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**CZBANK**  **浙商银行**

**CHINA ZHESHANG BANK CO., LTD.**

**浙商银行股份有限公司**

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

(Stock Code: 2016)

## **FIRST QUARTERLY REPORT OF 2026**

Pursuant to the regulations of the China Securities Regulatory Commission, the Company is required to publish a quarterly report for each of the first and third quarter.

The financial information set out in this quarterly report is unaudited and prepared in accordance with the IFRS<sup>®</sup> Accounting Standards.

This announcement is made by the Company pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

# 1 Important Notice

- 1.1 The Board of Directors, the Board of Supervisors, Directors, Supervisors and Senior Management of the Company warrant that the contents in this report are true, accurate and complete and have no false representations, misleading statements or material omissions, and they will take legal responsibilities for such contents on a joint and several basis.
- 1.2 The First Quarterly Report of 2026 of the Company was considered and approved at the 2026 second extraordinary meeting of the seventh session of the Board of Directors of the Company on April 29, 2026.
- 1.3 The financial statements set out in this report are prepared in accordance with the IFRS Accounting Standards and is unaudited. The unaudited quarterly report of the Company prepared in accordance with the China Accounting Standards has been published on the website of the Shanghai Stock Exchange. Unless otherwise illustrated, the financial statements herein are consolidated information of the Group and the presentation currency of such information is RMB.
- 1.4 Any of “CZBank”, the “Company” and the “Bank” in this report refers to China Zheshang Bank Co., Ltd. The “Group” refers to China Zheshang Bank Co., Ltd. and its subsidiaries.
- 1.5 Chen Haiqiang (Chairman of the Company), Lyu Linhua (President of the Bank), Jing Feng (Principal in-charge of Finance) and Zhang Jian (Director of the Financial Department) warrant that the financial statements in this report are true, accurate and complete.

## 2 General Information

### 2.1 Key Accounting Information and Financial Indicators

*RMB million, excluding %*

	March 31, 2026	December 31, 2025	Increase (Decrease) as Compared to the End of Last Year (%)
<b>Scale indicators</b>			
Total assets	3,712,344	3,481,092	6.64
Total loans and advances to customers	2,013,215	1,922,711	4.71
Total liabilities	3,499,134	3,273,757	6.88
Customer deposits	2,154,561	2,043,466	5.44
Equity attributable to shareholders of the Bank	208,567	202,868	2.81
Net assets per share at the end of the period attributable to shareholders of the Bank (RMB)	6.68	6.48	3.09

*RMB million, excluding %*

	January – March 2026	January – March 2025	Increase (Decrease) as Compared to the Corresponding Period of Last Year (%)
<b>Operating results</b>			
Operating income	17,201	17,135	0.39
Profit before taxation	8,189	8,040	1.85
Net profit attributable to shareholders of the Bank	5,992	5,949	0.72
Net cash generated from/(used in) operating activities	101,418	(2,199)	The corresponding period of last year was a negative figure
Basic earnings per share attributable to shareholders of the Bank (RMB)	0.22	0.22	–
Diluted earnings per share attributable to shareholders of the Bank (RMB)	0.22	0.22	–

	January – March 2026	January – March 2025	Increase (Decrease) as Compared to the Corresponding Period of Last Year
<b>Profitability indicators</b>			
Return on average total assets (annualized) (%)	0.69	0.72	Decrease by 0.03 percentage point
Return on weighted average net assets (annualized) (%)	13.26	13.57	Decrease by 0.31 percentage point
Net interest margin (annualized) (%)	1.60	1.76	Decrease by 0.16 percentage point
Net interest spread (annualized) (%)	1.51	1.59	Decrease by 0.08 percentage point
Cost-to-income ratio (%)	25.73	27.06	Decrease by 1.33 percentage points

## 2.2 Capital Adequacy Ratio

RMB million, excluding %

	March 31, 2026		December 31, 2025	
	The Group	The Bank	The Group	The Bank
Net core tier-one capital	184,638	172,818	177,985	167,766
Net tier-one capital	210,064	197,813	203,396	192,761
Net capital base	251,108	237,813	256,682	243,664
Minimum capital requirement (%)	8.00	8.00	8.00	8.00
Reserve capital and countercyclical capital requirement (%)	2.50	2.50	2.50	2.50
Additional capital requirement (%)	–	–	–	–
Core tier-one capital adequacy ratio (%)	8.26	8.05	8.40	8.24
Tier-one capital adequacy ratio (%)	9.40	9.21	9.60	9.47
Capital adequacy ratio (%)	11.24	11.08	12.12	11.98

Notes:

1. Measured in accordance with the relevant provisions in the Administrative Measures for the Capital of Commercial Banks (No. 4 Order [2023] of National Financial Regulatory Administration) (《商業銀行資本管理辦法》(國家金融監督管理總局令2023年第4號)) from 2024.
2. The Pillar 3 Information Disclosure Report for the First Quarter of 2026 of China Zheshang Bank Co., Ltd. (《浙商銀行股份有限公司2026年第一季度第三支柱信息披露報告》) is available for inspection on the website of the Bank (www.czbank.com).

## 2.3 Leverage Ratio

RMB million, excluding %

The Group	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Net tier-one capital	210,064	203,396	201,871	199,261
Adjusted asset balance inside and outside the balance sheet	4,193,445	4,067,144	4,021,243	3,935,202
Leverage ratio (%)	5.01	5.00	5.02	5.06

Notes:

1. Measured in accordance with the relevant provisions in the Administrative Measures for the Capital of Commercial Banks (No. 4 Order [2023] of National Financial Regulatory Administration) (《商業銀行資本管理辦法》(國家金融監督管理總局令2023年第4號)) from 2024.
2. The Pillar 3 Information Disclosure Report for the First Quarter of 2026 of China Zheshang Bank Co., Ltd. (《浙商銀行股份有限公司2026年第一季度第三支柱信息披露報告》) is available for inspection on the website of the Bank (www.czbank.com).

## 2.4 Information on Liquidity Coverage Ratio

The indicators of liquidity coverage ratio calculated in accordance with the Administrative Measures for the Liquidity Risk of Commercial Banks (CBIRC Order No.3 of 2018) 《商業銀行流動性風險管理辦法》(銀保監會令2018年第3號)) are set out as below:

*RMB million, excluding %*

The Group	March 31, 2026	December 31, 2025
Liquidity coverage ratio (%)	368.66	174.01
High-quality liquid assets	493,774	370,301
Net cash outflows over the next 30 days	133,938	212,809

## 2.5 Explanation of Differences Between Financial Statements Prepared under China Accounting Standards and IFRS Accounting Standards

The net profit attributable to shareholders of the Bank for the reporting period ended March 31, 2026 and the equity attributable to shareholders of the Bank as at the end of the reporting period presented in the financial statements prepared by the Group under the China Accounting Standards are the same with that presented in the financial statements prepared by the Group under the IFRS Accounting Standards.

## 2.6 Shareholders

2.6.1 As at the end of the reporting period, the table of total number of shareholders, the shareholdings of the top ten shareholders and top ten shareholders of circulating shares (or shareholders without selling restrictions) were as follows:

*Unit: share, excluding %*

Name of Shareholders (Full Name)	Number of Shares Held at the End of the Period	Proportion (%)	Class of Shares	Shareholdings of Top Ten Shareholders			
				Number of Shares Held Subject to Selling Restrictions	Pledge, Marked or Frozen Status of Shares	Number	Nature of Shareholders
HKSCC Nominees Limited	5,919,858,609	21.55	H share without selling restrictions	-	Unknown	-	-
Zhejiang Innovation Investment Group Co., Ltd.	3,452,076,906	12.57	A share without selling restrictions	-	-	-	State-owned legal person
Hengdian Group Holdings Limited	1,373,231,727	4.99	A share without selling restrictions	-	-	-	Domestic non-state-owned legal person
Zhejiang Provincial Energy Group Co., Ltd.	1,093,531,078	3.98	A share without selling restrictions	-	-	-	State-owned legal person
Sinatay Life Insurance Co., Ltd. - self-owned capital	996,325,468	3.63	A share without selling restrictions	-	-	-	State-owned legal person
Taiping Life Insurance Co., Ltd.	921,538,465	3.36	A share without selling restrictions	-	-	-	State-owned legal person
Shandong International Trust Co., Ltd.	808,319,565	2.94	A share without selling restrictions	-	Frozen	120,000,000	State-owned legal person
Minsheng Life Insurance Co., Ltd. - self-owned capital	768,593,847	2.80	A share without selling restrictions	-	-	-	Domestic non-state-owned legal person
Zhejiang Hengyi High-tech Material Co., Ltd.	660,490,068	2.40	A share without selling restrictions	-	Pledged	508,069,283	Domestic non-state-owned legal person
Zhejiang Hengyi Group Co., Ltd.	643,052,319	2.34	A share without selling restrictions	-	Pledged	643,052,319	Domestic non-state-owned legal person

*Notes:*

- The number of shares held by HKSCC Nominees Limited was the sum of shares of the Company's holders of H shares which were trading in its transaction system.
- As at the end of the reporting period, among the top ten shareholders mentioned above, Zhejiang Hengyi High-tech Material Co., Ltd. and Zhejiang Hengyi Group Co., Ltd. have a related relationship. Apart from that, the Company is not aware of other related relationship between the above shareholders or whether they are parties acting in concert.
- To the best knowledge of the Company, as at the end of the reporting period, none of the shareholders in the table are involved in securities refinancing and lending business.

### 2.6.2 The total number of preference shareholders and their shareholdings as at the end of the reporting period

As at the end of the reporting period, the Company had no existing preference shares.

## 3 Operation Performance of the First Quarter

As at the end of the reporting period, total assets of the Group amounted to RMB3,712.344 billion, representing an increase of RMB231.252 billion or 6.64% as compared to that at the end of last year, of which total loans and advances to customers amounted to RMB2,013.215 billion, representing an increase of RMB90.504 billion or 4.71% as compared to that at the end of last year. Total liabilities amounted to RMB3,499.134 billion, representing an increase of RMB225.377 billion or 6.88% as compared to that at the end of last year, of which customer deposits amounted to RMB2,154.561 billion, representing an increase of RMB111.095 billion or 5.44% as compared to that at the end of last year.

During the reporting period, operating income of the Group amounted to RMB17.201 billion, representing an increase of RMB66 million or 0.39% period-on-period, of which, net interest income was RMB11.825 billion, representing a decrease of RMB156 million or 1.30% period-on-period, net interest margin was 1.60%, representing a decrease of 0.16 percentage point period-on-period, and net non-interest income was RMB5.376 billion, representing an increase of RMB222 million or 4.31% period-on-period. Cost-to-income ratio was 25.73%, representing a decrease of 1.33 percentage points period-on-period. Net profit attributable to shareholders of the Bank amounted to RMB5.992 billion, representing an increase of RMB43 million or 0.72% period-on-period.

As at the end of the reporting period, the capital adequacy ratio of the Group was 11.24%, representing a decrease of 0.88 percentage point as compared to that at the end of last year. The tier-one capital adequacy ratio was 9.40%, representing a decrease of 0.20 percentage point as compared to that at the end of last year, and the core tier-one capital adequacy ratio was 8.26%, representing a decrease of 0.14 percentage point as compared to that at the end of last year.

As at the end of the reporting period, the non-performing loan balance of the Group was RMB27.268 billion, representing an increase of RMB1.231 billion or 4.73% as compared to that at the end of last year; the non-performing loan ratio was 1.36%, flat as compared to that at the end of last year; allowance to non-performing loans ratio was 155.63%, representing an increase of 0.26 percentage point as compared to that at the end of last year; the allowance to total loans ratio was 2.12%, representing an increase of 0.01 percentage point as compared to that at the end of last year.

## 4 Significant Events

### 4.1 Significant Changes in Key Financial Data and Financial Indicators and Reasons

Applicable  Not applicable

The following major items in the consolidated financial statements recorded an increase/decrease of over 30% due to the following reasons:

*RMB million, excluding %*

Item	January – March 2026	January – March 2025	Period-on-Period Increase (Decrease) (%)	Main reasons for the changes during the reporting period
Net cash generated from/ (used in) operating activities	101,418	(2,199)	The corresponding period of last year was a negative figure	Increase in cash inflow from customer deposits; increase in cash inflow from deposits from banks and other financial institutions

### 4.2 Other Key Information regarding the Company's Operation Performance during the Reporting Period which should be brought to the Attention of the Investors

Applicable  Not applicable

## 5 Appendix

The financial statements prepared in accordance with the IFRS Accounting Standards are set out in Appendix I to this report.

By order of the Board  
**China Zheshang Bank Co., Ltd.**  
**Chen Haiqiang**  
*Chairman*

Hangzhou, the PRC  
April 29, 2026

*As at the date of this announcement, the executive Directors of the Bank are Mr. Chen Haiqiang, Mr. Lyu Linhua and Ms. Ma Hong; the non-executive Directors are Mr. Hou Xingchuan, Mr. Ren Zhixiang, Mr. Hu Tiangao and Mr. Ying Yuxiang; the independent non-executive Directors are Mr. Wang Wei, Mr. Xu Yongbin, Mr. Fu Tingmei, Mr. Shi Hao and Mr. Lou Weizhong.*

## Appendix 1

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In RMB millions, unless otherwise stated)

	For three months ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Interest income	25,018	26,950
Interest expense	(13,193)	(14,969)
<b>NET INTEREST INCOME</b>	<b>11,825</b>	<b>11,981</b>
Fee and commission income	2,876	1,665
Fee and commission expense	(1,478)	(371)
<b>NET FEE AND COMMISSION INCOME</b>	<b>1,398</b>	<b>1,294</b>
Net trading gains	1,343	1,259
Net gains on financial investments	2,110	2,137
Other operating income	525	464
<b>OPERATING INCOME</b>	<b>17,201</b>	<b>17,135</b>
Operating expenses	(4,688)	(4,811)
Expected credit losses	(4,285)	(4,284)
Impairment losses on other assets	(39)	–
<b>PROFIT BEFORE TAXATION</b>	<b>8,189</b>	<b>8,040</b>
Income tax expense	(2,019)	(1,928)
<b>PROFIT FOR THE PERIOD</b>	<b>6,170</b>	<b>6,112</b>
Attributable to:		
Shareholders of the Bank	5,992	5,949
Non-controlling interests	178	163

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In RMB millions, unless otherwise stated)

	For three months ended	
	2026	2025
	(Unaudited)	(Unaudited)
<b>Other comprehensive income, net of tax</b>		–
<b>Items that may be reclassified to profit or loss:</b>		
Changes in the fair value of financial assets measured at fair value through other comprehensive income	(102)	(3,065)
Allowance for ECLs of financial assets measured at fair value through other comprehensive income	28	89
Exchange difference from the translation of foreign operations	(221)	(96)
<b>Other comprehensive income, net of tax</b>	<b>(295)</b>	<b>(3,072)</b>
<b>Total comprehensive income</b>	<b>5,875</b>	<b>3,040</b>
Total comprehensive income attributable to:		
Shareholders of the Bank	5,699	2,877
Non-controlling interests	176	163
Earnings per share attributable to ordinary shareholders of the Bank		
Basic (RMB yuan)	0.22	0.22
Diluted (RMB yuan)	0.22	0.22

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AT 31 MARCH 2026

*(In RMB millions, unless otherwise stated)*

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>ASSETS</b>		
Cash and balances with the central bank	182,277	125,704
Precious metals	72,323	80,929
Deposits with banks and other financial institutions	45,885	73,583
Placements with banks and other financial institutions	7,650	5,952
Derivative financial assets	26,067	27,551
Financial assets purchased under resale agreements	147,273	90,599
Loans and advances to customers	1,971,767	1,883,237
Financial investments		
– Financial assets measured at fair value through profit or loss	253,964	229,795
– Financial assets measured at amortized cost	454,626	454,851
– Financial assets measured at fair value through other comprehensive income	405,902	366,861
Fixed assets	37,642	36,604
Right-of-use assets	4,096	4,209
Intangible assets	1,017	1,021
Deferred tax assets	20,958	21,667
Other assets	80,897	78,529
<b>TOTAL ASSETS</b>	<b>3,712,344</b>	<b>3,481,092</b>
<b>LIABILITIES</b>		
Due to the central bank	42,733	102,206
Deposits from banks and other financial institutions	403,043	344,374
Placements from banks and other financial institutions	124,611	117,459
Financial liabilities at fair value through profit or loss	131,990	55,960
Derivative financial liabilities	25,034	20,769
Financial assets sold under repurchase agreements	35,731	53,209
Customer deposits	2,154,561	2,043,466
Employee benefits payable	3,984	5,996
Taxes payable	4,034	1,912
Provisions	1,068	884
Debt securities issued	554,789	512,953
Lease liabilities	2,604	2,691
Other liabilities	14,952	11,878
<b>TOTAL LIABILITIES</b>	<b>3,499,134</b>	<b>3,273,757</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AT 31 MARCH 2026

(In RMB millions, unless otherwise stated)

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>EQUITY</b>		
Share capital	27,464	27,464
Other equity instruments	24,995	24,995
– Perpetual bond	24,995	24,995
Capital reserve	38,570	38,570
Other comprehensive income	2,335	2,628
Surplus reserve	15,231	15,231
Statutory general reserve	37,926	37,919
Retained earnings	62,046	56,061
Total equity attributable to shareholders of the Bank	208,567	202,868
Non-controlling interests	4,643	4,467
<b>TOTAL EQUITY</b>	<b>213,210</b>	<b>207,335</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,712,344</b>	<b>3,481,092</b>

The consolidated financial statements were approved by the Board of Directors on April 29, 2026.

\_\_\_\_\_  
Chen Haiqiang  
*Chairman*

\_\_\_\_\_  
Lyu Linhua  
*President*

\_\_\_\_\_  
Jing Feng  
*Principal in-charge of Finance*

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Zhang Jian  
*Director of the Financial Department*

**CONSOLIDATED CASH FLOW STATEMENT****FOR THE THREE MONTHS ENDED 31 MARCH 2026***(In RMB millions, unless otherwise stated)*

	For three months ended	
	31 March	
	2026	2025
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities:</b>		
Profit before taxation	8,189	8,040
Adjustments for:		
Expected credit losses	4,285	4,284
Other assets impairment losses	39	–
Depreciation and amortization	724	618
Interest income from financial investments	(5,376)	(5,767)
Net investment income	(1,806)	(3,058)
Net (gains)/losses from changes in fair value	(1,210)	370
Net foreign exchange gains	(29)	(678)
Net losses on disposal of fixed assets	2	–
Interest expense on debt securities issued	2,590	3,042
Interest expense on lease liabilities	24	28
Deferred tax expense	733	1,505
<b>Net changes in operating assets and operating liabilities:</b>		
Net decrease/(increase) in balances with the central bank	2,855	(4,734)
Net decrease in deposits with banks and other financial institutions	37,600	10,561
Net increase in placements with banks and other financial institutions	(1,654)	(2,077)
Net increase in financial assets purchased under resale agreements	(4,198)	(6,744)
Net increase in loans and advances to customers	(94,212)	(38,934)
Net increase in financial assets held for trading	(22,112)	(31,618)
Net decrease in other operating assets	80,030	8,812
Net decrease in due to the central bank	(59,453)	(35,793)
Net increase/(decrease) in deposits from banks and other financial institutions	58,312	(39,832)
Net increase/(decrease) in placements from banks and other financial institutions	7,857	(4,892)
Net (decrease)/increase in financial assets sold under repurchase agreements	(17,474)	58,428
Net increase in customer deposits	112,393	82,439
Net decrease in other operating liabilities	(6,114)	(5,721)
<b>Net cash flows generated from/(used in) operating activities before taxation</b>	<b>101,995</b>	<b>(1,721)</b>
Income tax paid	(577)	(478)
<b>Net cash generated from/(used in) operating activities</b>	<b>101,418</b>	<b>(2,199)</b>

## CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In RMB millions, unless otherwise stated)

	For three months ended	
	2026	2025
	(Unaudited)	(Unaudited)
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of fixed assets, intangible assets and other long-term assets	25	11
Payment for acquisition of fixed assets, intangible assets and other long-term assets	(1,741)	(3,186)
Investment returns received	12,641	8,151
Proceeds from disposal of investments	854,157	516,701
Payment for acquisition of investments	(883,493)	(540,735)
<b>Net cash used in investing activities</b>	<b>(18,411)</b>	<b>(19,058)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of debt securities	115,642	153,851
Repayment of principal on debt securities issued	(74,216)	(103,304)
Repayment of interest on debt securities issued	(2,189)	(2,418)
Repayment for principal and interest elements of lease liabilities	(207)	(257)
<b>Net cash generated from financing activities</b>	<b>39,030</b>	<b>47,872</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(197)</b>	<b>(83)</b>
<b>Net increase in cash and cash equivalents</b>	<b>121,840</b>	<b>26,532</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>133,463</b>	<b>133,635</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>255,303</b>	<b>160,167</b>
<b>Net cash flows from operating activities include:</b>		
Interest received	18,284	20,543
Interest paid	(11,609)	(10,076)