中州证券

Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name "中原证券股份有限公司" and carrying on business in Hong Kong as "中州证券")

(Stock Code: 01375)

ANNOUNCEMENT IN RELATION TO PROVISION PROVIDED FOR ASSETS IMPAIRMENT AND ESTIMATED LIABILITIES

This announcement is made by the board of directors (the "**Board**") of Central China Securities Co., Ltd. (the "**Company**") pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

On 30 January 2026, the Company convened the 43rd meeting of the seventh session of the Board, on which, the "Resolution in respect of Provision Provided for Assets Impairment and Estimated Liabilities" was considered and approved. The specifics are set out below:

I. PROVISION PROVIDED FOR ASSETS IMPAIRMENT

(I) Overview of Provision Provided for Assets Impairment

According to the "Accounting Standards for Business Enterprises" and the requirements of the Company's accounting policies, in order to accurately and objectively reflect the financial condition of the Company as at 31 December 2025 and the operating results of January to December 2025, the Company and its subsidiaries had performed comprehensive review and impairment tests on various financial assets and long-term assets and had provided a credit impairment provision of RMB80.7523 million and impairment provision for other assets of RMB26.2154 million, totaling to RMB106.9677 million for January to December 2025, details are as follows:

Unit:'0,000 Currency: RMB

Item			Amount for January to December 2025
I.	Credit impairment provision		8,075.23
	Including:	Accounts receivables and other receivables	4,919.63
		Debt investments	2,628.76
		Margin accounts receivable	372.52
		Other debt investments	200.76
		Financial assets held under resale agreements	-46.44
II.	Impairment provision for other assets		2,621.54
	Including:	Long-term equity investment	1,902.20
		Assets held for debt settlement	719.34
Total			10,696.77

Note: The above figures are based on a preliminary review by the Company, which are unaudited.

(II) Specifics of Provision Provided for Assets Impairment

1. Provision for bad debts of accounts receivables and other receivables mainly represents the provision for bad debts of current accounts provided by the subsidiaries based on debtor's risk profile , value of the pledged collaterals, latest financial conditions of the debtor and guarantor on a single judgement or group judgement basis.

2. Impairment provision for debt investments mainly represents the credit impairment provision of debt investments provided by the subsidiaries after taking into account factors including creditworthiness and repayment ability of the debtor and value of the secured assets etc., using the default probability/rate of default losses method or single item test.

3. Impairment provision for margin accounts receivable mainly represents the credit impairment provision of margin accounts receivable provided by the Company based on factors including characteristics of the borrowers and value of the secured assets etc., and combining them with changes in the credit risk of the borrowers in assessing expected credit losses, using the default probability/rate of default losses method or single item test.

4. Impairment provision for other debt investments mainly represents the credit impairment provision provided by the Company after taking into account the credit rating and changes in the credit risk of the borrowers, using the default probability/rate of default losses method.

5. Impairment provision for long-term equity investment mainly represents the assets impairment provision provided by the subsidiaries based on the differences between the recoverable amount and the carrying amount upon performing impairment tests on the long-term equity investment which demonstrates impairment indications.

6. Impairment provision for assets held for debt settlement mainly represents the asset impairment provision provided by the subsidiaries based on the differences between the recoverable amount and carrying amount after determining the recoverable amount by adopting the present value of the estimated future cash flow.

II. PROVISION PROVIDED FOR ESTIMATED LIABILITIES

Regarding the contract dispute between the Company and the relevant party, the Company has consolidated information on hand and the advice from its legal advisor and recognized estimated liabilities of RMB29.3825 million in accordance with the relevant requirements under "Accounting Standard for Business Enterprises No. 13 — Contingent Matters" (《企業會計準則第13號 — 或有事項》) based on due care basis.

Regarding the contract dispute between a subsidiary of the Company and the relevant party, the Company has consolidated information on hand and the advice from its legal advisor and recognized estimated liabilities of RMB17.9044 million in accordance with the relevant requirements under "Accounting Standard for Business Enterprises No. 13 — Contingent Matters" based on due care basis.

III. IMPACT ON THE OPERATING RESULTS OF THE COMPANY

(I) Impact of Provision Provided for Assets Impairment on the Company

For January to December 2025, the Company has provided an assets impairment provision amounting to RMB106.9677 million in its consolidated financial statement, reducing the profit before tax for 2025 by RMB106.9677 million.

(II) Impact of Provision Provided for Estimated Liabilities on the Company

For January to December 2025, the Company has provided an estimated liabilities provision amounting to RMB47.2869 million in its consolidated financial statement, reducing the profit before tax for 2025 by RMB47.2869 million.

Such provisions provided for assets impairment and estimated liabilities have not been audited. The final accounting treatment and the impact on the Company's profit for 2025 is subject to the annual audit results. Investors are advised to be aware of the investment risks.

By order of the Board of
Central China Securities Co., Ltd.
ZHANG Qiuyun
Chairlady

Henan, the PRC
30 January 2026

As at the date of this announcement, the Board comprises Ms. Zhang Qiuyun, Mr. Li Wenqiang, Mr. Feng Ruofan, Mr. Tang Jin, Mr. Tian Shengchun, Ms. Zhu Junhong, Mr. Chen Zhiyong, Mr. Wang Hui*, Mr. Wang Huixuan*, and Mr. Du Xiaotang*.*

* *Independent non-executive director of the Company*