招商銀行
CHINA MERCHANTS BANK

China Merchants Bank Co., Ltd.

2025 Annual Results Announcement

Forward-Looking Statements Disclaimer

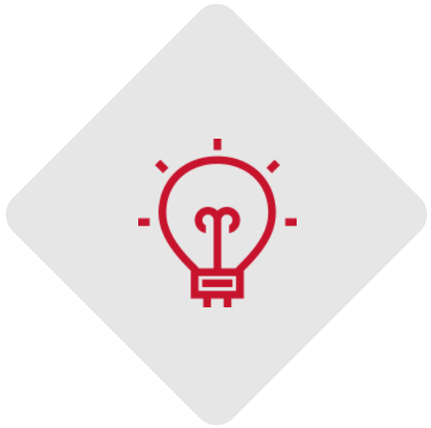
This presentation and subsequent discussions may contain forward-looking statements that involve risks and uncertainties. These statements are generally indicated by the use of forward-looking terminology such as believe, expect, anticipate, estimate, plan, project, target, may, will or may be expressed to be results of actions that may or are expected to occur in the future. You should not place undue reliance on these forward-looking statements, which reflect our belief only as of the date of this presentation. These forward-looking statements are based on our own information and on information from other sources we believe to be reliable. They relate to future events or our future financial, business or other performance and are subject to a number of uncertainties that may cause our actual results to differ materially.

Notes:
1. In this presentation, unless otherwise mentioned, all financial metrics are on a consolidated group basis, all business metrics are on a standalone bank basis.
2. Certain year-on-year financial metrics are subject to retroactive adjustment.
3. Unless specified, all data shown in this presentation is based on International Financial Reporting Standards (IFRS) and denominated in RMB.
4. Some data shown may be subject to rounding.

Agenda

1
Performance Overview

2
Operational Information



3
Outlook and Strategies

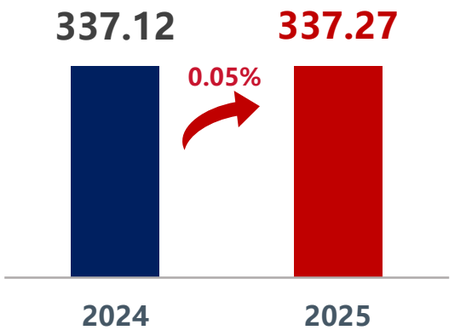
1 Performance Overview

- Operating results steadily improved with sound profitability maintained
- Assets and liabilities scale grew steadily with distinct advantages in low funding costs
- Structural advantages continued to consolidate with capital strength retained
- Asset quality remained stable with strong risk compensation capability
- Strived to build a Digital & Intelligent CMB and proactively implemented ESG concepts

Operating results steadily improved with sound profitability maintained

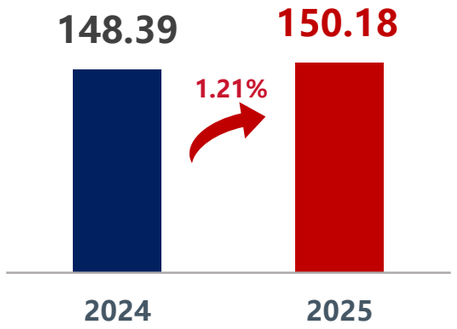
Net operating income

(RMB billion)

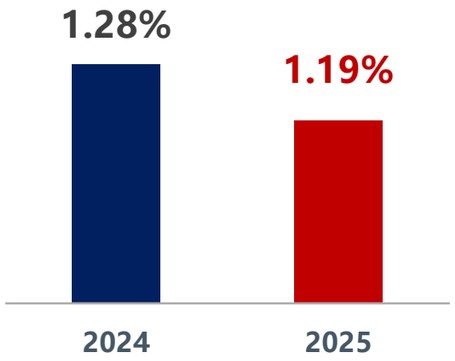


Net profit attributable to shareholders of the Bank

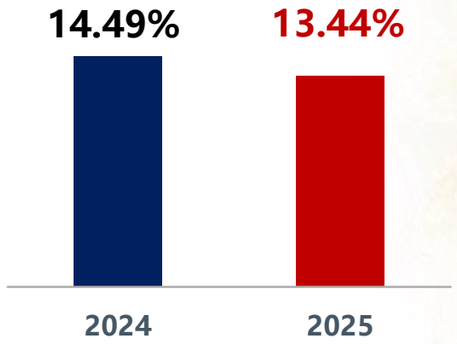
(RMB billion)



ROAA



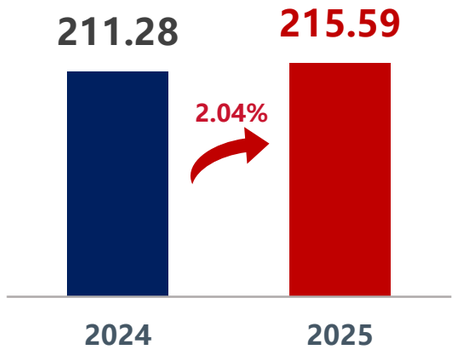
ROAE



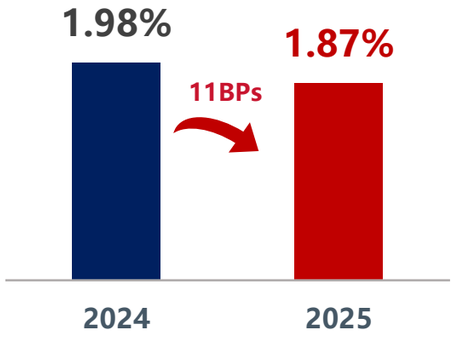
Operating results steadily improved with sound profitability maintained

Net interest income

(RMB billion)

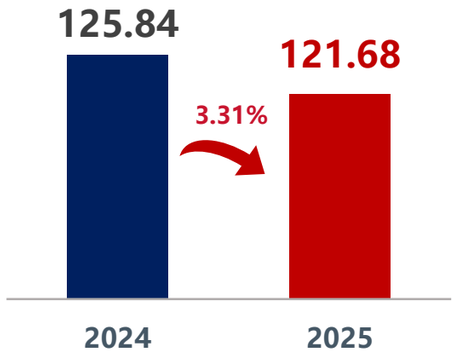


Net interest margin



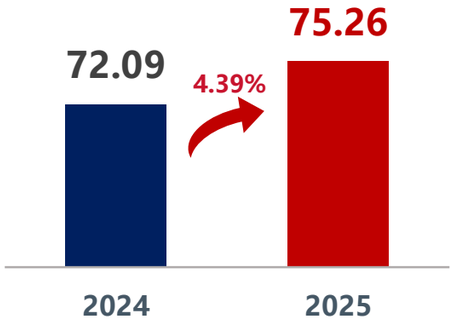
Net non-interest income

(RMB billion)

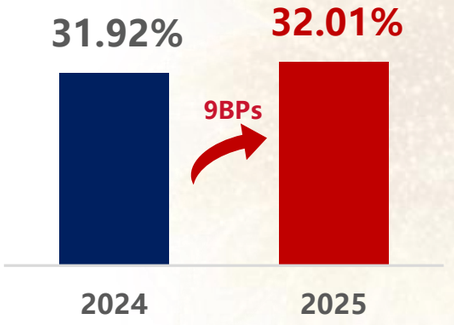


Net fee and commission income

(RMB billion)

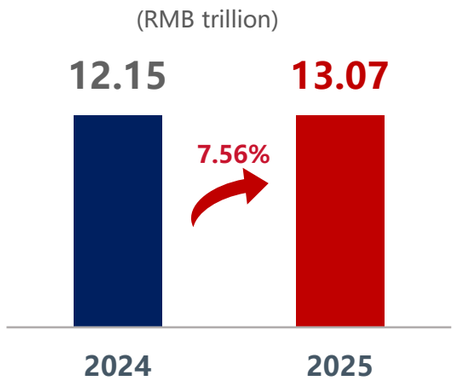


Cost-to-income ratio

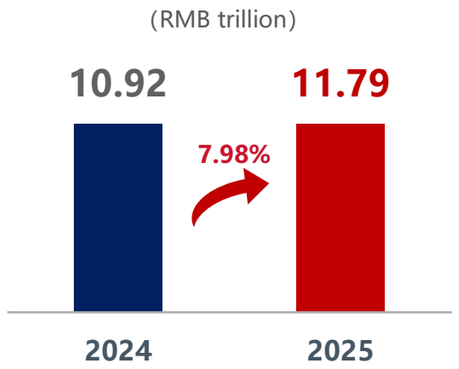


Assets and liabilities scale grew steadily with distinct advantages in low funding costs

Total assets

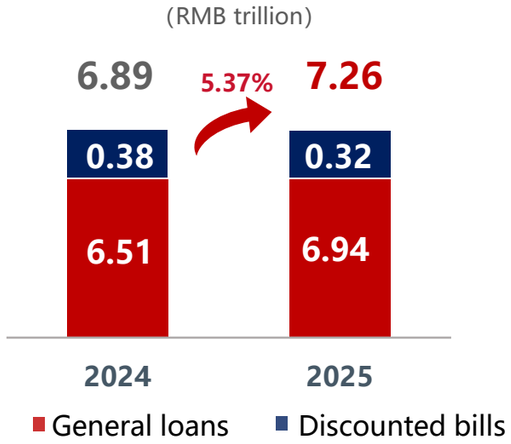


Total liabilities

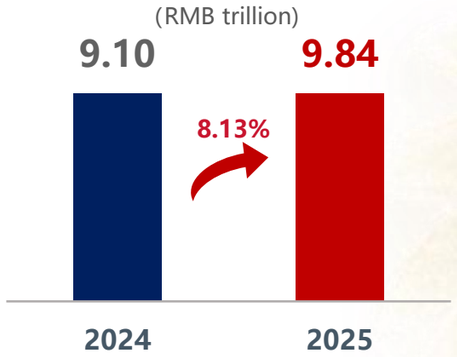


Average cost ratio of the interest-bearing liabilities **1.26%** ⬇**38BPs**

Total loans and advances to customers



Total deposits from customers

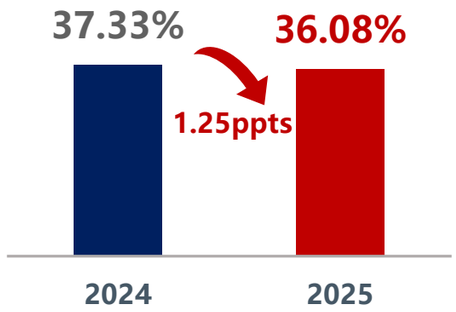


Percentage of average daily balance of demand deposits **49.40%**

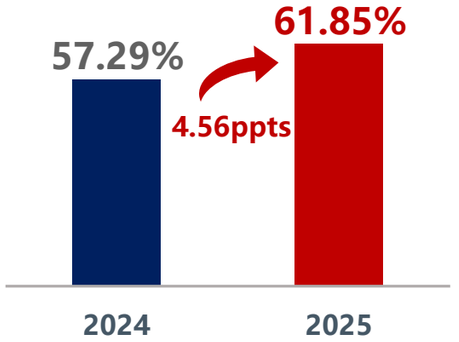
Note: General loans refer to total loans and advances to customers, less discounted bills.

Structural advantages continued to consolidate with capital strength retained

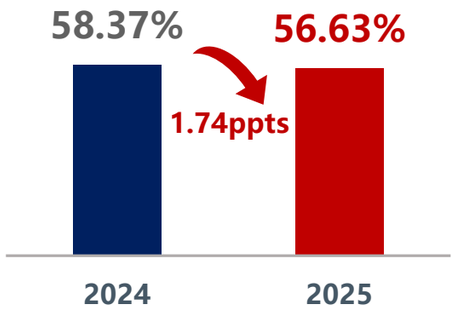
Percentage of net non-interest income



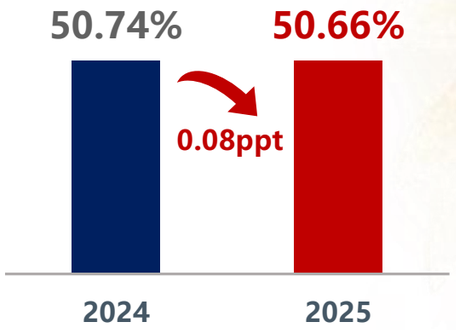
Percentage of net fee and commission income



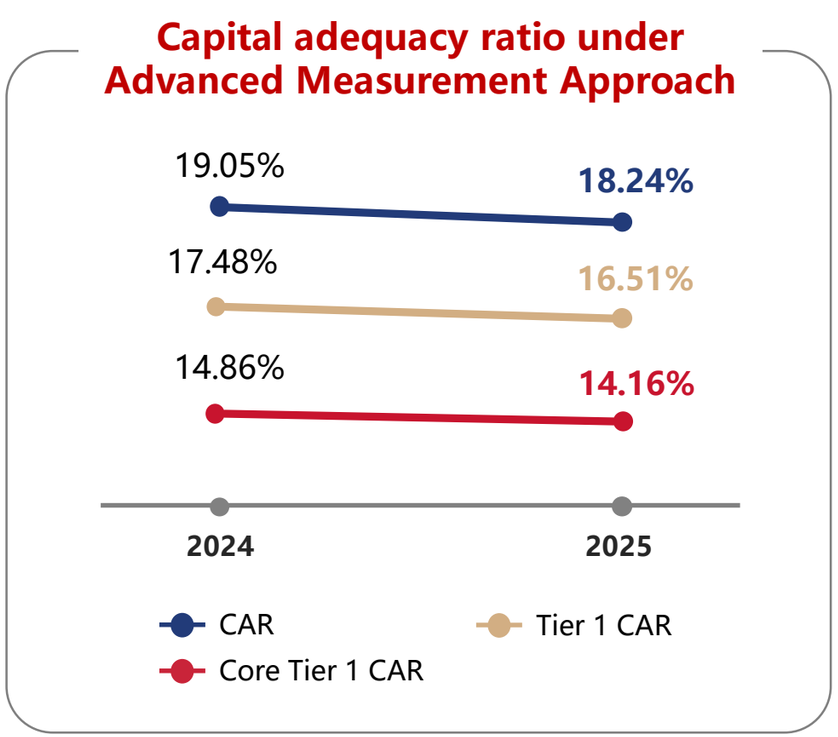
Percentage of net operating income from retail finance

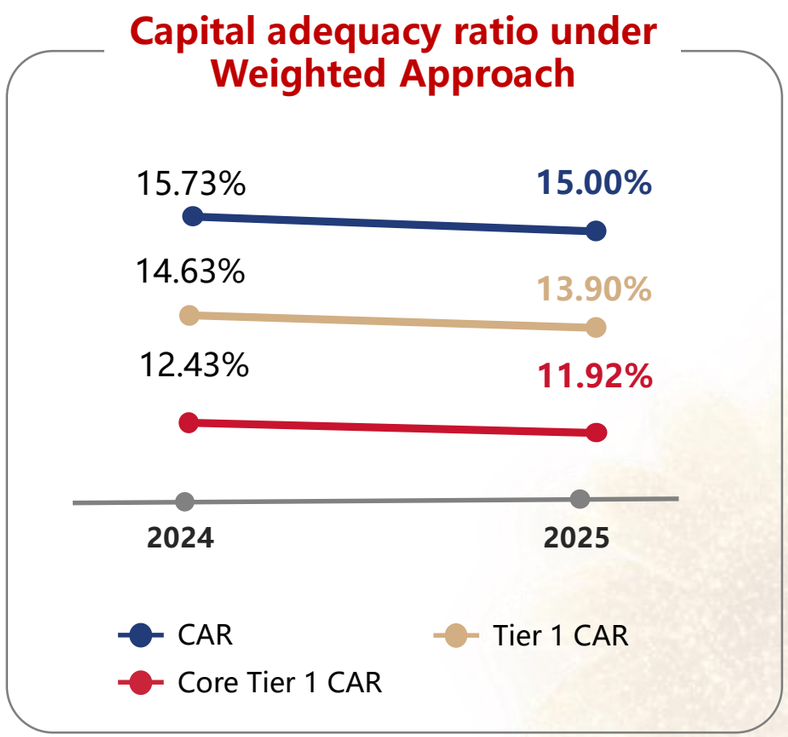


Percentage of profit before tax from retail finance



Structural advantages continued to consolidate with capital strength retained

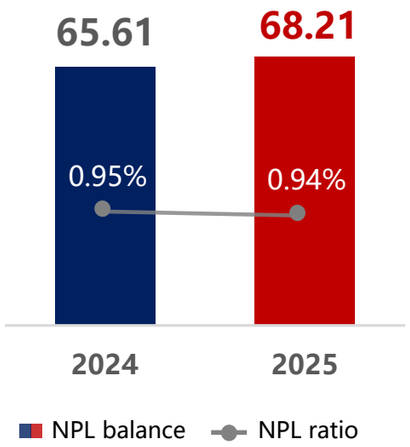




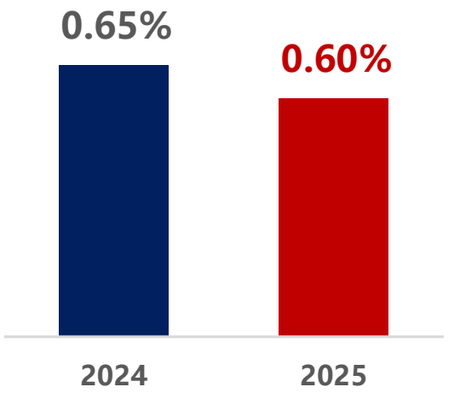
Asset quality remained stable with strong risk compensation capability

NPL balance and NPL ratio

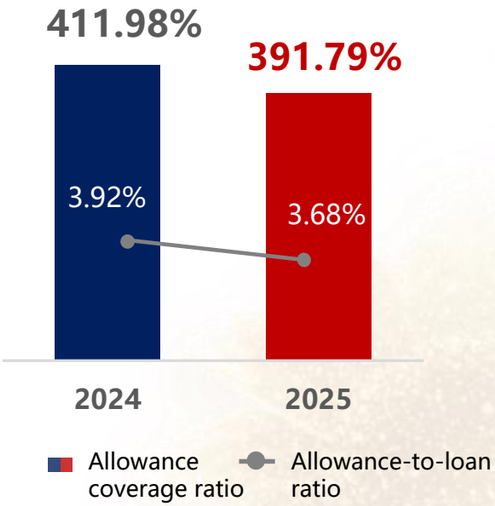
(RMB billion)



Credit cost



Allowance coverage ratio and allowance-to-loan ratio



Strived to build a Digital & Intelligent CMB and proactively implemented ESG concepts

Adhere to technology-driven development, increased investment in technology and talent reserves

IT input

RMB12.90 billion

4.31% of net operating income

R&D personnel

11,051

9.09% of total employees

Building organizations and teams for the intelligent era

- Strengthen AI competency certification and cultivate AI mindset
- Build a cross-functional digital talent pipeline
- Advance in-depth integration of technology and business

Build independent and controllable full-stack technology system for large models to fully establish AI competitive advantages

Leading intelligent computing infrastructure

- **Achieved industry-leading level** in computing core utilization rate and Token cost effiency
- Daily average Token throughput increased by **10.1 times** compared with 2024

Strong in-house R&D capabilities and cutting-edge models

- **Over 10,000** developers for large model application
- Introduced cutting-edge industry models with **183** domain-specific models deployed
- Average iteration cycle for large model applications **significantly shortened**

Applications of large models across all business scenarios

- Evolving from "function-available" to "user-friendly"
- Large model technology embedded in business ecosystem
- Implemented **856** applications covering multiple business scenarios, such as retail finance, corporate finance, risk management, operations, administration and other fields

Note: IT input is presented on a standalone bank basis

Strived to build a Digital & Intelligent CMB and proactively implemented ESG concepts

Governance

Corporate Governance

Integrating ESG concepts into the Bank’ s overall business strategy and decision-making

ESG International Rating

Achieved **the highest grade of AAA in MSCI ESG Rating** for two consecutive years

Environment

Green Finance

Green loan	**RMB609.41 billion**	⬆21.01%
Green leasing	**RMB114.81 billion**	⬆23.89%

Green Bonds

Outstanding Offshore USD ESG Financial Bonds **USD1.4 billion**

Nearly a hundred of ESG financial bonds underwritten for corporate customers

Green Investment

Green bonds held by the Company	⬆9.54%
Green bonds invested by CMB Wealth Management	⬆29.46%
ESG products of China Merchants Fund	⬆135.15%

Green Operation

- Carried out **carbon emission reduction measures across all scenarios**
- Improved the Company’ s carbon management

Social Responsibility

Business in Key Sectors

- Proportion of loans to key sectors including technology, green industries, inclusive finance, manufacturing, etc. **further increased**
- Scale of retirement finance business **grew rapidly**

Accessibility of financial services

Allocated more resources to key areas relating to people's livelihood such as education, housing, medical care and elderly care

Note: All data (excluding the scale of green investment business) shown in this presentation is on a standalone bank basis.

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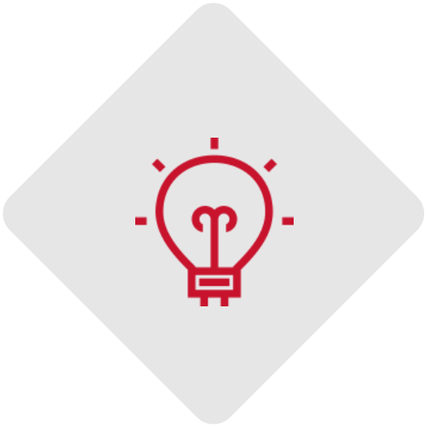


3
Outlook and Strategies

2 Operation Information

- Continued to build up customer base and grew business with improved quality
- Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges
- Further advanced international and comprehensive development and fostered new competitive advantages
- Upheld the bottom line on risk and compliance and improved risk management capability
- Strengthened management and innovation and promoted high-quality development

Continued to build up customer base and grew business with improved quality

Retail customers

224 million ⬆6.67%

Number of Golden Sunflower and above customers

5.93 million ⬆13.29%

Number of retail customers holding wealth products

64.12 million ⬆10.15%

Corporate customers

3.62 million ⬆14.40%

Number of newly acquired corporate customers

657,200

Number of tech-enterprise customers

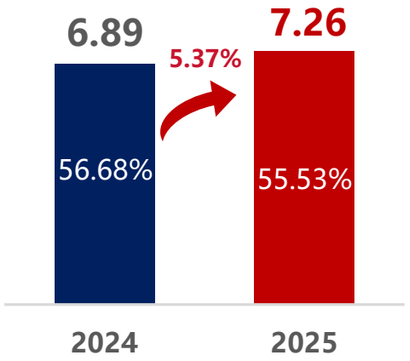
350,100

Number of corporate customers for withholding transactions

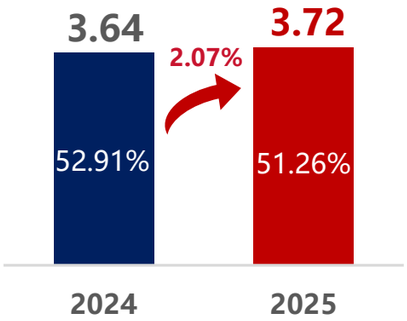
1.53 million ⬆13.41%

Continued to build up customer base and grew business with improved quality

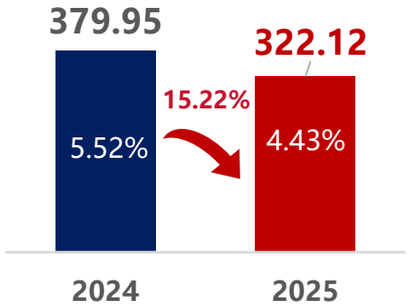
Balance and percentage of the total loans and advances to customers
(RMB trillion)



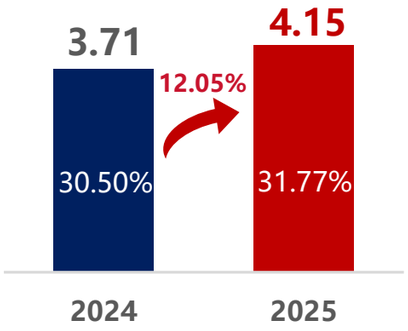
Balance and percentage of retail loans
(RMB trillion)



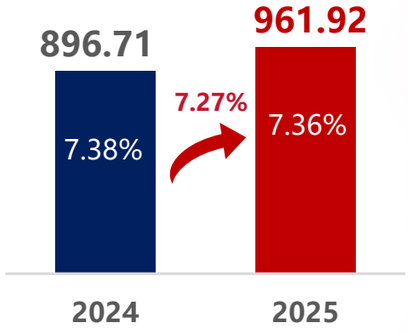
Balance and percentage of bill discounting
(RMB billion)



Balance and percentage of investment assets
(RMB trillion)



Balance and percentage of inter-bank assets
(RMB billion)

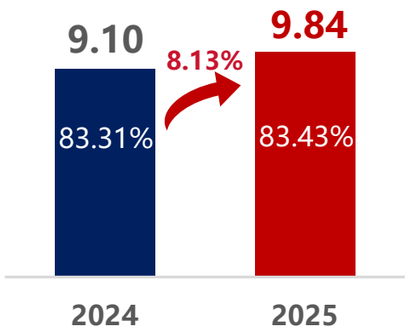


Note: All data shown in this presentation is on a consolidated group basis and the balance does not include accrued interest.

Continued to build up customer base and grew business with improved quality

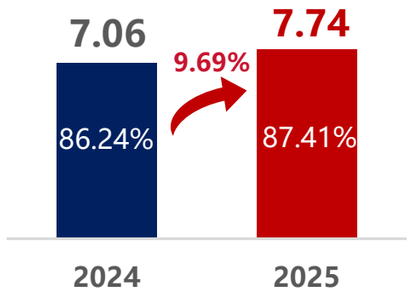
Balance and percentage of total deposits from customers

(RMB trillion)



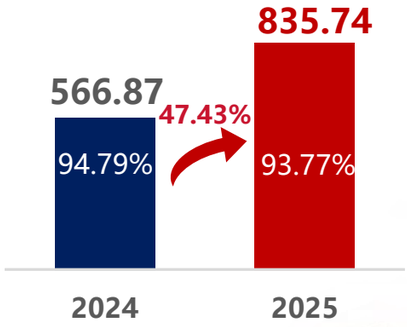
Average daily balance of core deposits and percentage of total deposits

(RMB trillion)

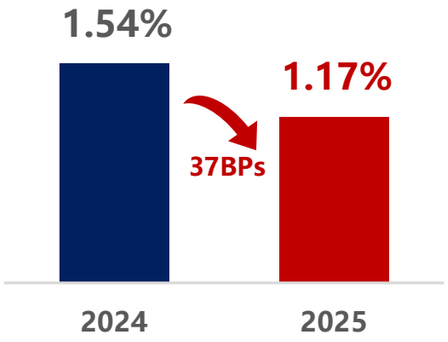


Average daily balance of interbank deposits and percentage of interbank demand deposits

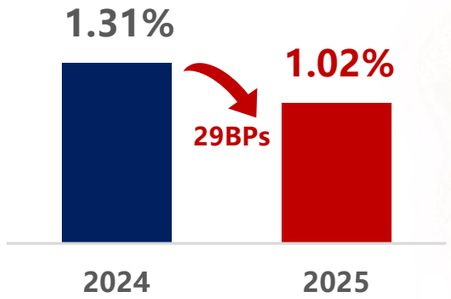
(RMB billion)



Average cost ratio of customer deposits



Cost ratio of interbank deposits



Note:

1. Except for the total deposits from customers and average cost ratio of customer deposits, the data on this page are based on a standalone bank basis.
2. The percentage of customer deposits represents the percentage of total deposits from customers in total liabilities; the percentage of interbank demand deposits represents the percentage of interbank demand deposits in the average daily balance of interbank deposits.
3. The core deposits is the internal management indicator for the Bank excluding large-denomination certificates of deposit, structured deposits and other high-cost deposits. The percentage of average daily balance of core deposits represents the percentage of average daily balance of core deposits in the average daily balance of customer deposits.

Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges

Retail Finance

AUM from retail customers

RMB 17.08 trillion

⬆ 14.44%

Record high

Retail AUM annual increment

RMB2.16 trillion

Deposits from retail customers

RMB 4.50 trillion

⬆ 11.48%

Percentage of deposits from retail customers

45.71% ⬆1.37ppts

Percentage of average daily balance of demand deposits from retail customers

47.94%

Retail loans

RMB3.72 trillion

⬆ 2.07%

Residential mortgage loans	⬆ 0.55%
Credit card loans	⬇ 0.92%
Micro-finance loans	⬆ 6.09%
Consumer loans	⬆ 7.70%

Credit card business

Number of Active credit card users

70.11 million

⬆0.96%

Credit card transaction value

RMB4.08 trillion

⬇ 7.62%

Decline level smaller than industry average

Note: For the data on this page, AUM from retail customers, active credit card users and credit card transaction value are on a standalone bank basis, and the remaining data are on a consolidated group basis

Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges

Corporate Finance

FPA to corporate customers

RMB6.73 trillion ↑11.08%

Traditional financing

RMB3.99 trillion ↑11.40%

Non-traditional financing

RMB2.74 trillion ↑10.62%

Loans to corporate customers

RMB3.22 trillion ↑12.29%

Loans to tech enterprises	↑8.06%
Green loans	↑21.01%
Loans to manufacturing industry	↑12.51%
Loans to inclusive small- and micro-sized enterprises	↑8.39%

Deposits from corporate customers

RMB5.34 trillion ↑5.46%

Percentage of deposits from corporate customers

54.29%

Percentage of average daily balance of demand deposits from corporate customers

50.60%

Retirement finance service

The scale of entrusted annuity

Over RMB300 billion

Private pension accounts opened

Over 15 million

Pension funds under custody

RMB1.55 trillion ↑16.54%

Transaction banking service

Domestic trade finance value

RMB1.64 trillion ↑9.56%

Number of customers using Treasury Management Cloud services

799,300 ↑29.93%

Note: Except for loans to corporate customers, deposits from corporate customers and its proportion, percentage of daily average balance of demand deposits from corporate customers and manufacturing loans, all data on this page are on a standalone bank basis.

Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges

Investment Banking and Financial Markets

Investment Banking

- FPA contributed by investment banking
  ↑ 10.38%
- Debt financing instruments with the Company as the lead underwriter
  RMB579.14 billion
- **Ranked 1st** in underwriting size of perpetual bonds
- **Ranked 2nd** in underwriting size of sci-tech innovation bonds (including sci-tech innovation notes)
- M&A business value
  RMB253.283 billion ↑ 22.58%

Financial Markets

- Number of wholesale customers involved in client flow trading
  88,823 ↑ 15.18%
- Transaction value of client flow trading with wholesale customers
  USD340.02 billion ↑ 20.20%
- Transaction value of RMB bond investments
  RMB8.85 trillion ↑ 195.99%

Bill Business

- Direct bill discounting value
  RMB2.91 trillion ↑ 12.89%

Ranked 2nd in the market

Note: The transaction value of RMB bond investments refers to transaction value of RMB bond investment of the Company's global markets centre.

Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges

Wealth Management & Asset Management

AUM from retail customers
RMB17.08 trillion ↑ 14.44%

Total asset management business
RMB4.71 trillion ↑ 5.13%

Balance of assets under custody
RMB26.09 trillion ↑ 14.13%

Income from extensive wealth management
RMB44.01 billion ↑ 16.91%

Income from extensive wealth management as a percentage of fee and commission income
52.23% ↑ 5.78ppts

Number of retail customers covered by the "CMB TREE Asset Allocation Service"
11.76 million ↑ 13.31%

Balance of retail wealth management products
RMB4.41 trillion ↑ 12.20%

Average daily balance of corporate wealth management products
RMB524.94 billion ↑ 31.28%

Premiums from agency distribution of insurance products
RMB147.66 billion ↑ 25.96%

Agency distribution of non-money-market mutual funds
RMB706.47 billion ↑ 18.13%

Agency distribution of trust schemes
RMB224.77 billion ↑ 155.65%

Notes： 1. Except for the income contributed by extensive wealth management and its proportion, all data on this page are on a standalone bank basis.
2. The total asset management business is the sum of the asset management business of CMB Wealth Management, China Merchants Fund, CIGNA & CMAM, and CMB International Capital.

Achieved balanced and coordinated development of the four business segments and continued to strengthen differentiated competitive edges

Business development in key regions

Performance of Branches in key regions

Growth rates of customer base, AUM, core deposits , corporate loans and other core indicators

higher than the average level of domestic branches

Higher proportion of average daily balance of core deposits among all domestic branches

0.38ppt

Higher proportion of AUM from retail customers among all domestic branches

0.79ppt

Higher proportion of corporate loan balance among all domestic branches

0.12ppt

Further advanced international and comprehensive development and fostered new competitive advantages

Overseas institutions

Total assets of overseas institutions

12.88% ↑

Net operating income of overseas institutions

33.78% ↑

Total assets of institutions in Hong Kong

13.84% ↑

Net operating income of institutions in Hong Kong

36.36% ↑

Net profit of institutions in Hong Kong

63.19% ↑

AUM from retail customers of CMB Wing Lung Bank

22.14% ↑

Number of IPO underwritten by CMB International Capital

Ranked 2nd in HK market

Number of IPO sponsored by CMB International Capital

Ranked 4th in HK market

Cross-border business

Number of corporate customers in respect of international balance of payments

103,100 ↑ 17.23%

International balance of payments for corporate customer

USD480.78 billion ↑ 12.96%

Further advanced international and comprehensive development and fostered new competitive advantages

Major subsidiaries

Total assets

RMB952.84 billion ↑11.43%

Proportion of total operating income

12.26% ↑1.96ppts

Net profit

RMB16.381billion ↑41.66%

招銀金租 CMB FINANCIAL LEASING

Total assets

RMB325.30 billion ↑5.01%

招銀理財 CMB WEALTH MANAGEMENT

Total wealth management products

RMB2.64 trillion ↑6.88%

招商基金 CHINA MERCHANTS FUND

Total mutual funds under management

RMB961.47 billion ↑9.29%

招商信诺 Cigna & CMB 资产管理

Total entrusted management of insurance funds

RMB233.31 billion ↑23.02%

招銀投資 CMB INVESTMENT

Received approval for establishment and commenced operations

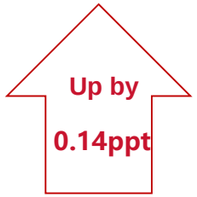
Note: Major subsidiaries include CMB Wing Lung Bank, CMB International Capital, CMB Financial Leasing, China Merchants Fund, CMB Wealth Management, CMB Europe S.A., CIGNA & CMAM and CMB Investment .

Upheld the bottom line on risk and compliance and improved risk management capability

Special-mentioned loan ratio

2025
1.43%

2024
1.29%



Overdue loan ratio

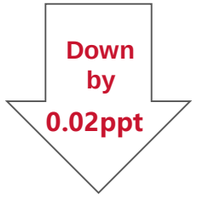
2025
1.25%

2024
1.33%

NPL formation ratio

2025
1.03%

2024
1.05%



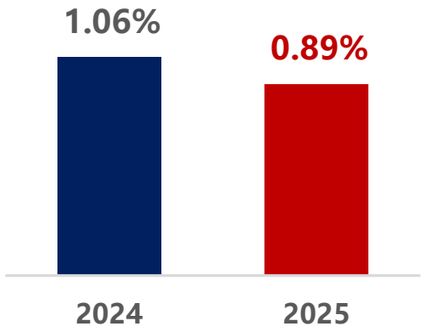
NPL classification

- Ratio of NPL balance to the balance of loan **overdue for more than 60 days** **1.18**
- Ratio of NPL balance to the balance of loan **overdue for more than 90 days** **1.31**

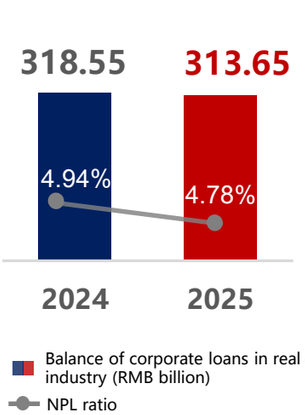
Note: In the data on this page, the ratio of NPL balance to the balance of loan overdue for more than 60 days and the NPL formation ratio are on a standalone bank basis; the rest are on a consolidated group basis.

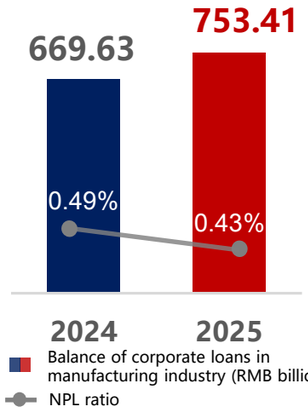
Upheld the bottom line on risk and compliance and improved risk management capability

NPL ratio of corporate loans

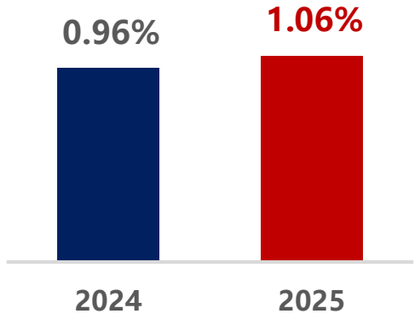


Corporate loan balance and NPL ratio in key industries

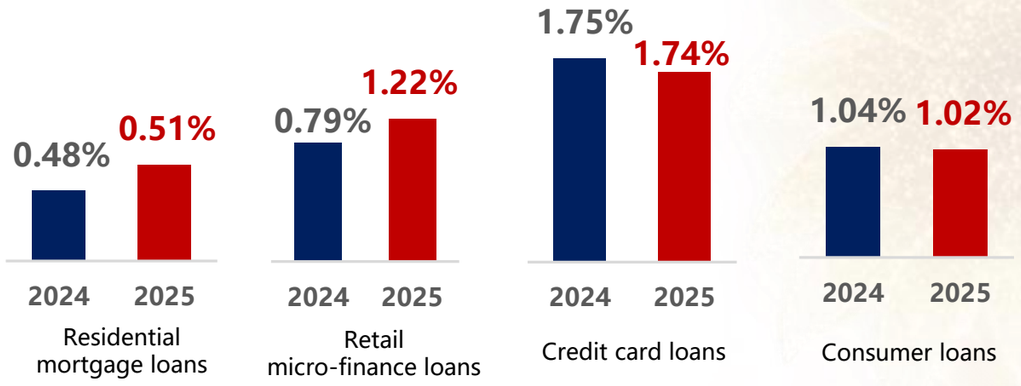




NPL ratio of retail loans



NPL ratios of retail loans



Note: All data on this page are on a consolidated group basis.

Strengthened management and innovation and promoted high-quality development

Consolidate foundations and enhance the level of refined management

- Continued to deepen the **"standardised, refined, empowering, systematic and scientific" management system**, and continuously consolidate the business foundation
- Continued to strengthen **asset-liability portfolio management, comprehensive cost management, refined capital management, operation management, service management and talent management** to better support high-quality development

Enhanced innovation capability and maintained leading technological capabilities

Consolidating the technological foundation

- Cloud platform availability rate exceeds **99.999%**, reaching an industry-leading standard
- Optimised computing resource allocation and improved the input-output ratio of cloud services by applying technologies such as **hybrid deployment** and **elastic scaling**
- Big data services reached **over 76%** of business personnel, **up by 13 ppts** from the previous year

Expanding the breadth and depth of AI applications

- Focusing on scenarios characterised by **"high time consumption, high labour intensity, and significant cost-saving potential"**, we implemented **856** AI applications, saving **approximately 15.56 million manual working hours**
- Upgraded the "**Xiao Zhao (小招)**" intelligent services for its retail business, extending full-scenario services covering deposit, loan, and remittance
- "AI Xiao Zhao (AI 小招)", a corporate intelligent assistant, accumulatively served **267,100** corporate customers for a total of **1,479,200** times

Building an AI-driven organisation and strengthened information security system

- Strengthened digital intelligence training, promotion, and certification to enhance the employees' overall digital intelligence literacy,
- 98% of employees passing the primary certification of AI knowledge and application capabilities
- Proactively adapted to the evolving technological risk landscape in the AI era, and reinforced measures to ensure AI security, cybersecurity, data protection, and information confidentiality

Agenda

1
Performance Overview

2
Operational Information

3
Outlook and Strategies

3 Outlook and Strategies

- Challenges: The changing external environment exerts greater impacts
- Opportunities: China's economy shows strong resilience and vast potential
- Strategies: Unfold a new phase of high-quality development

Challenges and Opportunities

Challenges

- The changing external environment exerts greater impacts.
- The low interest rate environment narrows banks' traditional profit margin

Opportunities

- The fundamentals of China's economy remain solid in the long run.
- Favourable conditions for bank operations continue to increase

Strategies

- Focus on long term development, maintain strategic determination and continuously enhance value creation capability
- Concentrate on key priorities, navigate throught economic cycles and sustain core competitive advantages
- Seize opportunities, accelerate the "Four Initiatives" transformation and forge new advantages for high-quality development
- Strengthen business resilience and promote balanced and coordinated development of the four major business segments
- Uphold the bottom line and continuously consolidate fortress-style risk and compliance management system

Thank you!
Q&A

招商銀行
CHINA MERCHANTS BANK