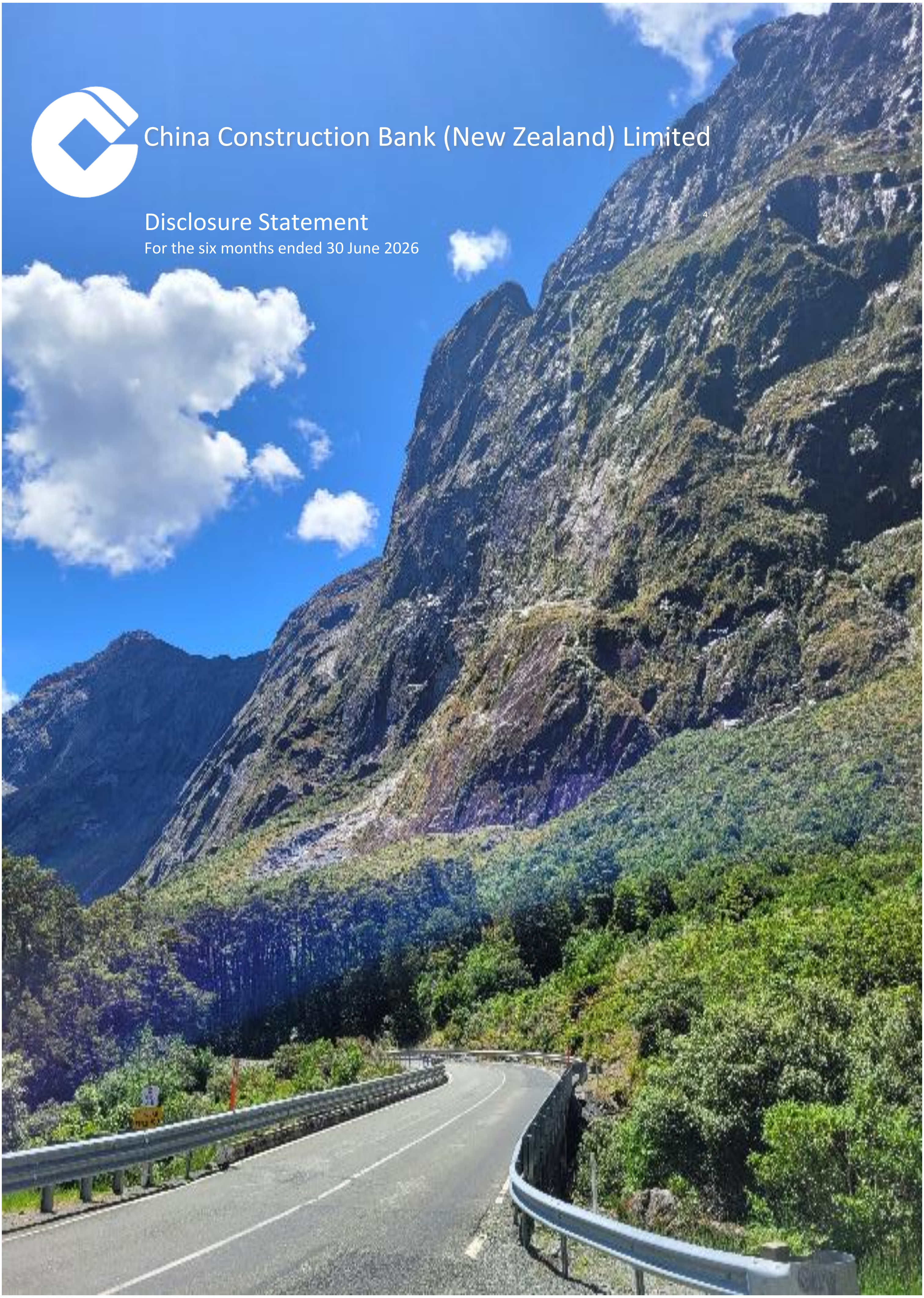
China Construction Bank (New Zealand) Limited

Disclosure Statement

For the six months ended 30 June 2026



CCB 中国建设银行(新西兰) China Construction Bank (New Zealand) Ltd.

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Glossary of abbreviations

The following abbreviations are used throughout the report:

ANZSIC	Australia and New Zealand Standard Industrial Classifications
AT1	Additional Tier 1
BPR	Banking Prudential Requirements
CET1	Common Equity Tier 1
ECL	Expected credit losses
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
ICAAP	Internal capital adequacy assessment process
LGD	Loss given default
LVR	Loan-to-valuation ratio
NFRA	National Financial Regulatory Administration
NII	Net interest income
NZ GAAP	New Zealand Generally Accepted Accounting Principles
NZ IAS	New Zealand equivalent to International Accounting Standards
NZ IFRS	New Zealand equivalent to International Financial Reporting Standards
PD	Probability of default
RBNZ	Reserve Bank of New Zealand

Disclosure Statement

For the six months ended 30 June 2026

General information and definitions

This Disclosure Statement has been issued by China Construction Bank (New Zealand) Limited (the “Bank”) for the six months ended 30 June 2026 in accordance with Section 81 of the Banking (Prudential Supervision) Act 1989 and the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the “Order”).

In this Disclosure Statement:

- “Banking Group” refers to the Bank and its subsidiaries. As at the date of this Disclosure Statement, the Bank does not have any subsidiaries and is the only member of the Banking Group;
- “Ultimate Parent Bank”, “Immediate Parent Bank”, "Overseas Bank" and “CCBC” mean China Construction Bank Corporation;
- China Construction Bank Corporation New Zealand branch (the "branch”) – refers to the New Zealand branch of the Ultimate Parent Bank and includes all banking business transacted in New Zealand through the branch;
- “Board” means the Board of Directors of the Bank.

Words and phrases defined by the Order have the same meaning when used in this Disclosure Statement. All amounts referred to in this Disclosure Statement are in thousands of New Zealand dollars unless otherwise stated.

Corporate information

The Bank was incorporated under the Companies Act 1993 (Company Number 4929019) on 30 January 2014. It became a registered bank on 15 July 2014.

The Bank's registered office and address for service is Level 29, Vero Centre, 48 Shortland Street, Auckland 1010, New Zealand. The Bank's website address is: http://nz.ccb.com. The Disclosure Statement of the Bank is available for download, free of charge, on the Bank’s website. A printed copy will also be made available, free of charge, upon request and will be dispatched by the end of the second working day after the day on which the request is received.

The Bank’s Climate Report for the year ending 31 December 2025 can also be accessed on the Bank’s website, via the link provided below.
http://nz.ccb.com/newzealand/en/zxgg/201503111426044066.html

Ultimate parent and holding company

The Bank is a wholly-owned subsidiary of CCBC which is the Bank’s Ultimate Parent Bank, incorporated in the People’s Republic of China. The ultimate non-bank holding company and controlling party of the Bank and the branch is Central Huijin Investment Ltd ("Central Huijin"), a wholly state-owned investment company under the China Investment Corporation ("CIC"), which in turn reports directly to the State Council of the People's Republic of China. CCBC was incorporated in China and is subject to supervision by banking regulatory bodies empowered by the State Council of the People’s Republic of China. The address for service of CCBC is No. 25, Financial Street, Xicheng District, Beijing 100033, the People's Republic of China.

Significant interest in the registered bank

The Ultimate Parent Bank has a direct qualifying interest in 100% of the voting securities of the Bank and has the power to directly appoint up to 100% of the Board. All appointments to the Board must be approved by the RBNZ.

Limits on material financial support by the Ultimate Parent Bank

There are no regulations, legislation or other restrictions of a legally enforceable nature in China that may materially inhibit the legal ability of CCBC to provide material financial support to the Bank.

Changes in the Bank's Board of Directors

As at the date of signing this Disclosure Statement, there have been no changes in the Board since 31 December 2025.

Responsible Person

Mr. Yong Wang (Chief Executive Officer and Executive Director), has been authorised in writing to sign this Disclosure Statement in accordance with section 82 of the Banking (Prudential Supervision) Act 1989 on behalf of the other Directors, being:

Dr. Murray Horn (Chair), Dr. Alan Bollard, Sir Robert Arnold McLeod, Ms. Ying Yi and Ms. Yingying He.

Guarantee Arrangements

(a) Details of Guaranteed Obligations

As at the date of this Disclosure Statement, under the terms of the Deed of Guarantee (the "Guarantee"), the obligations of the Bank are guaranteed by CCBC.

A copy of the Deed of Guarantee given by CCBC is provided in the Bank's Disclosure Statement for the year ended 31 December 2025 which can be obtained from the Bank's website or the Bank's registered office.

There have been no changes to the Guarantee since the publication of the Bank's full year Disclosure Statement for the year ended 31 December 2025.

Under the Guarantee:

(a) There are no limits on the amount of the obligations guaranteed.
(b) There are no material conditions applicable to the Guarantee other than non-performance by the Bank.
(c) There are no material legislative or regulatory restrictions in China that would have the effect of subordinating the claims under the Guarantee of any of the Bank's creditors on the assets of the Ultimate Parent Bank, to other claims on the Ultimate Parent Bank in a winding up of the Ultimate Parent Bank.
(d) The Guarantee does not have an expiry date.

(b) Details of the Guarantor

The guarantor is CCBC, which is not a member of the Banking Group. The address for service of the guarantor is No. 25, Financial Street, Xicheng District, Beijing 100033, the People's Republic of China.

As disclosed in CCBC's unaudited consolidated results for the three months period ended 31 March 2026, CCBC Group's total capital for capital adequacy purposes was RMB 4,728,014 million (NZD 1,231,927 million) and its total capital ratio was 19.00%. Capital ratios are calculated in accordance with the Capital Rules for Commercial Banks (Provisional) issued by NFRA.

CCBC has the following credit ratings applicable to its long-term senior unsecured obligations payable in RMB as at the date the Directors signed this Disclosure Statement:

Rating Agency	Credit rating	Qualification
Standard & Poor's Ratings Services	A	Outlook Stable
Moody's Investors Service	A1	Outlook Stable
Fitch Ratings	A	Outlook Stable

During the two years ended immediately before the signing date, there were no changes to the Overseas Bank's credit ratings with minor adjustments made to the outlook qualifications. On 11 February 2026, Standard & Poor's affirmed the Overseas Bank's A rating and stable outlook. On 11 May 2026, Moody's Investors Service affirmed the Overseas Bank's A1 rating and adjusted the outlook from negative to stable. On 18 May 2026, Fitch affirmed the Overseas Bank's A rating and stable outlook.

Pending proceedings or arbitration

There are no pending legal proceedings or arbitration at the date of this Disclosure Statement involving the Bank, whether in New Zealand or elsewhere, that may have a material adverse effect on the Bank.

Auditor

Ernst & Young ("EY"), 2 Takutai Square, Britomart, Auckland 1010, New Zealand.

Directors' Statement

Each Director of the Bank believes, after due enquiry, that, as at the date on which this Disclosure Statement is signed:

(a) the Disclosure Statement contains all the information that is required by the Order; and
(b) the Disclosure Statement is not false or misleading.

Each Director of the Bank believes, after due enquiry, that, for the six months ended 30 June 2026:

(a) the Bank has complied in all material respects with each condition of registration that applied during that period;
(b) credit exposures to connected persons (if any) were not contrary to the interests of the Banking Group; and
(c) the Bank had systems in place to monitor and control adequately the material risks of the Banking Group including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, operational risk and other business risks, and that those systems were being properly applied.

This Disclosure Statement is dated 26 August 2026 and has been signed by Mr. Yong Wang as the responsible person for and on behalf of all the Directors (by Directors' resolution):

Mr. Yong Wang
Chief Executive Officer and Executive Director

All in NZD $000's

Statement of comprehensive income

For the period ended	Note	Unaudited 30 Jun 2026 6 months	Unaudited 30 Jun 2025 6 months	Audited 31 Dec 2025 12 months
Interest income	2	64,822	74,574	137,771
Interest expense	2	(38,919)	(52,632)	(92,001)
Net interest income	2	**25,903**	**21,942**	**45,770**
Net fees and commission income	3	1,523	2,379	2,629
Other income / (expense)	3	736	1,295	4,958
Net operating income before operating expenses and impairment charges		**28,162**	**25,616**	**53,357**
Operating expenses		(6,994)	(5,913)	(12,907)
Impairment (charges) / write-backs on credit exposures	4	(4,813)	(4,329)	(3,763)
Profit before income tax		**16,355**	**15,374**	**36,687**
Income tax expense		(4,528)	(4,133)	(10,312)
Profit after income tax attributable to the owner of the Bank		**11,827**	**11,241**	**26,375**
Other comprehensive income, net of tax				
Other comprehensive income / (expense) which may be reclassified to profit or loss				
Net change in cash flow hedge reserve		1,079	(4,060)	(1,889)
Net change in FVOCI reserve		24	(1,429)	(1,850)
Total other comprehensive income / (expense), net of tax		**1,103**	**(5,489)**	**(3,739)**
Total comprehensive income attributable to the owner of the Bank		**12,930**	**5,752**	**22,636**

These interim financial statements are to be read in conjunction with the notes on pages 11 - 42.

All in NZD $000's

Statement of changes in equity

For the six months ended 30 June 2026 (Unaudited)	Share capital	Retained earnings	Cash flow hedge reserve	FVOCI reserve	Total
Balance at 1 January 2026	199,178	171,646	(3,457)	(1,683)	**365,684**
Profit after income tax	-	11,827	-	-	**11,827**
Other comprehensive income / (expense)	-	-	1,079	24	**1,103**
Total comprehensive income / (expense) for the period	**-**	**11,827**	**1,079**	**24**	**12,930**
Balance at 30 June 2026	**199,178**	**183,473**	**(2,378)**	**(1,659)**	**378,614**

For the six months ended 30 June 2025 (Unaudited)	Share capital	Retained earnings	Cash flow hedge reserve	FVOCI reserve	Total
Balance at 1 January 2025	199,178	145,271	(1,568)	167	**343,048**
Profit after income tax	-	11,241	-	-	**11,241**
Other comprehensive income / (expense)	-	-	(4,060)	(1,429)	**(5,489)**
Total comprehensive income / (expense) for the period	**-**	**11,241**	**(4,060)**	**(1,429)**	**5,752**
Balance at 30 June 2025	**199,178**	**156,512**	**(5,628)**	**(1,262)**	**348,800**

For the year ended 31 December 2025 (Audited)	Share capital	Retained earnings	Cash flow hedge reserve	FVOCI reserve	Total
Balance at 1 January 2025	199,178	145,271	(1,568)	167	**343,048**
Profit after income tax	-	26,375	-	-	**26,375**
Other comprehensive income / (expense)	-	-	(1,889)	(1,850)	**(3,739)**
Total comprehensive income / (expense) for the period	**-**	**26,375**	**(1,889)**	**(1,850)**	**22,636**
Balance at 31 December 2025	**199,178**	**171,646**	**(3,457)**	**(1,683)**	**365,684**

These interim financial statements are to be read in conjunction with the notes on pages 11 - 42.

All in NZD $000's

Balance sheet

As at	Note	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Assets				
Cash and balances with central banks	6	20,048	227,399	85,114
Due from other financial institutions	7	94,979	44,930	110,744
Investment securities	8	871,421	575,498	711,922
Loans and advances	9	1,965,110	1,625,364	1,906,323
Due from related parties	16	134	447	87
Derivative financial assets		148,437	36,208	106,554
Property, plant and equipment	10	1,884	2,493	2,394
Intangible assets		63	85	74
Deferred tax assets		6,163	4,737	4,750
Other assets		386	451	1,504
Total assets		**3,108,625**	**2,517,612**	**2,929,466**
Liabilities				
Due to other financial institutions	11	938,376	494,579	833,292
Deposits from customers	12	215,365	403,674	267,137
Debt securities issued	13	802,934	862,535	760,004
Due to related parties	16	752,716	393,522	685,733
Current tax liabilities		1,244	1,572	2,962
Derivative financial liabilities		11,793	5,441	7,500
Other liabilities	14	7,583	7,489	7,154
Total liabilities		**2,730,011**	**2,168,812**	**2,563,782**
Shareholder's equity				
Share capital		199,178	199,178	199,178
Retained earnings		183,473	156,512	171,646
Reserves		(4,037)	(6,890)	(5,140)
Total shareholder's equity		**378,614**	**348,800**	**365,684**
Total liabilities and shareholder's equity		**3,108,625**	**2,517,612**	**2,929,466**
Total interest earning and discount bearing assets		2,957,683	2,481,978	2,817,716
Total interest and discount bearing liabilities		2,687,405	2,124,157	2,518,330

These interim financial statements were approved by the Directors on 26 August 2026 and are signed on their behalf by:

Dr. Murray Horn
Chair

Mr. Yong Wang
Chief Executive Officer and Executive Director

These interim financial statements are to be read in conjunction with the notes on pages 11 - 42.

All in NZD $000's

Statement of cash flows

For the period ended	Note	Unaudited 30 Jun 2026 6 months	Unaudited 30 Jun 2025 6 months	Audited 31 Dec 2025 12 months
Cash flows from operating activities				
Interest received [1]		60,835	75,564	135,469
Interest paid		(40,061)	(57,623)	(105,063)
Non-interest income received / (paid) [1]		(21,978)	78,826	16,410
Operating expenses paid		(5,608)	(4,475)	(10,791)
Income taxes paid		(8,080)	(4,374)	(10,021)
Net cash flows from operating activities before changes in operating assets and liabilities		**(14,892)**	**87,918**	**26,004**
Net changes in operating assets and liabilities:				
Net change in GST receivable		18	45	16
Net change in other assets		1,102	175	(849)
Net change in loans and advances		(62,391)	367,248	88,067
Net change in due from related parties		(1)	75,071	75,021
Net change in due to other financial institutions		105,085	(65,342)	273,371
Net change in deposits from customers		(49,953)	(99,230)	(230,785)
Net changes in operating assets and liabilities		**(6,140)**	**277,967**	**204,841**
Net cash flows provided by / (used in) operating activities	5	**(21,032)**	**365,885**	**230,845**
Cash flows from investing activities				
Purchase of investment securities		(156,482)	(354,854)	(494,193)
Proceeds from disposal of investment securities		-	-	4,680
Purchase of property, plant and equipment		(63)	(3)	(466)
Net cash flows used in investing activities		**(156,545)**	**(354,857)**	**(489,979)**
Cash flows from financing activities				
Amount borrowed from related parties		123,544	6,203	128,992
Repayment of due to related parties		(61,768)	(207,609)	(25,042)
Issuance of debt securities	13	260,559	164,650	173,025
Repayment of debt securities	13	(225,000)	-	(120,000)
Repayment of principal portion of lease liabilities		(543)	(517)	(968)
Net cash flows (used in) / provided by financing activities		**96,792**	**(37,273)**	**156,007**
Net (decrease) / increase in cash and cash equivalents		(80,785)	(26,245)	(103,127)
Cash and cash equivalents at beginning of the year		195,880	299,007	299,007
Cash and cash equivalents at end of the period	20 (a)	**115,095**	**272,762**	**195,880**
Cash and cash equivalents at end of the period comprise:				
Cash and balances with central banks	20 (a)	20,048	227,399	85,114
Due from other financial institutions (call or original maturity of 3 months or less)	20 (a)	94,979	44,930	110,744
Due from related parties (nostro account)	20 (a)	68	433	22
Cash and cash equivalents at end of the period	20 (a)	**115,095**	**272,762**	**195,880**

[1] Presentation changes have been made to improve consistency and enhance comparability by reporting balances of a similar nature together under the respective interest income and non-interest income received / (paid) categories.

These interim financial statements are to be read in conjunction with the notes on pages 11 - 42.

Notes to the Interim Financial Statements

a

1. Statement of accounting policies

1.1 Reporting entity

These condensed interim financial statements are for China Construction Bank (New Zealand) Limited for the six months ended 30 June 2026.

They were approved for issue by the Board on 26 August 2026.

As at 30 June 2026, China Construction Bank (New Zealand) Limited is a company registered under the Companies Act 1993, a registered bank under the Banking (Prudential Supervision) Act 1989 and a FMC reporting entity for the purposes of Part 7 of the Financial Markets Conduct Act 2013.

The principal activity of the Bank is the provision of a range of banking products and services to business, corporate, institutional and retail customers.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the Bank's financial statements for the full year ended 31 December 2025.

1.2 Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the Order. These financial statements comply with NZ GAAP as appropriate for Tier 1 for-profit entities and the New Zealand equivalent to IAS 34 Interim Financial Reporting. These financial statements also comply with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

These condensed interim financial statements have been prepared in accordance with the historical cost basis, except by the application of fair value measurements required or allowed by relevant accounting standards.

The going concern basis of accounting has been adopted. All amounts are expressed in thousands of New Zealand dollars, unless otherwise stated.

Certain comparative information has been reclassified to ensure consistency with the current reporting period. This has been highlighted in the relevant notes.

1.3 Changes in accounting policies

The accounting policies and methods of computation are consistent with those of the Bank’s financial statements for the full year ended 31 December 2025. There have been no material changes to the accounting policies during the six months ended 30 June 2026.

(a) Amendments to accounting standards effective this period

No new accounting standards have been adopted by the Bank for the six months ended 30 June 2026. There have been no amendments to existing accounting standards that have had a material impact on the financial statements of the Bank.

(b) Standards and amendments issued but not yet effective

In May 2024, the External Reporting Board issued NZ IFRS 18 *Presentation and Disclosure in Financial Statements* ("NZ IFRS 18"). NZ IFRS 18 replaces NZ IAS 1 *Presentation of Financial Statements* and will be effective for the Bank from 1 January 2027. NZ IFRS 18 introduces enhanced presentation requirements in the financial statements, including new categories and subtotals in the income statement, disclosures about management-defined performance measures, and enhanced guidance on the grouping of information.

Management have considered the above and other amendments to NZ IFRS issued but not yet effective and have concluded they have no material impact on the Bank's financial position or performance. No new standards, amendments or interpretations to existing standards that are not yet effective have been early adopted by the Bank in these financial statements.

All in NZD $000's

Financial Performance

2. Net interest income

		Unaudited 30 Jun 2026 6 months	Unaudited 30 Jun 2025 6 months	Audited 31 Dec 2025 12 months
Interest income	**Financial assets measured at**			
Cash and balances with central banks	Amortised cost	1,502	6,111	8,433
Due from other financial institutions	Amortised cost	210	2,761	2,866
Loans and advances	Amortised cost	48,074	58,252	106,416
Due from related parties	Amortised cost	12	543	618
Investment securities	FVOCI	14,610	6,907	19,285
Investment securities	Amortised cost	414	-	153
Total interest income		**64,822**	**74,574**	**137,771**
Interest expense	**Financial liabilities measured at**			
Due to other financial institutions	Amortised cost	(12,612)	(11,829)	(30,746)
Deposits and other borrowings	Amortised cost	(6,833)	(13,933)	(18,128)
Due to related parties	Amortised cost	(8,190)	(9,188)	(10,924)
Debt securities issued	Amortised cost	(11,267)	(17,654)	(32,152)
Lease liabilities	Amortised cost	(17)	(28)	(51)
Total interest expense		**(38,919)**	**(52,632)**	**(92,001)**
Total net interest income		**25,903**	**21,942**	**45,770**

3. Non-interest income

	Unaudited 30 Jun 2026 6 months	Unaudited 30 Jun 2025 6 months	Audited 31 Dec 2025 12 months
Fees and commission income			
Lending and credit facility related fee income	1,306	2,045	2,086
Trade finance and other fee income	3	2	-
Management fee income [1]	341	335	691
Total fees and commission income	**1,650**	**2,382**	**2,777**
Other fee expense	(127)	(3)	(148)
Net fees and commission income	**1,523**	**2,379**	**2,629**
Other income / (expense)			
Net ineffectiveness on fair value hedges	113	31	102
Net ineffectiveness on cash flow hedges	132	249	147
Other gains / (losses) on derivative financial instruments [2]	491	1,015	29
Net gains / (losses) on investment securities [3]	-	-	4,680
Total other income / (expense)	**736**	**1,295**	**4,958**
Total net non-interest income	**2,259**	**3,674**	**7,587**

[1] *Includes management fees received from the branch for provision of management services.*

[2] *Includes unrealised gains / (losses) on derivative financial instruments held with related parties (refer Note 16).*

[3] *Includes gains from sale of bonds with fair value booked into equity.*

All in NZD $000's

4. Impairment (charges) / write-backs on credit exposures

	Other financial assets [1]	Residential mortgage loans	Corporate exposures	Other exposures	Off-balance sheet credit related business [2]	Total impairment loss
For the six months ended 30 Jun 2026 (Unaudited)						
Movement in collectively assessed provisions	(240)	(1,524)	(1,688)	-	(153)	**(3,605)**
Movement in individually assessed provisions	-	-	(405)	-	-	**(405)**
Bad debts written-off directly to the profit or loss	(5)	(798)	-	-	-	**(803)**
Total impairment (charges) / write-backs	**(245)**	**(2,322)**	**(2,093)**	**-**	**(153)**	**(4,813)**
For the six months ended 30 June 2025 (Unaudited)						
Movement in collectively assessed provisions	11	(2,004)	(2,353)	7	10	**(4,329)**
Movement in individually assessed provisions	-	-	-	-	-	**-**
Bad debts written-off directly to the profit or loss	-	-	-	-	-	**-**
Bad debts recovered	-	-	-	-	-	**-**
Total impairment (charges) / write-backs	**11**	**(2,004)**	**(2,353)**	**7**	**10**	**(4,329)**
For the year ended 31 December 2025 (Audited)						
Movement in collectively assessed provisions	(93)	(1,209)	665	7	23	**(607)**
Movement in individually assessed provisions	-	-	(2,989)	-	-	**(2,989)**
Bad debts written-off directly to the profit or loss	(44)	(123)	-	-	-	**(167)**
Total impairment (charges) / write-backs	**(137)**	**(1,332)**	**(2,324)**	**7**	**23**	**(3,763)**

[1] *Other financial assets includes impairment losses on due from other financial institutions and investment securities.*

[2] *The provision for off-balance sheet credit related business is included in other liabilities (Note 14).*

5. Net cash flows used in operating activities

For the period ended	**Unaudited 30 Jun 2026**	**Unaudited 30 Jun 2025**	**Audited 31 Dec 2025**
Reconciliation of profit after income tax to net cash flows from / (used in) operating activities			
Profit after income tax	11,827	11,241	26,375
Adjustments:			
Impairment charges / (write-backs) on credit exposures	4,813	4,329	3,763
Depreciation and amortisation	584	555	1,034
Income tax expense	(3,552)	(241)	291
Unrealised (gain) / loss on financial instruments	(24,236)	75,153	8,822
Movement in interest accruals	(4,328)	(3,119)	(14,281)
Net (increase) / decrease in operating assets:			
GST receivable	18	45	16
Loans and advances	(62,391)	367,248	88,067
Due from related parties [1]	(1)	75,071	75,021
Other assets	1,102	175	(849)
Net increase / (decrease) in operating liabilities:			
Due to other financial institutions	105,085	(65,342)	273,371
Deposits from customers	(49,953)	(99,230)	(230,785)
Net cash flow from / (used in) operating activities	**(21,032)**	**365,885**	**230,845**

[1] *The Due from related parties amounts exclude nostro balances held with the Ultimate Parent Bank.*

All in NZD $000's

Financial Position

6. Cash and balances with central banks

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Settlement account balances with central banks	20,048	227,399	85,114
Total cash and balances with central banks	**20,048**	**227,399**	**85,114**

7. Due from other financial institutions

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Placements with other financial institutions – call	34,985	14,930	10,775
Placements with other financial institutions – term	60,001	30,004	100,003
Provision for impairment losses	(7)	(4)	(34)
Total amount due from other financial institutions	**94,979**	**44,930**	**110,744**

8. Investment securities

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
At FVOCI			
Registered bank securities	318,461	256,235	293,676
Multilateral development banks and other international organisations	147,178	169,364	146,671
Government securities	361,326	149,899	250,667
Corporate securities	23,591	-	-
Total investment securities at FVOCI	**850,556**	**575,498**	**691,014**
At amortised cost			
Government securities	20,865	-	20,908
Total investment securities at amortised cost	**20,865**	**-**	**20,908**
Total investment securities	**871,421**	**575,498**	**711,922**

Included in Total investment securities at FVOCI as at 30 June 2026 was $342m encumbered through repurchase agreements (30 June 2025: nil, 31 December 2025: nil). These securities have not been derecognised by the Bank as the Bank retains substantially all the risks and rewards of ownership. Counterparties have the right to sell or repledge these encumbered securities. The Bank's obligation to repurchase securities is disclosed under Note 11.

9. Loans and advances

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Residential mortgages	820,368	801,859	808,384
Corporate exposures	1,162,758	838,710	1,111,448
Total gross loans and advances	**1,983,126**	**1,640,569**	**1,919,832**
Unearned income	(5,611)	(4,507)	(5,197)
Loan origination fees	2,834	1,928	3,371
Fair value hedge adjustments	61	(119)	-
Loans and advances before provision for impairment	**1,980,410**	**1,637,871**	**1,918,006**
Provision for impairment losses	(15,300)	(12,507)	(11,683)
Total net loans and advances	**1,965,110**	**1,625,364**	**1,906,323**

All in NZD $000's

10. Property, plant and equipment

The effect of the reclassification of the right-of-use of asset on the Balance sheet is as follows:

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Property, plant and equipment	4,947	4,421	4,884
Accumulated depreciation	(4,182)	(3,940)	(4,055)
Total property, plant and equipment	**765**	**481**	**829**
Right-of-use assets [1]	7,644	7,736	7,644
Accumulated depreciation	(6,525)	(5,724)	(6,079)
Total right-of-use assets	**1,119**	**2,012**	**1,565**
Total property, plant and equipment	**1,884**	**2,493**	**2,394**

[1] *Includes leases for a corporate office in Auckland and a kitchen appliance.*

There were no additions to the right-of-use assets for the Bank during the six months ended 30 June 2026 (six months ended 30 June 2025: nil, year ended 31 December 2025: nil).

11. Due to other financial institutions

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Placements from other financial institutions	628,026	494,579	833,292
Securities sold under agreements to repurchase from central banks [1]	310,350	-	-
Total due to other financial institutions	**938,376**	**494,579**	**833,292**

[1] *As at 30 June 2026, the Bank had pledged $342 million of Investment securities as collateral with the RBNZ with the repurchase amount totalling $310 million (30 June 2025 : nil, 31 December 2025: nil).*

12. Deposits from customers

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Demand deposits bearing interest	31,971	24,241	19,673
Deposits not bearing interest	3,134	9,935	4,953
Term deposits	180,260	369,498	242,511
Total deposits from customers	**215,365**	**403,674**	**267,137**

13. Debt securities issued

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Long term debt			
Medium-term notes	539,588	857,229	755,656
Certificate of deposits	260,559	-	-
Total debt securities issued at face value	**800,147**	**857,229**	**755,656**
Movement in debt securities issued			
Balance at beginning of the period	760,004	713,266	713,266
Issuance during the period	260,559	164,650	173,025
Repayments during the period	(225,000)	-	(120,000)
Foreign exchange translation impact [1]	8,931	(15,621)	(5,570)
Effect of fair value hedge adjustment	(640)	-	-
Net effect of transaction costs and accruals	(920)	240	(717)
Balance at end of the period	**802,934**	**862,535**	**760,004**

[1] *FX translation impact on debt issued in USD currency.*

All in NZD $000's

14. Other liabilities

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Other liabilities			
Trade creditors and other accrued expenses	393	394	699
Lease liabilities [1]	1,340	2,387	1,866
Employee entitlements	5,648	4,646	4,540
Provision for impairment on off-balance sheet credit related business	202	62	49
Total other liabilities	**7,583**	**7,489**	**7,154**

[1] *Includes leases for a corporate office in Auckland and a kitchen appliance.*

Other information about leases for which the Bank is a lessee is presented below.

	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
(a) Amounts recognised in profit or loss			
Interest on lease liabilities	17	28	51
Depreciation charge on right-of-use assets	446	449	895
Total amounts recognised in profit or loss	**463**	**477**	**946**
(b) Maturity analysis of contracted undiscounted cash flows			
Less than one year	1,089	1,087	1,088
One to five years	274	1,356	819
More than five years	-	8	-
Total undiscounted lease liabilities	**1,363**	**2,451**	**1,907**
(c) Lease liabilities included in other liabilities			
Current	964	983	973
Non-current	376	1,404	893
Total lease liabilities included in other liabilities	**1,340**	**2,387**	**1,866**
(d) Amounts recognised in the statement of cash flows			
Total cash outflow for leases	**560**	**545**	**1,111**

15. Fair value of financial instruments

Classification of financial instruments and estimates of fair value

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The methods and assumptions used in the fair value estimates are described below.

(a) Fair value hierarchy of financial instruments measured at fair value

The best evidence of fair value is a quoted price in an active market. Wherever possible the Bank determines the fair value of a financial instrument based on the quoted price. Where no quoted price in an active market is available, the Bank applies present value estimates or other valuation techniques based on current market conditions.

These valuation techniques rely on market observable inputs wherever possible or in a limited number of instances rely on inputs which are unobservable but are reasonable assumptions based on market conditions.

The Bank categorises all fair value measurements according to the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

"Level 1" – Quoted market price

Fair value measurement where inputs are quoted market prices (unadjusted) in an active market for identical financial assets or financial liabilities.

All in NZD $000's

"Level 2" – Valuation technique using observable inputs

Where quoted market prices are not available in active markets for similar instruments, fair values have been estimated using present value or valuation techniques using significant inputs that are observable for the financial asset or financial liability, either directly or indirectly from market data.

"Level 3" – Valuation technique with significant non-observable inputs

Fair value measurement where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data.

All of the Bank's financial instruments measured at FVTPL and FVOCI are recognised on a recurring basis within Level 2. The Bank considers transfers between levels, if any, are deemed to have occurred at the beginning of the reporting period. There have been no transfers between Level 1 and 2 of the fair value hierarchy during the period ended 30 June 2026 (30 June 2025: nil, 31 December 2025: nil). There have been no transfers into / out of Level 3 during the period ended 30 June 2026 (30 June 2025: nil, 31 December 2025: nil).

The table below shows the fair value of the Bank's financial instruments measured at fair value on a recurring basis according to the fair value hierarchy described above.

As at	Valuation Hierarchy	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Financial assets				
Investment securities	Level 2	850,556	575,498	691,014
Derivative financial assets	Level 2	148,437	36,208	106,554
Total financial assets measured at fair value		**998,993**	**611,706**	**797,568**
Financial liabilities				
Derivative financial liabilities	Level 2	11,793	5,441	7,500
Total financial liabilities measured at fair value		**11,793**	**5,441**	**7,500**

(b) Fair value of financial instruments

The following tables compare the fair value of financial instruments with their carrying amounts.

As at 30 June 2026 (Unaudited)	At amortised cost	At FVOCI	At FVTPL	Fair value - derivative instruments	Total carrying amount	Fair value
Financial assets						
Cash and balances with central banks	20,048	-	-	-	**20,048**	**20,048**
Due from other financial institutions	94,979	-	-	-	**94,979**	**94,979**
Investment securities	20,865	850,556	-	-	**871,421**	**875,057**
Loans and advances	1,965,110	-	-	-	**1,965,110**	**2,105,746**
Due from related parties	134	-	-	-	**134**	**134**
Derivative financial assets	-	-	-	148,437	**148,437**	**148,437**
Other assets	100	-	-	-	**100**	**100**
Total financial assets	**2,101,236**	**850,556**	**-**	**148,437**	**3,100,229**	**3,244,501**
Financial liabilities						
Due to other financial institutions	938,376	-	-	-	**938,376**	**934,562**
Deposits from customers	215,365	-	-	-	**215,365**	**216,189**
Debt securities issued	802,934	-	-	-	**802,934**	**780,947**
Due to related parties	752,716	-	-	-	**752,716**	**708,067**
Derivative financial liabilities	-	-	-	11,793	**11,793**	**11,793**
Lease liabilities	1,340	-	-	-	**1,340**	**1,340**
Total financial liabilities	**2,710,731**	**-**	**-**	**11,793**	**2,722,524**	**2,652,898**

All in NZD $000's

As at 30 June 2025 (Unaudited)	At amortised cost	At FVOCI	At FVTPL	Fair value - derivative instruments	Total carrying amount	Fair value
Financial assets						
Cash and balances with central banks	227,399	-	-	-	**227,399**	**227,399**
Due from other financial institutions	44,930	-	-	-	**44,930**	**44,930**
Investment securities	-	575,498	-	-	**575,498**	**575,498**
Loans and advances	1,625,364	-	-	-	**1,625,364**	**1,852,211**
Due from related parties	447	-	-	-	**447**	**447**
Derivative financial assets	-	-	-	36,208	**36,208**	**36,208**
Other assets	88	-	-	-	**88**	**88**
Total financial assets	**1,898,228**	**575,498**	**-**	**36,208**	**2,509,934**	**2,736,781**
Financial liabilities						
Due to other financial institutions	494,579	-	-	-	**494,579**	**498,582**
Deposits from customers	403,674	-	-	-	**403,674**	**400,482**
Debt securities issued	862,535	-	-	-	**862,535**	**881,290**
Due to related parties	393,522	-	-	-	**393,522**	**390,790**
Subordinated debt	-	-	-	-	**-**	**-**
Derivative financial liabilities	-	-	-	5,441	**5,441**	**5,441**
Lease liabilities	2,387	-	-	-	**2,387**	**2,387**
Total financial liabilities	**2,156,697**	**-**	**-**	**5,441**	**2,162,138**	**2,178,972**

As at 31 December 2025 (Audited)	At amortised cost	At FVOCI	At FVTPL	Fair value - derivative instruments	Total carrying amount	Fair value
Financial assets						
Cash and balances with central banks	85,114	-	-	-	**85,114**	**85,114**
Due from other financial institutions	110,744	-	-	-	**110,744**	**110,744**
Investment securities	20,908	691,014	-	-	**711,922**	**711,922**
Loans and advances	1,906,323	-	-	-	**1,906,323**	**2,072,669**
Due from related parties	87	-	-	-	**87**	**87**
Derivative financial assets	-	-	-	106,554	**106,554**	**106,554**
Other assets	117	-	-	-	**117**	**117**
Total financial assets	**2,123,293**	**691,014**	**-**	**106,554**	**2,920,861**	**3,087,207**
Financial liabilities						
Due to other financial institutions	833,292	-	-	-	**833,292**	**831,181**
Deposits from customers	267,137	-	-	-	**267,137**	**268,705**
Debt securities issued	760,004	-	-	-	**760,004**	**778,336**
Due to related parties	685,733	-	-	-	**685,733**	**677,098**
Derivative financial liabilities	-	-	-	7,500	**7,500**	**7,500**
Lease liabilities	1,866	-	-	-	**1,866**	**1,866**
Total financial liabilities	**2,548,032**	**-**	**-**	**7,500**	**2,555,532**	**2,564,686**

All in NZD $000's

16. Related party transactions and balances

The Bank is a wholly owned subsidiary of CCBC, a company incorporated in China. The Ultimate Parent Bank of the Bank is also CCBC. The ultimate non-bank holding company and controlling party of the Bank and the branch is Central Huijin Investment Ltd ("Central Huijin"), a wholly state-owned investment company under the China Investment Corporation ("CIC"), which in turn reports directly to the State Council of the People's Republic of China. The Ultimate Parent Bank Group refers to the Ultimate Parent Bank and its subsidiaries. Central Huijin also holds controlling interests in other Chinese banks. The Bank undertakes transactions with some of these banks in the ordinary course of business, for interbank placements and funding arrangements. These transactions are conducted on normal commercial terms and are not considered material for separate disclosure in this Disclosure Statement. During the six months ended 30 June 2026, the Bank has entered into or had in place various financial transactions with members of the Overseas Banking Group.

(a) Nature of transactions and balances with related parties

The Bank undertakes transactions with the Ultimate Parent Bank and other members of the Ultimate Parent Bank Group. These transactions principally consist of funding (interest bearing) and hedging transactions (interest bearing) with related parties, and are conducted on an arm's length basis and on normal commercial terms. The settlement of the balances will be in cash consideration.

(b) Ultimate Parent Bank

The amounts due from the Ultimate Parent Bank consist of nostro accounts held with the Ultimate Parent Bank, which is reflected as cash and liquid assets. The amounts due to the Ultimate Parent Bank consist of placements and borrowed funds from the Ultimate Parent Bank measured at amortised cost. These placements are reflected as deposits and overnight placements, and borrowings are reflected as borrowings. These placements and borrowings are made in the normal course of business and interest earned on these placements and interest paid on borrowings are at market rates.

The amounts due from and due to the Ultimate Parent Bank also include derivative instruments held with the Ultimate Parent Bank, which are marked to market and reflected as derivative financial assets and liabilities.

	Unaudited 30 Jun 2026		Unaudited 30 Jun 2025		Audited 31 Dec 2025	
Recognised in	NZ Branch	Ultimate Parent Bank	NZ Branch	Ultimate Parent Bank	NZ Branch	Ultimate Parent Bank
(a) Transactions with related parties						
Interest income [1]	-	12	-	543	-	618
Interest expense [2]	-	(8,190)	-	(9,188)	-	(10,924)
Non-interest income / (expense)						
Management fee income *(refer Note 3)*	341	-	335	-	691	-
Unrealised gain / (loss) on derivatives	-	44	-	250	-	(56)
Operating expenses						
Management service expense reimbursement	4,550	-	4,460	-	9,216	-
Total profit or loss impact	**4,891**	**(8,134)**	**4,795**	**(8,395)**	**9,907**	**(10,362)**
(b) Balances with related parties						
Due from related parties						
Cash and liquid assets	-	68	-	433	-	22
Other assets	-	66	-	14	-	65
Total due from related parties	**-**	**134**	**-**	**447**	**-**	**87**
Derivative financial assets	-	10,483	-	8,269	-	9,003
Total related party assets	**-**	**10,617**	**-**	**8,716**	**-**	**9,090**
Due to related parties						
Deposits and overnight placements	4,063	-	6,326	-	25,164	-
Borrowings at amortised cost	-	748,653	-	387,196	-	660,569
Total due to related parties	**4,063**	**748,653**	**6,326**	**387,196**	**25,164**	**660,569**
Total related party liabilities	**4,063**	**748,653**	**6,326**	**387,196**	**25,164**	**660,569**

[1] *Included in related party interest income are interest earned on liquid assets and derivative financial assets.*

[2] *Included in related party interest expense are interest paid on borrowings with related parties and derivative financial liabilities.*

All in NZD $000's

(c) Other transactions and balances

There were no debts with any related parties written off or forgiven during the six months ended 30 June 2026 (30 June 2025: nil, 31 December 2025: nil).

Provision for impairments on credit exposures of nil have been recognised in respect of the related party assets as at 30 June 2026 (30 June 2025: nil, 31 December 2025: nil).

The following table summarises the movements in due to related party balances during the six months ended 30 June 2026. These balances primarily relate to funding and liquidity support provided by the Ultimate Parent Bank and are classified as financing activities in the statement of cash flows.

	Unaudited 30 Jun 2026 6 months	Unaudited 30 Jun 2025 6 months	Audited 31 Dec 2025 12 months
Movement in related party balance			
Balance at beginning of the year	685,733	582,277	582,277
Net amount borrowed from / (repaid to) related parties	61,776	(158,447)	103,950
Foreign exchange translation impact	7,504	(42,958)	(15,318)
Effect of fair value hedge adjustment	(467)	18,277	18,599
Net effect of transaction costs and accruals	(1,830)	(5,627)	(3,775)
Balance at end of the period	**752,716**	**393,522**	**685,733**

All in NZD $000's

Risk Management

A. Risk management disclosure

There have been no material changes to the risk management policies and no new categories of risk to which the Bank has become exposed since 31 December 2025.

B. Market disruption

The moderate economic outlook continues to present a level of potential volatility to the financial services sector. To date, the impact on the Bank's existing customer base remains minimal. The Bank intends to continue to closely monitor the operating environment and actively manage the impact on its operating strategy, financial position, portfolio quality and performance.

C. Impacts of climate change on credit risk

The Bank continues to recognise that climate-related risks can materially affect the financial system and our business. As a responsible financial institution, the Bank continues to maintain a disciplined, risk-based approach to understanding and managing those risks alongside the opportunities arising from climate change and the transition to a low-emissions, climate resilient economy.

The Bank's approach to managing climate risk is outlined in the Bank's Risk Appetite Statement. This commits the Bank to addressing the effects of climate change by:

- Reducing its operational footprint (excluding financed emissions);
- Better understanding and mitigating the risk and impacts of climate change on the Bank;
- Applying a risk-based approach to the management of climate-related risks and opportunities;
- Seeking to increase the resilience of the Bank's business to climate change.

17. Asset quality

A. Credit quality information

As at 30 June 2026 (Unaudited)	Residential mortgages	Corporate exposures	Other exposures	Total loans and advances
(a) Asset quality - advances to customers				
Neither past due nor impaired	785,886	1,159,364	-	**1,945,250**
Past due but not individually impaired	34,482	-	-	**34,482**
Individually impaired assets	-	3,394	-	**3,394**
Provision for credit impairment	(9,121)	(6,179)	-	**(15,300)**
Unearned income	-	-	-	**(5,611)**
Loan origination fees	-	-	-	**2,834**
Fair value hedge adjustments	-	-	-	**61**
Net carrying amount	**811,247**	**1,156,579**	**-**	**1,965,110**
(b) Ageing of past due but not individually impaired				
Less than 30 days	7,607	-	-	**7,607**
30 to 59 days	8,696	-	-	**8,696**
60 to 89 days	14,179	-	-	**14,179**
90 days and over	4,000	-	-	**4,000**
Net carrying amount	**34,482**	**-**	**-**	**34,482**
(c) Individually impaired assets				
Balance at beginning of the year	-	4,960	-	**4,960**
Additions	-	-	-	**-**
Amounts written off	-	-	-	**-**
Deletions	-	(1,566)	-	**(1,566)**
Net carrying amount	**-**	**3,394**	**-**	**3,394**

All in NZD $000's

As at 30 June 2025 (Unaudited)	Residential mortgages	Corporate exposures	Other exposures	Total loans and advances
(a) Asset quality - advances to customers				
Neither past due nor impaired	781,553	835,616	-	**1,617,169**
Past due but not individually impaired	20,306	-	-	**20,306**
Individually impaired assets	-	3,094	-	**3,094**
Provision for credit impairment	(8,392)	(4,115)	-	**(12,507)**
Unearned income	-	-	-	**(4,507)**
Loan origination fees	-	-	-	**1,928**
Fair value hedge adjustments	-	-	-	**(119)**
Net carrying amount	**793,467**	**834,595**	**-**	**1,625,364**
(b) Ageing of past due but not individually impaired				
Less than 30 days	3,752	-	-	**3,752**
30 to 59 days	5,454	-	-	**5,454**
60 to 89 days	3,038	-	-	**3,038**
90 days and over	8,062	-	-	**8,062**
Net carrying amount	**20,306**	**-**	**-**	**20,306**
(c) Individually impaired assets				
Balance at beginning of the year	-	-	-	**-**
Additions	-	3,094	-	**3,094**
Amounts written off	-	-	-	**-**
Deletions	-	-	-	**-**
Net carrying amount	**-**	**3,094**	**-**	**3,094**

As at 31 December 2025 (Audited)	Residential mortgages	Corporate exposures	Other exposures	Total loans and advances
(a) Asset quality - advances to customers				
Neither past due nor impaired	775,568	1,106,488	-	**1,882,056**
Past due but not individually impaired	32,816	-	-	**32,816**
Individually impaired assets	-	4,960	-	**4,960**
Provision for credit impairment	(7,597)	(4,086)	-	**(11,683)**
Unearned income	-	-	-	**(5,197)**
Loan origination fees	-	-	-	**3,371**
Fair value hedge adjustments	-	-	-	**-**
Net carrying amount	**800,787**	**1,107,362**	**-**	**1,906,323**
(b) Ageing of past due but not individually impaired				
Less than 30 days	15,273	-	-	**15,273**
30 to 59 days	10,506	-	-	**10,506**
60 to 89 days	2,532	-	-	**2,532**
90 days and over	4,505	-	-	**4,505**
Net carrying amount	**32,816**	**-**	**-**	**32,816**
(c) Individually impaired assets				
Balance at beginning of the year	-	-	-	**-**
Additions	-	4,960	-	**4,960**
Amounts written off	-	-	-	**-**
Deletions	-	-	-	**-**
Net carrying amount	**-**	**4,960**	**-**	**4,960**

Asset quality for financial assets designated as FVTPL

The Bank does not have any financial assets designated at FVTPL as at 30 June 2026 (30 June 2025: nil, 31 December 2025: nil).

All in NZD $000's

B. Movement in loans and advances

	Stage 1	Stage 2	Stage 3		
As at 30 June 2026 (Unaudited)	12-months ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Individually assessed Lifetime ECL	Total
(a) Residential mortgages					
Gross balance as at 1 January 2026	790,305	16,661	1,418	-	**808,384**
Additions	113,876	36,621	9,152	-	**159,649**
Amounts written off	-	-	(798)	-	**(798)**
Deletions	(111,204)	(29,891)	(5,772)	-	**(146,867)**
Gross balance as at 30 June 2026	**792,977**	**23,391**	**4,000**	**-**	**820,368**
(b) Corporate exposures					
Gross balance as at 1 January 2026	1,106,488	-	-	4,960	**1,111,448**
Additions	142,619	44,215	-	-	**186,834**
Deletions	(124,262)	(9,696)	-	(1,566)	**(135,524)**
Gross balance as at 30 June 2026	**1,124,845**	**34,519**	**-**	**3,394**	**1,162,758**
(c) Other exposures					
Gross balance as at 1 January 2026	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Deletions	-	-	-	-	**-**
Gross balance as at 30 June 2026	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Gross balance as at 1 January 2026	**1,896,793**	**16,661**	**1,418**	**4,960**	**1,919,832**
Additions	**256,495**	**80,836**	**9,152**	**-**	**346,483**
Amounts written off	**-**	**-**	**(798)**	**-**	**(798)**
Deletions	**(235,466)**	**(39,587)**	**(5,772)**	**(1,566)**	**(282,391)**
Gross balance as at 30 June 2026	**1,917,822**	**57,910**	**4,000**	**3,394**	**1,983,126**
As at 30 June 2025 (Unaudited)					
(a) Residential mortgages					
Gross balance as at 1 January 2025	867,706	5,363	-	-	**873,069**
Additions	35,768	29,090	12,144	-	**77,002**
Amounts written off	-	-	-	-	**-**
Deletions	(118,169)	(25,961)	(4,082)	-	**(148,212)**
Gross balance as at 30 June 2025	**785,305**	**8,492**	**8,062**	**-**	**801,859**
(b) Corporate exposures					
Gross balance as at 1 January 2025	1,057,994	21,725	-	-	**1,079,719**
Additions	69,636	3,002	-	3,094	**75,732**
Amounts written off	-	-	-	-	**-**
Deletions	(294,899)	(21,842)	-	-	**(316,741)**
Gross balance as at 30 June 2025	**832,731**	**2,885**	**-**	**3,094**	**838,710**
(c) Other exposures					
Gross balance as at 1 January 2025	59,495	-	-	-	**59,495**
Additions	-	-	-	-	**-**
Amounts written off	-	-	-	-	**-**
Deletions	(59,495)	-	-	-	**(59,495)**
Gross balance as at 30 June 2025	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Gross balance as at 1 January 2025	**1,985,195**	**27,088**	**-**	**-**	**2,012,283**
Additions	**105,404**	**32,092**	**12,144**	**3,094**	**152,734**
Amounts written off	**-**	**-**	**-**	**-**	**-**
Deletions	**(472,563)**	**(47,803)**	**(4,082)**	**-**	**(524,448)**
Gross balance as at 30 June 2025	**1,618,036**	**11,377**	**8,062**	**3,094**	**1,640,569**

All in NZD $000's

As at 31 December 2025 (Audited)	Stage 1 12-months ECL	Stage 2 Lifetime ECL not credit impaired	Stage 3 Lifetime ECL credit impaired	Individually assessed Lifetime ECL	Total
(a) Residential mortgages					
Gross balance as at 1 January 2025	867,706	5,363	-	-	**873,069**
Additions	177,952	44,533	16,072	-	**238,557**
Amounts written off	-	-	(123)	-	**(123)**
Deletions	(255,353)	(33,235)	(14,531)	-	**(303,119)**
Gross balance as at 31 December 2025	**790,305**	**16,661**	**1,418**	**-**	**808,384**
(b) Corporate exposures					
Gross balance as at 1 January 2025	1,057,994	21,725	-	-	**1,079,719**
Additions	535,530	3,919	-	5,910	**545,359**
Deletions	(487,036)	(25,644)	-	(950)	**(513,630)**
Gross balance as at 31 December 2025	**1,106,488**	**-**	**-**	**4,960**	**1,111,448**
(c) Other exposures					
Gross balance as at 1 January 2025	59,495	-	-	-	**59,495**
Additions	-	-	-	-	**-**
Deletions	(59,495)	-	-	-	**(59,495)**
Gross balance as at 31 December 2025	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Gross balance as at 1 January 2025	**1,985,195**	**27,088**	**-**	**-**	**2,012,283**
Additions	**713,482**	**48,452**	**16,072**	**5,910**	**783,916**
Amounts written off	**-**	**-**	**(123)**	**-**	**(123)**
Deletions	**(801,884)**	**(58,879)**	**(14,531)**	**(950)**	**(876,244)**
Gross balance as at 31 December 2025	**1,896,793**	**16,661**	**1,418**	**4,960**	**1,919,832**

Due from other financial institutions and investment securities balances were all represented in Stage 1 12-months ECL.

All in NZD $000's

C. Movement in provision for impairment losses

As at 30 June 2026 (Unaudited)	Stage 1 Collective provision 12-months ECL	Stage 2 Collective provision Lifetime ECL not credit impaired	Stage 3 Collective provision Lifetime ECL credit impaired	Stage 3 Individually assessed Lifetime ECL credit impaired	Total provision
Due from other financial institutions [1]	7	-	-	-	**7**
Investment securities [2]	451	-	-	-	**451**
Loans and advances	6,360	4,383	1,163	3,394	**15,300**
Off-balance sheet credit related commitments	202	-	-	-	**202**
Total provision for impairment losses as at 30 June 2026	**7,020**	**4,383**	**1,163**	**3,394**	**15,960**
(a) Residential mortgages					
Balance as at 1 January 2026	4,358	2,860	379	-	**7,597**
Transferred to Stage 1	58	(58)	-	-	**-**
Transferred to Stage 2	(5,153)	6,039	(886)	-	**-**
Transferred to Stage 3	-	(2,507)	2,507	-	**-**
Charged / (credited) to profit or loss	4,564	6,673	2,553	-	**13,790**
Amounts written off	-	-	(798)	-	**(798)**
Reversals of previously recognised impairment losses	-	(8,876)	(2,592)	-	**(11,468)**
Balance as at 30 June 2026	**3,827**	**4,131**	**1,163**	**-**	**9,121**
(b) Corporate exposures					
Balance as at 1 January 2026	1,097	-	-	2,989	**4,086**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	(223)	223	-	-	**-**
Transferred to Stage 3	-	-	-	-	**-**
Charged / (credited) to profit or loss	1,659	354	-	1,971	**3,984**
Reversals of previously recognised impairment losses	-	(325)	-	(1,566)	**(1,891)**
Balance as at 30 June 2026	**2,533**	**252**	**-**	**3,394**	**6,179**
(c) Other exposures					
Balance as at 1 January 2026	-	-	-	-	**-**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	-	-	-	-	**-**
Transferred to Stage 3	-	-	-	-	**-**
Charged / (credited) to profit or loss	-	-	-	-	**-**
Reversals of previously recognised impairment losses	-	-	-	-	**-**
Balance as at 30 June 2026	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Balance as at 1 January 2026	**5,455**	**2,860**	**379**	**2,989**	**11,683**
Transferred to Stage 1	**58**	**(58)**	**-**	**-**	**-**
Transferred to Stage 2	**(5,376)**	**6,262**	**(886)**	**-**	**-**
Transferred to Stage 3	**-**	**(2,507)**	**2,507**	**-**	**-**
Charged / (credited) to profit or loss	**6,223**	**7,027**	**2,553**	**1,971**	**17,774**
Amounts written off	**-**	**-**	**(798)**	**-**	**(798)**
Reversals of previously recognised impairment losses	**-**	**(9,201)**	**(2,592)**	**(1,566)**	**(13,359)**
Total provision for impairment losses on loans & advances as at 30 June 2026	**6,360**	**4,383**	**1,163**	**3,394**	**15,300**

[1] *There was no transfer of collective provision for due from other financial institutions between the stages. The total provision of $7,000 (refer Note 7) was represented in 'Collective provision 12-months ECL' during the period.*

[2] *There was no transfer of collective provision for investment securities between the stages. The total provision of $451,000 was represented in 'Collective provision 12-months ECL' during the period.*

All in NZD $000's

As at 30 June 2025 (Unaudited)	Stage 1 Collective provision 12-months ECL	Stage 2 Collective provision Lifetime ECL not credit impaired	Stage 3 Collective provision Lifetime ECL credit impaired	Individually assessed Lifetime ECL credit impaired	Total provision
Due from other financial institutions [1]	4	-	-	-	**4**
Investment securities [2]	112	-	-	-	**112**
Loans and advances	5,724	1,430	2,259	3,094	**12,507**
Off-balance sheet credit related commitments	62	-	-	-	**62**
Total provision for impairment losses as at 30 June 2025	**5,902**	**1,430**	**2,259**	**3,094**	**12,685**
(a) Residential mortgages					
Balance as at 1 January 2025	5,579	809	-	-	**6,388**
Transferred to Stage 1	104	(95)	(9)	-	**-**
Transferred to Stage 2	(4,012)	4,441	(429)	-	**-**
Transferred to Stage 3	(364)	(2,863)	3,227	-	**-**
Charged / (credited) to profit or loss	3,403	4,815	3,697	-	**11,915**
Amounts written off	-	-	-	-	**-**
Reversals of previously recognised impairment losses	-	(5,684)	(4,227)	-	**(9,911)**
Recovery	-	-	-	-	**-**
Balance as at 30 June 2025	**4,710**	**1,423**	**2,259**	**-**	**8,392**
(b) Corporate exposures					
Balance as at 1 January 2025	1,513	249	-	-	**1,762**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	(6)	6	-	-	**-**
Transferred to Stage 3	-	(3,094)	-	3,094	**-**
Charged / (credited) to profit or loss	445	2,846	-	-	**3,291**
Reversals of previously recognised impairment losses	(938)	-	-	-	**(938)**
Balance as at 30 June 2025	**1,014**	**7**	**-**	**3,094**	**4,115**
(c) Other exposures					
Balance as at 1 January 2025	7	-	-	-	**7**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	-	-	-	-	**-**
Transferred to Stage 3	-	-	-	-	**-**
Charged / (credited) to profit or loss	-	-	-	-	**-**
Amounts written off	-	-	-	-	**-**
Reversals of previously recognised impairment losses	(7)	-	-	-	(7)
Recovery	-	-	-	-	**-**
Balance as at 30 June 2025	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Balance as at 1 January 2025	**7,099**	**1,058**	**-**	**-**	**8,157**
Transferred to Stage 1	**104**	**(95)**	**(9)**	**-**	**-**
Transferred to Stage 2	**(4,018)**	**4,447**	**(429)**	**-**	**-**
Transferred to Stage 3	**(364)**	**(5,957)**	**3,227**	**3,094**	**-**
Charged / (credited) to profit or loss	**3,848**	**7,661**	**3,697**	**-**	**15,206**
Reversals of previously recognised impairment losses	**(945)**	**(5,684)**	**(4,227)**	**-**	**(10,856)**
Total provision for impairment losses on loans & advances as at 30 June 2025	**5,724**	**1,430**	**2,259**	**3,094**	**12,507**

[1] *There was no transfer of collective provision for due from other financial institutions between the stages. The total provision of $4,000 (refer Note 7) was represented in 'Collective provision 12-months ECL' during the period.*

[2] *There was no transfer of collective provision for investment securities between the stages. The total provision of $112,000 was represented in 'Collective provision 12-months ECL' during the period.*

All in NZD $000's

As at 31 December 2025 (Audited)	Stage 1 Collective provision 12-months ECL	Stage 2 Collective provision Lifetime ECL not credit impaired	Stage 3 Collective provision Lifetime ECL credit impaired	Stage 3 Individually assessed Lifetime ECL credit impaired	Total provision
Due from other financial institutions [1]	34	-	-	-	**34**
Investment securities [2]	185	-	-	-	**185**
Loans and advances	5,455	2,860	379	2,989	**11,683**
Off-balance sheet credit related commitments	49	-	-	-	**49**
Total provision for impairment losses as at 31 December 2025	**5,723**	**2,860**	**379**	**2,989**	**11,951**
(a) Residential mortgages					
Balance as at 1 January 2025	5,579	809	-	-	**6,388**
Transferred to Stage 1	120	(111)	(9)	-	**-**
Transferred to Stage 2	(5,964)	6,393	(429)	-	**-**
Transferred to Stage 3	(364)	(3,941)	4,305	-	**-**
Charged / (credited) to profit or loss	4,987	7,488	5,231	-	**17,706**
Amounts written off	-	-	(123)	-	**(123)**
Reversals of previously recognised impairment losses	-	(7,778)	(8,596)	-	**(16,374)**
Balance as at 31 December 2025	**4,358**	**2,860**	**379**	**-**	**7,597**
(b) Corporate exposures					
Balance as at 1 January 2025	1,513	249	-	-	**1,762**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	(18)	18	-	-	**-**
Transferred to Stage 3	-	(2,989)	-	2,989	**-**
Charged / (credited) to profit or loss	1,345	3,673	-	-	**5,018**
Reversals of previously recognised impairment losses	(1,743)	(951)	-	-	**(2,694)**
Balance as at 31 December 2025	**1,097**	**-**	**-**	**2,989**	**4,086**
(c) Other exposures					
Balance as at 1 January 2025	7	-	-	-	**7**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	-	-	-	-	**-**
Transferred to Stage 3	-	-	-	-	**-**
Charged / (credited) to profit or loss	-	-	-	-	**-**
Reversals of previously recognised impairment losses	(7)	-	-	-	**(7)**
Balance as at 31 December 2025	**-**	**-**	**-**	**-**	**-**
(d) Total loans and advances					
Balance as at 1 January 2025	**7,099**	**1,058**	**-**	**-**	**8,157**
Transferred to Stage 1	**120**	**(111)**	**(9)**	**-**	**-**
Transferred to Stage 2	**(5,982)**	**6,411**	**(429)**	**-**	**-**
Transferred to Stage 3	**(364)**	**(6,930)**	**4,305**	**2,989**	**-**
Charged / (credited) to profit or loss	**6,332**	**11,161**	**5,231**	**-**	**22,724**
Amounts written off	**-**	**-**	**(123)**	**-**	**(123)**
Reversals of previously recognised impairment losses	**(1,750)**	**(8,729)**	**(8,596)**	**-**	**(19,075)**
Total provision for impairment losses on loans & advances as at 31 December 2025	**5,455**	**2,860**	**379**	**2,989**	**11,683**

[1] There was no transfer of collective provision for due from other financial institutions between the stages. The total provision of $34,000 (refer Note 7) was represented in 'Collective provision 12-months ECL' during the period.

[2] There was no transfer of collective provision for investment securities between the stages. The total provision of $185,000 was represented in 'Collective provision 12-months ECL' during the period.

All in NZD $000's

As at 30 June 2026 (Unaudited)	Stage 1 Collective provision 12-months ECL	Stage 2 Collective provision Lifetime ECL not credit impaired	Stage 3 Collective provision Lifetime ECL credit impaired	Stage 3 Individually assessed Lifetime ECL credit impaired	Total provision
Off-balance sheet credit related business [1]					
Balance as at 1 January 2026	49	-	-	-	**49**
Transferred to Stage 1	-	-	-	-	**-**
Transferred to Stage 2	-	-	-	-	**-**
Transferred to Stage 3	-	-	-	-	**-**
Charged / (credited) to profit or loss	170	-	-	-	**170**
Reversals of previously recognised impairment losses	(17)	-	-	-	**(17)**
Balance as at 30 June 2026	**202**	**-**	**-**	**-**	**202**
As at 30 June 2025 (Unaudited)					
Off-balance sheet credit related business [1]					
Balance as at 1 January 2025	72	-	-	-	72
Transferred to Stage 1	-	-	-	-	-
Transferred to Stage 2	-	-	-	-	-
Transferred to Stage 3	-	-	-	-	-
Charged / (credited) to profit or loss	46	-	-	-	46
Amounts written off	-	-	-	-	-
Reversals of previously recognised impairment losses	(56)	-	-	-	(56)
Recovery	-	-	-	-	-
Balance as at 30 June 2025	**62**	**-**	**-**	**-**	**62**
As at 31 December 2025 (Audited)					
Off-balance sheet credit related business [1]					
Balance as at 1 January 2025	72	-	-	-	72
Transferred to Stage 1	-	-	-	-	-
Transferred to Stage 2	-	-	-	-	-
Transferred to Stage 3	-	-	-	-	-
Charged / (credited) to profit or loss	142	-	-	-	142
Reversals of previously recognised impairment losses	(165)	-	-	-	(165)
Balance as at 31 December 2025	**49**	**-**	**-**	**-**	**49**

[1] *The provision for impairment on off-balance sheet credit related business is included in other liabilities (Note 14).*

The impairment loss on an impaired asset is calculated as the difference between the asset's carrying amount and the estimated future cash flows discounted to their present value using the original effective interest rate for the asset. This discount unwinds as interest income over the period the asset is held.

The ECL movement for the six months ended 30 June 2026 was primarily driven by increased provisions for individually impaired wholesale lending exposures and the migration of a residential mortgage customer to Stage 3 following updated credit risk assessments. These increases were also driven by a write-off relating to a residential mortgage loan. Together with the ongoing impact of routine updates to PD, LGD and other model assumptions, these factors resulted in an ECL impairment charge of $4.6 million for the Bank's loan portfolio for the six months ended 30 June 2026.

(a) Other asset quality information

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Undrawn balances on individually impaired lending commitments	-	-	-
Other assets under administration	3,394	-	4,960

All in NZD $000's

18. Concentration of credit exposures

Concentration of credit exposures arise where the Bank is exposed to risk in industries of a similar nature or in particular geographies. The following table presents the Bank's concentration of credit exposures reported by industry and geographic area.

ANZSIC codes have been used as the basis for disclosing industry sectors.

	On-balance sheet credit exposures			Off-balance sheet credit related commitments		
As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Industry sector						
Accommodation and food services	14,827	14,829	14,827	-	-	-
Agriculture, forestry and fishing	43,670	32,175	45,417	12,428	11,778	11,778
Construction	168,814	169,369	173,553	6,013	8,501	5,879
Education & training	67,942	87,784	69,307	1,671	5,581	1,671
Electricity, gas, water and waste services	241,957	170,111	207,454	115,611	19,990	47,461
Financial and insurance services	585,609	337,824	511,095	-	-	-
Healthcare and social assistance	69,289	-	69,320	4,238	-	448
Information media and telecommunications	-	66,709	-	-	2,338	-
Manufacturing	78,904	75,012	86,725	21,180	10,680	12,780
Personal lending	820,368	801,859	808,384	10,562	4,569	2,036
Professional, scientific and technical services	54,178	-	55,101	1,358	-	1,358
Public administration and safety	549,417	546,662	503,360	-	-	-
Rental, hiring and real estate services	390,207	219,837	356,708	65,827	13,968	61,080
Retail trade	2,755	2,884	2,816	57	57	57
Transport, postal and warehousing	30,215	-	30,220	-	-	-
Subtotal	**3,118,152**	**2,525,055**	**2,934,287**	**238,945**	**77,462**	**144,548**
Unearned income	(5,611)	(4,507)	(5,197)	-	-	-
Loan origination fees	2,834	1,928	3,371	-	-	-
Fair value hedge adjustments	61	(119)	-	-	-	-
Provision for impairment losses [1]	(15,307)	(12,511)	(11,717)	(202)	(62)	(49)
Total credit exposures	**3,100,129**	**2,509,846**	**2,920,744**	**238,743**	**77,400**	**144,499**
Geographic area [2]						
New Zealand	2,779,002	2,064,489	2,599,617	238,743	77,400	144,499
Other countries	321,127	445,357	321,127	-	-	-
Total credit exposures	**3,100,129**	**2,509,846**	**2,920,744**	**238,743**	**77,400**	**144,499**

[1] *Provision for impairment losses on On-balance sheet credit exposures includes Loans and advances and Due from other financial institutions.*

[2] *Geographic area classification is based on customer's tax residency status.*

Concentration of credit exposures to individual counterparties

Concentrations of credit exposures are disclosed on the basis of actual exposures. Credit exposures to individual counterparties (not being members of a group of closely related counterparties) and to groups of closely related counterparties, exclude exposures to connected persons, to the central government or central bank of any country with a long-term credit rating of A- or A3 or above, or its equivalent, or to any supranational or quasi-sovereign agency with a long-term credit rating of A- or A3 or above, or its equivalent.

The following disclosures show the number of individual counterparties (bank and non-bank) or groups of closely related counterparties where the period end and peak end-of-day credit exposures equalled or exceeded 10% of the Bank's CET1 capital as at balance date.

The peak end-of-day exposure aggregate credit exposure to an individual counterparty or a group of closely related counterparties has been calculated by determining the maximum end-of-day aggregate amount of actual credit exposure for the relevant six months ended 30 June 2026 and then dividing that by the Bank's CET1 capital as at the reporting date for the Disclosure Statement.

All in NZD $000's

As at 30 June 2026 (Unaudited)

% of CET1	Number of bank counterparties				Number of non-bank counterparties			
	"A" Rated	"B" Rated	Unrated	Total	"A" Rated	"B" Rated	Unrated	Total
End of period exposure								
10% - 14%	1	-	-	1	-	-	4	4
15% - 19%	1	-	-	1	-	-	9	9
30% - 34%	2	-	-	2	-	-	-	-
35% - 39%	1	-	-	1	-	-	-	-
Total	5	-	-	5	-	-	13	13
Peak exposure								
10% - 14%	-	-	-	-	-	-	3	3
15% - 19%	3	-	-	3	-	-	9	9
20% - 24%	-	-	-	-	-	-	1	1
25% - 29%	2	-	-	2	-	-	-	-
30% - 34%	1	-	-	1	-	-	-	-
35% - 39%	1	-	-	1	-	-	-	-
Total	7	-	-	7	-	-	13	13

As at 30 June 2025 (Unaudited)

% of CET1	"A" Rated	"B" Rated	Unrated	Total	"A" Rated	"B" Rated	Unrated	Total
End of period exposure								
10% - 14%	2	-	-	2	-	-	1	1
15% - 19%	3	-	-	3	-	-	5	5
20% - 24%	-	-	-	-	-	-	1	1
25% - 29%	-	-	-	-	-	-	1	1
Total	5	-	-	5	-	-	8	8
Peak exposure								
10% - 14%	2	-	-	2	-	-	1	1
15% - 19%	3	1	-	4	-	-	3	3
20% - 24%	1	-	-	1	-	-	3	3
25% - 29%	1	-	-	1	-	-	1	1
35% - 39%	1	-	-	1	-	-	-	-
40% - 44%	1	-	-	1	-	-	-	-
45% - 49%	1	-	-	1	-	-	-	-
Total	10	1	-	11	-	-	8	8

As at 31 December 2025 (Audited)

% of CET1	"A" Rated	"B" Rated	Unrated	Total	"A" Rated	"B" Rated	Unrated	Total
End of period exposure								
10% - 14%	1	-	-	1	-	-	2	2
15% - 19%	1	-	-	1	-	-	8	8
20% - 24%	-	-	-	-	-	-	1	1
30% - 34%	2	-	-	2	-	-	-	-
35% - 39%	1	-	-	1	-	-	-	-
Total	5	-	-	5	-	-	11	11
Peak exposure								
10% - 14%	2	-	-	2	-	1	2	3
15% - 19%	4	-	-	4	-	-	7	7
20% - 24%	-	-	-	-	-	-	1	1
25% - 29%	-	-	-	-	-	-	1	1
30% - 34%	2	-	-	2	-	-	-	-
35% - 39%	1	-	-	1	-	-	-	-
Total	9	-	-	9	-	1	11	12

Notes:
"A" Rated - those counterparties that have a long-term credit rating of A- or A3 or above, or its equivalent.
"B" Rated - those counterparties that have a long-term credit rating of at least BBB- or Baa3, or its equivalent, and at most BBB+ or Baa1, or its equivalent.
Unrated - those counterparties that have a long-term credit rating lower than BBB- or Baa3, or its equivalent and those counterparties that do not have a long-term credit rating.

All in NZD $000's

19. Market risk management

(a) Interest rate risk

Interest rate risk is the risk of loss in earnings or in economic value as a consequence of movements in interest rates. All traded market interest rate risk is derived from customer deals that are systematically hedged at the time of trading, leaving no residual risk. The Bank's non-traded interest rate risk mainly comprises yield curve, repricing, basis and optionality risks arising from mismatch of term structure and pricing basis of assets and liabilities in the banking book. The Bank uses the following tools to monitor and manage its interest rate risk:

- Interest rate repricing gap limits: This includes both limits on the aggregate net position, curve risk and limits applied to the short or long position for each repricing time bucket.
- Simulations using interest rate scenarios are used to provide a series of potential NII outcomes. NII is modelled using a 100 basis point parallel shift in the yield curve above and below current levels. NII outcomes from these yield curve shocks are monitored and reported internally against a prescribed monitoring trigger. Additional stressed interest rate scenarios are also considered and modelled.

(b) Interest rate repricing gap analysis

The following table presents the Bank's assets and liabilities at their carrying amounts as at 30 June 2026, categorised by the earlier of the contractual repricing or maturity dates. The carrying amounts of derivative financial instruments, which are principally used to reduce the Bank's exposure to interest rate movements, are included under the heading "Non-interest bearing".

As at 30 June 2026 (Unaudited)	Up to 3 months	Over 3 to 6 months	Over 6 to 12 months	Over 1 to 2 years	Over 2 years	Non-interest bearing	Total
Financial assets							
Cash and balances with central banks	20,048	-	-	-	-	-	**20,048**
Due from other financial institutions	94,974	-	-	-	-	5	**94,979**
Investment securities	63,412	14,990	29,997	63,152	693,237	6,633	**871,421**
Loans and advances [1]	1,204,569	171,601	156,967	383,462	61,140	(12,629)	**1,965,110**
Due from related parties	134	-	-	-	-	-	**134**
Derivative financial assets	-	-	-	-	-	148,437	**148,437**
Total financial assets	**1,383,137**	**186,591**	**186,964**	**446,614**	**754,377**	**142,446**	**3,100,129**
Non-financial assets	-	-	-	-	-	8,496	**8,496**
Total assets	**1,383,137**	**186,591**	**186,964**	**446,614**	**754,377**	**150,942**	**3,108,625**
Financial liabilities							
Due to other financial institutions	409,573	260,559	-	260,559	-	7,685	**938,376**
Deposits from customers	108,488	88,685	10,774	4,145	138	3,135	**215,365**
Debt securities issued	539,587	-	-	-	260,559	2,788	**802,934**
Due to related parties	426,598	-	177,085	88,543	52,112	8,378	**752,716**
Derivative financial liabilities	-	-	-	-	-	11,793	**11,793**
Total financial liabilities	**1,484,246**	**349,244**	**187,859**	**353,247**	**312,809**	**33,779**	**2,721,184**
Non-financial liabilities	-	-	-	-	-	8,827	**8,827**
Total liabilities	**1,484,246**	**349,244**	**187,859**	**353,247**	**312,809**	**42,606**	**2,730,011**
On-balance sheet interest rate repricing gap	**(101,109)**	**(162,653)**	**(895)**	**93,367**	**441,568**	**108,336**	**378,614**
Net derivative notional amount	(270,084)	(21,891)	180,533	109,060	2,382	-	-
Net interest rate repricing gap	**(371,193)**	**(184,544)**	**179,638**	**202,427**	**443,950**	**108,336**	**378,614**

[1] *Included in Loans and advances under the "Non-interest bearing" category are provisions for impairment losses and accrued interest on loans.*

All in NZD $000's

As at 30 June 2025 (Unaudited)	Up to 3 months	Over 3 to 6 months	Over 6 to 12 months	Over 1 to 2 years	Over 2 years	Non-interest bearing	Total
Financial assets							
Cash and balances with central banks	227,399	-	-	-	-	-	**227,399**
Due from other financial institutions	44,928	-	-	-	-	2	**44,930**
Investment securities	202,534	-	-	80,686	289,040	3,238	**575,498**
Loans and advances [1]	1,027,562	239,578	293,629	39,375	36,800	(11,580)	**1,625,364**
Due from related parties	447	-	-	-	-	-	**447**
Derivative financial assets	-	-	-	-	-	36,208	**36,208**
Total financial assets	**1,502,870**	**239,578**	**293,629**	**120,061**	**325,840**	**27,868**	**2,509,846**
Non-financial assets	-	-	-	-	-	7,766	**7,766**
Total assets	**1,502,870**	**239,578**	**293,629**	**120,061**	**325,840**	**35,634**	**2,517,612**
Financial liabilities							
Due to other financial institutions	28,362	-	-	229,901	229,901	6,415	**494,579**
Deposits from customers	184,569	88,559	103,395	17,141	80	9,930	**403,674**
Debt securities issued	857,229	-	-	-	-	5,306	**862,535**
Due to related parties	55,720	-	82,325	164,650	82,325	8,502	**393,522**
Subordinated debt	-	-	-	-	-	-	**-**
Derivative financial liabilities	-	-	-	-	-	5,441	**5,441**
Total financial liabilities	**1,125,880**	**88,559**	**185,720**	**411,692**	**312,306**	**35,594**	**2,159,751**
Non-financial liabilities	-	-	-	-	-	9,061	**9,061**
Total liabilities	**1,125,880**	**88,559**	**185,720**	**411,692**	**312,306**	**44,655**	**2,168,812**
On-balance sheet interest rate repricing gap	**376,990**	**151,019**	**107,909**	**(291,631)**	**13,534**	**(9,021)**	**348,800**
Net derivative notional amount	(654,419)	-	67,653	366,106	220,660	-	**-**
Net interest rate repricing gap	**(277,429)**	**151,019**	**175,562**	**74,475**	**234,194**	**(9,021)**	**348,800**

[1] *Included in Loans and advances under the "Non-interest bearing" category are provisions for impairment losses and accrued interest on loans.*

As at 31 December 2025 (Audited)	Up to 3 months	Over 3 to 6 months	Over 6 to 12 months	Over 1 to 2 years	Over 2 years	Non-interest bearing	Total
Financial assets							
Cash and balances with central banks	85,114	-	-	-	-	-	**85,114**
Due from other financial institutions	110,737	-	-	-	-	7	**110,744**
Investment securities	66,126	-	50,551	81,129	508,810	5,306	**711,922**
Loans and advances [1]	1,221,133	205,058	329,033	122,203	37,735	(8,839)	**1,906,323**
Due from related parties	87	-	-	-	-	-	**87**
Derivative financial assets	-	-	-	-	-	106,554	**106,554**
Total financial assets	**1,483,197**	**205,058**	**379,584**	**203,332**	**546,545**	**103,028**	**2,920,744**
Non-financial assets	-	-	-	-	-	8,722	**8,722**
Total assets	**1,483,197**	**205,058**	**379,584**	**203,332**	**546,545**	**111,750**	**2,929,466**
Financial liabilities							
Due to other financial institutions	295,249	34,605	247,788	247,788	-	7,862	**833,292**
Deposits from customers	146,826	61,636	42,816	10,771	138	4,950	**267,137**
Debt securities issued	755,656	-	-	-	-	4,348	**760,004**
Due to related parties	25,164	86,513	-	259,538	303,842	10,676	**685,733**
Derivative financial liabilities	-	-	-	-	-	7,500	**7,500**
Total financial liabilities	**1,222,895**	**182,754**	**290,604**	**518,097**	**303,980**	**35,336**	**2,553,666**
Non-financial liabilities	-	-	-	-	-	10,116	**10,116**
Total liabilities	**1,222,895**	**182,754**	**290,604**	**518,097**	**303,980**	**45,452**	**2,563,782**
On-balance sheet interest rate repricing gap	**260,302**	**22,304**	**88,980**	**(314,765)**	**242,565**	**66,298**	**365,684**
Net derivative notional amount	(360,643)	76,453	200,477	219,947	(136,234)	-	**-**
Net interest rate repricing gap	**(100,341)**	**98,757**	**289,457**	**(94,818)**	**106,331**	**66,298**	**365,684**

[1] *Included in Loans and advances under the "Non-interest bearing" category are provisions for impairment losses and accrued interest on loans.*

All in NZD $000's

20. Liquidity and funding risk management

(a) Liquidity portfolio management

The Bank held the following financial assets for the purpose of managing liquidity risk:

As at	Note	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Cash and cash equivalents				
Cash and balances with central banks	6	20,048	227,399	85,114
Due from other financial institutions (call or original maturity of 3 months or less) [1]	7	94,979	44,930	110,744
Due from related parties [2]	16	68	433	22
Total cash and cash equivalents		**115,095**	**272,762**	**195,880**
Investment securities				
Registered bank securities	8	318,461	256,235	293,676
Multilateral development banks and other international organisations	8	147,178	169,364	146,671
Government securities	8	382,191	149,899	271,575
Corporate securities	8	23,591	-	-
Total investment securities		**871,421**	**575,498**	**711,922**
Total liquidity portfolio		**986,516**	**848,260**	**907,802**

[1] *Due from other financial institutions includes nostro accounts and short-term placements held with other financial institutions.*

[2] *Due from related parties includes nostro account balances held with the Ultimate Parent Bank.*

(b) Contractual maturity analysis of financial liabilities

The table below presents the Bank's cash flows by remaining period to contractual maturity as at reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows and include principal and future interest cash flows and therefore will not agree to the carrying amounts on the balance sheet, except for derivatives held for trading where the full mark to market amount has been included.

Actual cash flows may differ significantly from the contractual cash flows presented below as a result of future actions of the Bank and its counterparties such as early redemptions of term deposits.

The contractual maturity analysis for off-balance sheet commitments and contingent liabilities has been prepared using the earliest date at which the Bank can be called upon to pay. The liquidity risk of credit related commitments and contingent liabilities may be less than the contract amount and does not necessarily represent future cash requirements as many of these facilities are expected to be only partially used or to expire unused.

The Bank does not manage its liquidity risk based on the analysis presented in the table below:

As at 30 June 2026 (Unaudited)	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total	Carrying amount
Non-derivative financial liabilities							
Due to other financial institutions	99,684	310,239	260,559	276,151	-	**946,633**	**938,376**
Deposits from customers	31,971	68,832	111,973	4,614	-	**217,390**	**215,365**
Debt securities issued	-	111	154,629	659,056	-	**813,796**	**802,934**
Due to related parties	4,063	3,841	181,379	568,064	-	**757,347**	**752,716**
Lease liabilities	-	272	817	274	-	**1,363**	**1,340**
Total non-derivative financial liabilities	**135,718**	**383,295**	**709,357**	**1,508,159**	**-**	**2,736,529**	**2,710,731**
Derivative financial liabilities							
Held for trading	-	-	-	16	-	**16**	
Gross settled – cash inflow	-	(149,898)	(41,893)	(331,998)	(1,638)	**(525,427)**	
Gross settled – cash outflow	-	151,989	47,485	338,532	1,641	**539,647**	
Total derivative financial liabilities	**-**	**2,091**	**5,592**	**6,550**	**3**	**14,236**	**11,793**
Lending commitments (off-balance sheet)	**238,743**	**-**	**-**	**-**	**-**	**238,743**	**-**

All in NZD $000's

As at 30 June 2025 (Unaudited)	On Demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total	Carrying amount
Non-derivative financial liabilities							
Due to other financial institutions	28,362	7,166	7,285	477,941	-	**520,754**	**494,579**
Deposits from customers	24,241	164,669	200,297	15,330	-	**404,537**	**403,674**
Debt securities issued	-	129,518	245,803	540,299	-	**915,620**	**862,535**
Due to related parties	6,326	53,161	88,784	256,669	-	**404,940**	**393,522**
Subordinated debt	-	-	-	-	-	-	-
Lease liabilities	-	272	815	1,356	8	**2,451**	**2,387**
Total non-derivative financial liabilities	**58,929**	**354,786**	**542,984**	**1,291,595**	**8**	**2,248,302**	**2,156,697**
Derivative financial liabilities							
Held for trading	-	30	-	15	-	**45**	
Gross settled – cash inflow	-	(19,983)	(34,530)	(277,481)	-	**(331,994)**	
Gross settled – cash outflow	-	20,206	33,855	284,524	-	**338,585**	
Total derivative financial liabilities	**-**	**253**	**(675)**	**7,058**	**-**	**6,636**	**5,441**
Lending commitments (off-balance sheet)	**77,400**	-	-	-	-	**77,400**	-
As at 31 December 25 (Audited)							
Non-derivative financial liabilities							
Due to other financial institutions	50,556	247,025	282,854	263,502	-	**843,937**	**833,292**
Deposits from customers	19,673	129,932	108,911	11,689	-	**270,205**	**267,137**
Debt securities issued	-	232,566	166,879	398,682	-	**798,127**	**760,004**
Due to related parties	25,164	4,183	179,857	485,771	-	**694,975**	**685,733**
Lease liabilities	-	272	816	819	-	**1,907**	**1,866**
Total non-derivative financial liabilities	**95,393**	**613,978**	**739,317**	**1,160,463**	**-**	**2,609,151**	**2,548,032**
Derivative financial liabilities							
Held for trading	-	-	-	75	-	**75**	
Gross settled – cash inflow	-	(316,018)	(70,628)	(331,449)	-	**(718,095)**	
Gross settled – cash outflow	-	320,768	75,062	328,129	-	**723,959**	
Total derivative financial liabilities	**-**	**4,750**	**4,434**	**(3,245)**	**-**	**5,939**	**7,500**
Lending commitments (off-balance sheet)	**144,499**	-	-	-	-	**144,499**	-

(c) Regulatory liquidity ratios

The Bank is subject to the conditions of the RBNZ's liquidity policy as set out in BS13 *Liquidity Policy.* The Bank has the appropriate internal framework and tools for liquidity risk management to ensure compliance with these regulatory requirements, as well as internal targets and limits.

The following table shows the average regulatory liquidity ratios over the three months ended 30 June 2026 and the three months ended 31 March 2026.

As at	RBNZ minimum ratio requirements %	Unaudited 30 Jun 2026 %	Unaudited 31 Mar 2026 %
Liquidity ratios			
Quarterly average 1-week mismatch ratio	0.0%	8.3%	21.7%
Quarterly average 1-month mismatch ratio	0.0%	17.2%	28.6%
Quarterly average core funding ratio	75.0%	88.1%	91.8%

The average value of a ratio was calculated at the close of each working day in the relevant three-month period in accordance with the conditions of registration of the Bank relating to liquidity risk management and calculating the arithmetic average of all of the daily ratio figures.

All in NZD $000's

21. Concentrations of funding

Concentrations of funding arise where the Bank is funded by industries of a similar nature or in particular geographies. The following table presents the Bank's concentrations of funding, which are reported by industry and geographic area.

ANZSIC codes have been used as the basis for disclosing industry sectors.

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Total funding comprises			
Due to other financial institutions	938,376	494,579	833,292
Deposits from customers	215,365	403,674	267,137
Debt securities issued	802,934	862,535	760,004
Due to related parties	752,716	393,522	685,733
Total funding	**2,709,391**	**2,154,310**	**2,546,166**
Concentration of funding by industry sector			
Accommodation and food services	76	28,445	11,217
Agriculture, forestry and fishing	22	139	17
Construction	13,707	15,143	14,003
Electricity, gas, water and waste services	4	519	5
Financial and insurance services	1,863,155	1,572,117	1,735,238
Households	7,825	12,531	10,901
Manufacturing	91	10,489	10,422
Other	68,571	81,870	54,025
Rental, hiring and real estate services	2,936	19,423	4,355
Retail trade	253	70	87
Transport, postal and warehousing	-	20,008	20,119
Wholesale trade	35	34	44
Subtotal	**1,956,675**	**1,760,788**	**1,860,433**
Due to related parties (including subordinated debt)	752,716	393,522	685,733
Total funding	**2,709,391**	**2,154,310**	**2,546,166**
Concentration of funding by geographic area [1]			
New Zealand	648,050	766,423	647,958
Other countries	2,061,341	1,387,887	1,898,208
Total funding	**2,709,391**	**2,154,310**	**2,546,166**

[1] *The geographic area used for debt securities issued is based on the nature of the debt programmes.*

All in NZD $000's

22. Capital adequacy

The Bank is subject to the capital adequacy requirements prescribed by the RBNZ. As a locally incorporated registered bank applying the standardised approach under Pillar 1, the Bank determines its regulatory capital and risk-weighted assets ("RWA") in accordance with the BPRs issued by the RBNZ under the Deposit Takers Act 2023.

The RBNZ capital framework is based on the Basel III framework developed by the Basel Committee on Banking Supervision. Regulatory capital comprises Common Equity Tier 1 ("CET1"), Additional Tier 1 ("AT1") and Tier 2 capital. Capital adequacy is measured by comparing eligible regulatory capital with RWA to determine the CET1, Tier 1 and Total Capital ratios.

Capital management

During the reporting period, the Bank was required to maintain the following minimum regulatory capital requirements:

- Total capital ratio must not be less than 9% of risk weighted exposures;
- Tier 1 capital ratio must not be less than 7% of risk weighted exposures;
- Common Equity Tier 1 capital ratio must not be less than 4.5% of risk weighted exposures;
- Capital of the Bank must not be less than NZ$30 million.

The Bank has complied with all the relevant RBNZ minimum capital ratios to which it was subject during the reporting period.

Correction of prior period comparative information

During the preparation of this Disclosure Statement, the Bank identified an error in the application of the operational risk capital floor within the calculation of operational risk-weighted assets included in the Disclosure Statement for the year ended 31 December 2025.

This resulted in the operational risk-weighted assets being understated and the related Tier 1 and Total Capital ratios being overstated in the 31 December 2025 Disclosure Statement. The Bank promptly notified the RBNZ upon identification of the matter and completed a review of the affected calculations.

The comparative information presented in this Disclosure Statement has been revised accordingly.

31 December 2025 Capital Adequacy ratios	Previously reported	Revised
Common equity tier 1 capital ratio	17.30%	17.18%
Tier 1 capital ratio	17.30%	17.18%
Total capital ratio	17.30%	17.18%

The revision affects only the calculation of operational risk-weighted assets and the resulting regulatory capital ratios. There is no change to:

- Common Equity Tier 1 capital;
- Tier 1 capital;
- Total regulatory capital;
- the Bank's compliance with the applicable prudential capital requirements; or
- the Bank's financial statements.

The RBNZ has advised the Bank that the matter is not material for prudential purposes and did not have a material impact on the Bank's regulatory capital position.

Following completion of its review, the Bank has enhanced its governance and review procedures over regulatory capital calculations to further strengthen its regulatory reporting control framework.

Regulatory developments – Revised capital framework

The RBNZ has finalised revisions to the prudential capital framework following its 2025 review of key capital settings. The new framework will be implemented from 1 October 2026, with a phased transition to the final requirements by 2028.

The reforms reduce the overall capital requirement for Group 2 deposit takers from the previously planned 16% to 14%, while placing greater emphasis on CET1 capital. The framework also removes the issuance of new Additional Tier 1 (AT1) capital instruments, increases reliance on CET1 and Tier 2 capital, and incorporates revised risk-weight methodologies and other technical amendments.

Management has considered these policy decisions and undertaken an assessment, and has concluded that they are not expected to have a material impact on the Bank's capital position as at the reporting date. Based on current capital levels, the Bank expects to remain well capitalised throughout the implementation period.

Capital management

The primary objectives of the Bank’s capital management programme are to ensure that the Bank maintains strong credit ratings and healthy capital ratios in order to support the future development and growth of the business and to maximise shareholder value and comply with the regulatory capital requirements set by the RBNZ.

All in NZD $000's

The Board has ultimate responsibility for ensuring that the Bank has adequate overall capital in relation to its risk profile and establishes minimum internal capital levels and limits above the regulatory minimum to reduce the risk of breaching its conditions of registration. The Bank actively monitors its capital adequacy as part of the Bank's ICAAP, which complies with the requirements set out in BPR100: Capital Adequacy, and reports this on a regular basis to senior management and the Board.

The Bank's ICAAP is a documented process that evaluates all material risk types and estimates and ensures appropriate levels of capital are held against these key risks, including the impacts of adverse economic scenarios and future strategic requirements. The Bank's ICAAP is set to be reviewed and approved at least annually by senior management and the Board.

The Bank manages its capital structure and makes adjustments according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend payments to shareholders, return/issue capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes during the six months ended 30 June 2026. There were no significant capital initiatives undertaken during the six months ended 30 June 2026.

The capital adequacy tables set out on the following pages summarise the composition of regulatory capital, risk-weighted assets and the capital adequacy ratios for the Bank as at 30 June 2026. During the six months ended 30 June 2026, the Bank complied in full with all externally imposed RBNZ capital requirements as set out in the Bank's conditions of registration.

The Bank has complied with all the relevant RBNZ minimum capital ratios to which it was subject during the reporting period. The Bank's total capital ratio was 15.87% as at 30 June 2026 (30 June 2025: 21.60%, 31 December 2025: 17.18%).

Capital

The table below shows the qualifying capital for the Bank.

Regulatory Capital **As at**	**Unaudited 30 Jun 2026**	**Unaudited 30 Jun 2025**	**Unaudited 31 Dec 2025**
Tier 1 capital			
Common equity tier 1 capital			
Issued and fully paid-up ordinary share capital	199,178	199,178	199,178
Retained earnings (net of appropriations)	183,473	156,512	171,646
Accumulated other comprehensive income and other disclosed reserves [1]	(4,037)	(6,890)	(5,140)
Less deductions from common equity tier 1 capital			
Intangible assets	63	85	74
Cash flow hedge reserve	(2,378)	(5,628)	(3,457)
Deferred tax assets	6,163	4,737	4,750
Total common equity tier 1 capital	**374,766**	**349,606**	**364,317**
Additional tier 1 capital	-	-	-
Total additional tier 1 capital	-	-	-
Total tier 1 capital	**374,766**	**349,606**	**364,317**
Tier 2 capital			
Subordinated notes	-	-	-
Total tier 2 capital	-	-	-
Total capital	**374,766**	**349,606**	**364,317**

[1] *Accumulated other comprehensive income and other disclosed reserves consist of FVOCI revaluation reserve of ($1,659,000) (30 June 2025: ($1,262,000), 31 December 2025: ($1,683,000)) and cash flow hedge reserve of ($2,378,000) (30 June 2025: ($5,628,000), 31 December 2025: ($3,457,000)).*

Capital instruments

Ordinary shares

In accordance with the RBNZ Capital Adequacy Framework (Standardised Approach), ordinary share capital is classified as CET1 capital.

In relation to the ordinary shares:

- there are no options or facilities for early redemptions, conversion, write-down or capital repayment;
- there is no predetermined dividend rate;
- there is no maturity date;
- there are no options granted or to be granted pursuant to any arrangement;
- they have equal voting rights and share equally in dividends and profit on winding up. They represent the most subordinated claim on winding up; and
- dividends are declared and paid out from distributable items (including retained earnings), subject to restrictions as per the conditions of registration applicable to the Bank.

All in NZD $000's

Credit risk

(a) On-balance sheet exposures

As at 30 June 2026 (Unaudited)	Total exposure after credit risk mitigation	Risk weight	Risk weighted exposure
Sovereigns and central banks	402,239	0%	-
Multilateral development banks and other international organisations	147,178	0%	-
Banks - 20% weighting	121,151	20%	24,230
Banks - 50% weighting	292,423	50%	146,212
Corporate - 100% weighting	1,180,170	100%	1,180,170
Residential mortgages owner occupied not past due			
< 80% loan to value ratio (LVR)	378,351	35%	132,423
Residential mortgages property investment not past due			
< 80% loan to value ratio (LVR)	430,058	40%	172,023
Past due residential mortgages	2,838	100%	2,838
Other past due assets	-	100%	-
Other assets	10,776	100%	10,776
Non-risk weighted assets	143,441	-	-
Total on-balance sheet exposures	**3,108,625**		**1,668,672**

(b) Off-balance sheet exposures and market related contracts

As at 30 June 2026 (Unaudited)	Total exposure	Credit conversion factor	Credit equivalent amount	Average risk weight	Risk weighted exposure
Revolving underwriting facility	117,110	50%	58,555	100%	58,555
Performance-related contingency	57	50%	29	0%	-
Other commitments where original maturity is less than or equal to one year	10,562	20%	2,112	37%	789
Other commitments where original maturity is more than one year	111,014	50%	55,507	100%	55,507
Market related contracts [1]					
(a) Foreign exchange contracts	2,044,243	n/a	225,396	50%	112,698
(b) Interest rate contracts	522,893	n/a	2,539	51%	1,295
(c) Credit valuation adjustment	-	n/a	-	-	53,113
Total off-balance sheet exposures	**2,805,879**		**344,138**		**281,957**

[1] *The credit equivalent amount for market related contracts was calculated as set out in BPR131 Standardised Credit Risk RWAs and the Bank uses the simple approach for credit risk mitigation with regards to measurement of fair value of collaterals.*

Additional mortgage information

Residential mortgages by loan-to-valuation ratio

As at 30 June 2026 (Unaudited)	Does not exceed 80%	Exceeds 80% and not 90%	Exceeds 90%	Total
Loan-to-valuation ratio				
On-balance sheet exposures				
Residential mortgages - owner occupied	381,189	-	-	381,189
Residential mortgages - investment	430,058	-	-	430,058
Total on-balance sheet exposures	**811,247**	**-**	**-**	**811,247**
Off-balance sheet exposures	10,562	-	-	10,562
Value of exposures	**821,809**	**-**	**-**	**821,809**

The information in the above table is in respect of the total residential mortgage loans used to calculate the Bank's Pillar 1 capital requirement for credit risk, categorised by loan-to-valuation ratio.

Any residential mortgage loan for which no loan-to-valuation ratio is available is included in the category for loan-to-valuation ratios that exceed 90%.

All in NZD $000's

The following table is a reconciliation between any figures disclosed elsewhere in the Disclosure Statement that relate to mortgages on residential property:

Reconciliation of residential mortgage related amounts	Note	Unaudited 30 Jun 2026
Total residential mortgages	9	820,368
Reconciling items:		
Less: Provision for impairment losses on credit exposures	17 A. (a)	(9,121)
On-balance sheet exposures	17 A. (a)	**811,247**
Off-balance sheet exposures		**10,562**
Total residential mortgage exposures		**821,809**

Credit risk mitigation

The Bank's dominant activity is the provision of corporate and residential mortgage finance which, at 30 June 2026, comprised 58% and 42% of the Bank's loan portfolio respectively. These exposures are typically secured by charges over business assets and first-ranking registered mortgages over residential property. Investment security exposures are carried at fair value which reflects the credit risk. The Bank does not hold guarantees or any other forms of collateral against these investments.
The Bank does not currently take into consideration any credit risk mitigants in its capital adequacy calculations.

As at 30 June 26 (Unaudited)	Total value of on and off-balance sheet exposures covered by eligible collateral (after haircutting)	Total value of on and off-balance sheet exposures covered by guarantees or credit derivatives
Sovereign or central banks	-	-
Multilateral development banks	-	-
Public sector entities	-	-
Banks	-	-
Corporates	-	-
Residential mortgages	-	-
Other	-	-
Total	**-**	-

Operational risk

As at 30 June 2026 (Unaudited)	Implied risk weighted exposure	Total operational risk capital requirement
Operational risk	**188,972**	**15,118**

Market risk

As at 30 June 2026 (Unaudited)	End of period capital charge		Peak end-of-day capital charge	
	Implied risk weighted exposure	Aggregate capital charge	Implied risk weighted exposure	Aggregate capital charge
Interest rate risk	218,203	17,456	235,236	18,819
Foreign currency risk	4,344	348	6,690	535
Total market risk	**222,547**	**17,804**	**241,926**	**19,354**

Peak end-of-day aggregate capital charge for each category of market risk is derived by determining the maximum over the six months ended 30 June 2026 of the aggregate capital charge at the close of each business day derived in accordance with Part A of BPR140: Market Risk.

Total capital requirements

As at 30 June 2026 (Unaudited)	Total exposure after credit risk mitigation	Risk weighted exposure or implied risk weighted exposure	Total capital requirement
Total credit risk + equity	3,452,763	1,950,629	175,557
Operational risk	n/a	188,972	15,118
Market risk	n/a	222,547	17,804
Total capital requirements	n/a	**2,362,148**	**208,479**

All in NZD $000's

Capital requirements for other material risks

The Basel III capital adequacy regime seeks to ensure that banks have adequate capital to support all material risks inherent in their business activities. Consequently, the Bank's ICAAP captures all material risks that the Bank faces including those not captured by Pillar 1 regulatory capital requirements. These other material risks for the Bank include liquidity and funding risk, strategic and business risk, and reputational risk.

The Bank's internal capital allocation for other material risks as at 30 June 2026 is $60 million (30 June 2025: $47.6 million; 31 December 2025: $60 million). No material adjustments were made to the ICAAP methodologies during the six months ended 30 June 2026. The Board's approval for an extra 2% capital buffer to cover the additional material risks remains in place, and was increased accordingly with the increase in the Bank's minimum regulatory requirements in July 2025.

Capital ratios of the Bank

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Unaudited [1] 31 Dec 2025
Capital adequacy ratios			
Common equity tier 1 capital ratio	15.87%	21.60%	17.18%
Tier 1 capital ratio	15.87%	21.60%	17.18%
Total capital ratio	15.87%	21.60%	17.18%
RBNZ minimum ratio requirements			
Common equity tier 1 capital ratio	4.50%	4.50%	4.50%
Tier 1 capital ratio	7.00%	7.00%	7.00%
Total capital ratio	9.00%	9.00%	9.00%
Prudential capital buffer ratio			
Prudential capital buffer ratio	6.87%	12.60%	8.18%
Conservation buffer	3.50%	2.50%	2.50%

[1] *Comparative information as at 31 December 2025 has been revised. Refer to "Correction of prior period comparative information" for further details on page 36.*

Capital adequacy of the Ultimate Parent Bank and Ultimate Parent Bank Group

The Ultimate Parent Bank of the Bank is CCBC. The Ultimate Parent Bank Group comprises the Ultimate Parent Bank and its subsidiaries.

The Ultimate Parent Bank Group shall calculate and disclose capital adequacy ratios in accordance with the Rules on Capital Management of Commercial Banks. Based on the approval to implement the advanced capital measurement method granted in 2014, the former China Banking and Insurance Regulatory Commission (now NFRA) approved the Ultimate Parent Bank Group to expand the implementation scope of the advanced capital measurement method in April 2020. Pursuant to the regulatory requirements, the Ultimate Parent Bank Group calculates capital adequacy ratios using both the advanced approach and other approaches for capital measurement and complies with the relevant requirements for capital floors.

The Ultimate Parent Bank Group met the capital requirements imposed on them by the NFRA as at 31 March 2026. This information is available via the Overseas Bank's website (www.ccb.com).

The capital ratios below have been calculated in accordance with the Rules on Capital Management of Commercial Banks, issued by the NFRA and have been taken from the most recent publicly available financial statements.

As at	Unaudited 31 Mar 2026	Unaudited 30 Jun 2025	Unaudited 31 Dec 2025
Ultimate Parent Bank Group			
Common equity tier 1 capital ratio	14.26%	14.34%	14.63%
Tier 1 capital ratio	15.06%	15.19%	15.47%
Total capital ratio	19.00%	19.51%	19.69%

The capital ratios for Ultimate Parent Bank, as a stand-alone entity, are not publicly available.

All in NZD $000's

Other Disclosures

23. Insurance business, securitisation, funds management, other fiduciary activities and the marketing and distribution of insurance products

Insurance

The Bank does not conduct any insurance business.

Securitisation, funds management, other fiduciary activities and marketing and distribution of insurance products

The Bank is also not involved in:
- the establishment, marketing, or sponsorship of trust, custodial, funds management and other fiduciary activities;
- the origination of securitised assets;
- the marketing or servicing of securitisation schemes; and
- the marketing and distribution of insurance products.

24. Commitments and contingent liabilities

The Bank is party to financial instruments with off-balance sheet credit risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, financial guarantees, standby letters of credit, trade letters of credit, non-financial guarantees and underwriting facilities.

The Bank's exposure to credit loss in the event of non-performance by the other party is represented by the contract or notional amount of those financial instruments. The Bank uses the same credit policies in making commitments and conditional obligations for off-balance sheet risk as it does for on-balance sheet financial instruments.

Credit related and other commitments (contractual or notional amount) and contingent liabilities arising in respect of the Bank's operations were:

As at	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025	Audited 31 Dec 2025
Credit related commitments and contingent liabilities			
Commitments to extend credit [1]	238,686	77,343	144,442
Financial guarantees	-	-	-
Standby letters of credit	-	-	-
Trade letters of credit	-	-	-
Non-financial guarantees	57	57	57
Total credit related commitments and contingent liabilities	**238,743**	**77,400**	**144,499**

[1] *Commitments to extend credit includes provision for off-balance sheet credit related business.*

There were no other contingent liabilities and capital commitments as at 30 June 2026 (30 June 2025: nil, 31 December 2025: nil).

25. Events subsequent to the reporting date

There was no material event that occurred subsequent to the reporting date that requires recognition or additional disclosure in these financial statements.

26. Other material matters

Depositor compensation scheme

The RBNZ administers the Government-backed Depositor Compensation Scheme under the Deposit Takers Act 2023. The scheme provides protection of up to NZ$100,000 per eligible depositor, per licensed deposit taker, in the event of a deposit taker's failure. It covers qualifying products such as transaction, savings, notice and term deposit accounts. Participation in the scheme is automatic for eligible depositors and no action is required to receive coverage. The Bank is treated as a licensed deposit taker under the Deposit Takers Act 2023 and participates in the Depositor Compensation Scheme. Eligible deposits with the Bank are protected under the scheme, up to the prescribed limit. The scheme is funded through levies paid by licensed deposit takers and administered by the RBNZ. The Depositor Compensation Scheme is intended to strengthen confidence in New Zealand's financial system by providing protection for eligible depositors in the event of a licensed deposit taker's failure.

The Board is of the opinion that there are no other material matters relating to the business or affairs of the Bank which are not contained elsewhere in this Disclosure Statement and which would, if disclosed in this Disclosure Statement, materially affect the decision of a person to subscribe for debt securities of which the Bank is the issuer.

All in NZD $000's

27. Credit ratings

The Bank has the following credit ratings that apply to its long-term senior unsecured obligations payable in New Zealand in New Zealand dollars as at the date the Directors signed this Disclosure Statement.

Rating agency	Credit rating	Qualification
Moody's Investors Service	A1	Outlook Stable
Fitch Ratings	A	Outlook Stable

During the two years ended immediately before the signing date, there were no changes to the Bank's credit ratings with minor adjustments made to the outlook qualifications. On 27 May 2026, Moody's reaffirmed the Bank's A1 rating and revised the outlook from negative to stable. On 8 April 2026, Fitch reaffirmed the Bank's A rating with a stable outlook.

28. Changes to Conditions of registration

Correction of prior period disclosure

During the preparation of this Disclosure Statement, the Bank identified that the disclosure of changes to its conditions of registration effective 1 December 2025 had been inadvertently omitted from its Disclosure Statement for the year ended 31 December 2025. The omission did not affect the Bank's compliance with its conditions of registration, and the Bank remained compliant throughout the period. The relevant disclosure is included below.

Effective from 1 December 2025, the RBNZ amended the Bank's conditions of registration as follows:

Condition 15
For property-investment residential mortgage lending, the limit on the share of new lending permitted with a loan-to-valuation ratio (LVR) above 70% increased to 10%, from 5%.

Condition 16
For owner-occupier residential mortgage lending, the limit on the share of new lending permitted with a loan-to-valuation ratio (LVR) above 80% increased to 25%, from 20%.

There have been no other changes to the Bank's conditions of registration during the six months ended 30 June 2026.

Assurance engagements performed by Ernst & Young

Our assurance procedures in relation to China Construction Bank (New Zealand) Limited (the "Bank") consisted of the following:

- Limited assurance engagement in relation to the condensed interim financial statements of the Bank for the six months ended 30 June 2026 (the "Interim Financial Statements") that are required by Clause 25 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the "Order") included on pages 7 to 41 of the Disclosure Statement. These pages also include the Supplementary Information, and the Capital Adequacy and Regulatory Liquidity Ratios Information which are subject to separate conclusions as described below and so are not covered by the Interim Financial Statements assurance.
- Limited assurance engagement in relation to the information required by Clause 22 of the Order to be disclosed in accordance with Schedule 5 (being the "additional information on statement of financial position" that is presented on the balance sheet, "additional information on income statement" that is presented on the statement of comprehensive income and in Note 3, additional information on concentrations of credit risk (Note 18), additional information on concentrations of funding (Note 21), additional information on interest rate sensitivity (Note 19(b)), additional information on liquidity risk (Note 20(b)) and reconciliation of mortgage-related amounts (Note 22), Schedule 7 (Asset Quality in Note 17), Schedule 13 (Concentration of Credit Exposures to Individual Counterparties in Note 18), Schedule 16 (Insurance business, securitisation, funds management, other fiduciary activities, and marketing and distribution of insurance products in Note 23) and Schedule 18 (Risk Management Policies on page 21) of the Order (together the "Supplementary Information"). The Supplementary Information is presented for the six months ended 30 June 2026 or as at that date, as applicable.
- Limited assurance engagement on the information required by Clause 22(c) of the Order to be disclosed in accordance with Schedule 9 of the Order and included in the Bank's Disclosure Statement for the six months ended 30 June 2026 (the "Capital Adequacy and Regulatory Liquidity Ratios Information"). The Capital Adequacy and Regulatory Liquidity Ratios Information is disclosed in Notes 20(c) and 22 to the Disclosure Statement.

Independent Auditor's Review Report to the Shareholder of China Construction Bank (New Zealand) Limited

Report on the Interim Financial Statements and Supplementary Information

Conclusion

We have reviewed the Interim Financial Statements and Supplementary Information (as defined above). The Interim Financial Statements comprise:

- the balance sheet of the Bank as at 30 June 2026;
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended of the Bank; and
- explanatory information.

Based on our review nothing has come to our attention that causes us to believe that the:

- Interim Financial Statements have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standard 34: *Interim Financial Reporting* (IAS 34), and
- Supplementary Information that is required to be disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Order:
  - does not present fairly, in all material respects, the matters to which it relates; or
  - is not disclosed, in all material respects, in accordance with those schedules.

This report is made solely to the Bank's shareholder. Our review has been undertaken so that we might state to the Bank's shareholder those matters we are required to state to them in an independent auditor's review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's shareholder for our review procedures, for this report, or for the conclusions we have formed.

Shape the future
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Basis for conclusion

We conducted our review in accordance with New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised))**.** Our responsibilities are further described in the *Auditor's responsibilities for the review of the Interim Financial Statements and Supplementary Information* section of our report.

We are independent of the Bank in accordance with the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable to audits and reviews of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standard 1.Ernst & Young provides financial statement and supplementary information audit and other assurance services to the Bank. Partners and employees of our firm may deal with the Bank on normal terms within the ordinary course of trading activities of the business of the Bank. We have no other relationship with, or interest in, the Bank.

Directors' responsibilities for the Interim Financial Statements and Supplementary Information

The directors are responsible, on behalf of the Bank, for the preparation and fair presentation of the Interim Financial Statements in accordance with Clause 25 of the Order, which requires the Interim Financial Statements to comply with NZ IAS 34 and IAS 34, and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of Interim Financial Statements that are free from material misstatement, whether due to fraud or error.

In addition, the directors are responsible, on behalf of the Bank, for the preparation of the Supplementary Information which presents fairly, in all material respects, the matters to which it relates in accordance with Schedules 5, 7, 13, 16 and 18 of the Order.

Auditor's responsibilities for the review of the Interim Financial Statements and Supplementary Information

Our responsibility is to express a conclusion on the Interim Financial Statements and Supplementary Information based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the:

- Interim Financial Statements, taken as a whole, have not been prepared, in all material respects, in accordance with NZ IAS 34 and IAS 34; and
- Supplementary Information that is required to be disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Order:
    - does not present fairly, in all material respects, the matters to which it relates; or
    - is not disclosed, in all material respects, in accordance with those schedules; or
    - if applicable, has not been prepared in all material respects in accordance with any conditions of registration relating to disclosure requirements imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989.

A review in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Interim Financial Statements and Supplementary Information.

The engagement partner on the review resulting in this independent auditor's review report is Graeme Bennett.

Ernst + Young

Chartered Accountants
Auckland
28 August 2026

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Independent Assurance Report to the Shareholder of China Construction Bank (New Zealand) Limited

Limited assurance report on the Capital Adequacy and Regulatory Liquidity Ratios Information

Conclusion

We have undertaken a limited assurance engagement the Capital Adequacy and Regulatory Liquidity Ratios Information of the Bank for the six months ended 30 June 2026.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Capital Adequacy and Regulatory Liquidity Ratios Information is not disclosed, in all material respects, in accordance with Schedule 9 of the Order.

Basis for Conclusion

We conducted our engagement in accordance with Standard on Assurance Engagements 3100 (Revised) *Compliance Engagements* (SAE 3100 (Revised)) issued by the New Zealand Auditing and Assurance Standards Board.

We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Directors' Responsibilities

The Directors are responsible on behalf of the Bank for:

- Compliance with the Order, including Clause 22(c) which requires the Capital Adequacy and Regulatory Liquidity Ratios Information to be included in the Disclosure Statement in accordance with Schedule 9 of the Order.
- Identification of risks that threaten compliance with Clause 22(c) and Schedule 9 of the Order being met, controls which will mitigate those risks and monitoring ongoing compliance.

Our Independence and Quality Management

We have complied with the independence and other requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on whether the Capital Adequacy and Regulatory Liquidity Ratios Information is disclosed, in all material respects, in accordance with Schedule 9 of the Order. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Bank's Capital Adequacy and Regulatory Liquidity Ratios Information is not disclosed, in all material respects, in accordance with Schedule 9 of the Order.

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material non-compliance with Schedule 9 of the Order is likely to arise.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Obtained an understanding of the Bank's compliance framework and internal control environment to meet the Capital Adequacy and Regulatory Liquidity Ratios Information requirements in accordance with the Reserve Bank of New Zealand's (RBNZ) prudential requirements for banks.
- Obtained an understanding of the processes, models, data and internal controls implemented over the preparation of the Capital Adequacy and Regulatory Liquidity Ratios Information.
- Agreed selected elements of the Capital Adequacy and Regulatory Liquidity Ratios Information to information extracted from the Bank's models, accounting records or other supporting documentation or, in relation to Clause 14 of Schedule 9 of the Order, publicly available information.
- Performed analytical and other procedures on the Capital Adequacy and Regulatory Liquidity Ratios Information and considered its consistency with the Financial Statements of the Bank.
- Obtained an understanding and assessed the impact of any matters of non-compliance, advised to us or of which we otherwise became aware, with the RBNZ's prudential requirements for banks that relate to capital adequacy and regulatory liquidity ratios information and inspected relevant correspondence with RBNZ.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on compliance of the Capital Adequacy and Regulatory Liquidity Ratios Information with Schedule 9 of the Order.

Ernst & Young provides financial statement and supplementary information audit and interim review services, and other assurance services to the Bank. Partners and employees of our firm may deal with the Bank on normal terms within the ordinary course of trading activities of the business of the Bank. We have no other relationship with, or interest in, the Bank.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with compliance requirements may occur and not be detected. A limited assurance engagement on the Bank's disclosure of Capital Adequacy and Regulatory Liquidity Ratios Information in the Disclosure Statement for the six months ended 30 June 2026, does not provide assurance on whether compliance will continue in the future.

Restrictions on Use of Report

This report has been prepared for the Bank's Shareholder for the purpose of providing limited assurance that the Bank's Capital Adequacy and Regulatory Liquidity Ratios Information has been disclosed in accordance with Schedule 9 of the Order. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's Shareholder for our limited assurance work, for this report, or for the conclusions we have formed. We acknowledge that our report will be included in the Bank's Disclosure Statement.

Ernst + Young

Chartered Accountants
Auckland
28 August 2026