilities		
Due to central bank	27,823,085	30,960,269
Deposits from banks and other financial institutions	15,643,948	14,307,609
Placements from banks and other financial institutions	33,839,166	33,246,902
Financial assets sold under repurchase agreements	15,283,944	25,131,941
Deposits from customers	377,202,006	366,521,910
Tax payable	1,189,308	1,092,496
Debt securities issued	103,028,511	102,068,783
Other liabilities	3,242,849	3,064,663
	<hr/>	<hr/>
Total liabilities	577,252,817	576,394,573
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED*at 31 March 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)*

	31 March 2024 (unaudited)	31 December 2023 (audited)
Equity		
Share capital	9,092,091	9,092,091
Other equity instruments	9,998,855	9,998,855
Capital reserve	5,985,102	5,985,102
Surplus reserve	3,689,605	3,689,605
General reserve	8,266,509	8,266,509
Fair value reserve	482,130	189,386
Remeasurement of net defined benefit liability	(74,043)	(74,043)
Retained earnings	16,272,764	15,305,319
	<hr/>	<hr/>
Total equity attributable to equity shareholders of the Bank	53,713,013	52,452,824
Non-controlling interests	1,885,811	1,862,032
	<hr/>	<hr/>
Total equity	55,598,824	54,314,856
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total liabilities and equity	632,851,641	630,709,429
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

Zhao Fei
Chairman of the Board of Directors

Sun Haigang
Person in Charge of Accounting Affairs

Yuan Dongyun
Head of Accounting Department

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

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED*for the three months ended 31 March 2024**(Expressed in thousands of Renminbi, unless otherwise stated)***three months ended 31 March****2024**
(unaudited)**2023**
(unaudited)**Cash flows from operating activities**

Profit before tax	1,153,513	1,518,388
<i>Adjustments for:</i>		
Credit impairment losses	1,589,571	1,131,115
Depreciation and amortisation	83,594	84,557
Unrealised foreign exchange losses/(gains)	3,413	(4,551)
Net losses from disposal of long-term assets	2,280	–
Net trading gains of financial investments at fair value through profit or loss	47,592	100,983
Net gains arising from investments	(244,512)	(130,294)
Share of losses/(profits) of associates	1,480	(24,420)
Interest expense on debt securities issued	665,062	601,088
Interest income on financial investments	(1,327,267)	(1,327,326)
	1,974,726	1,949,540

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED*for the three months ended 31 March 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)***three months ended 31 March**
2024
(unaudited)**2023**
(unaudited)*Changes in operating assets*

Net (increase)/decrease in deposits with central bank	(388,368)	986,659
Net increase in deposits and placements with banks and other financial institutions	(1,300,000)	(1,000,211)
Net decrease/(increase) in financial investments at fair value through profit or loss	91,623	(302,995)
Net increase in loans and advances to customers	(4,235,168)	(12,508,632)
Net decrease in financial assets held under resale agreements	4,555,764	2,732,862
Net increase in finance lease receivables	(336,903)	(1,227,458)
Net increase in other operating assets	(191,492)	(919,628)
	(1,804,544)	(12,239,403)

Changes in operating liabilities

Net (decrease)/increase in amounts due to central bank	(3,093,226)	4,112,198
Net increase/(decrease) in deposits and placements from banks and other financial institutions	1,909,092	(2,579,091)
Net decrease in financial assets sold under repurchase agreements	(9,841,726)	(6,530,655)
Net increase in deposits from customers	10,243,132	14,890,826
Income tax paid	(98,562)	(115,996)
Net increase/(decrease) in other operating liabilities	608,765	(172,493)
	(272,525)	9,604,789

Net cash flows used in operating activities**(102,343)**
-----(685,074)

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED*for the three months ended 31 March 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)*

	three months ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Cash flows from investing activities		
Proceeds from disposal and redemption of investments	18,760,953	25,944,107
Proceeds from disposal of property and equipment and other assets	–	277
Payments on acquisition of investments	(23,563,003)	(29,952,291)
Dividends and interest received	1,372,233	1,365,650
Payments on acquisition of property and equipment and other assets	(104,615)	(94,558)
Cash flows from other investing activities	–	(347,870)
Net cash flows used in investing activities	(3,534,432)	(3,084,685)
Cash flows from financing activities		
Proceeds received from debt securities issued	33,405,667	41,949,499
Repayment of debt securities issued	(32,100,830)	(37,815,953)
Interest paid on debt securities issued	(1,010,171)	(844,046)
Net cash flows generated from financing activities	294,666	3,289,500
Net decrease in cash and cash equivalents	(3,342,109)	(480,259)

CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED*for the three months ended 31 March 2024 (continued)**(Expressed in thousands of Renminbi, unless otherwise stated)*

	three months ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Cash and cash equivalents as at 1 January	12,019,973	10,515,331
Effect of foreign exchange rate changes on cash and cash equivalents	2,293	(1,879)
Cash and cash equivalents as at 31 March	8,680,157	10,033,193
Net cash flows generated from operating activities include:		
Interest received	4,945,022	4,806,099
Interest paid	(2,159,700)	(2,531,230)