

Major Accounting Data and Financial Indicators

The financial data and indicators set forth in this Report is prepared in accordance with the Accounting Standards for Business Enterprises of the PRC. Unless otherwise specified, such information represents the data of the Group stated in RMB.

Unit: RMB'000

Major accounting data				
Operating results	For the six months ended 30 June			
	2023	2022	Increase/ decrease for the Reporting Period as compared to the same period of the previous year (%)	2021
Operating income ⁽¹⁾	6,918,370	7,562,872	(8.52)	6,947,551
Total profit	2,526,990	3,245,690	(22.14)	3,161,181
Net profit attributable to Shareholders of the Bank	2,046,633	2,531,066	(19.14)	2,453,871
Net profit attributable to shareholders of the Bank after deducting non-recurring profit and loss	2,016,203	2,515,513	(19.85)	2,444,044
Net cash flow generated from operating activities	(467,243)	(18,129,194)	(97.42)	(5,563,807)
Calculated on a per Share basis (RMB/Share)				
Basic earnings per Share ⁽²⁾	0.23	0.28	(17.86)	0.27
Diluted earnings per Share ⁽²⁾	0.23	0.28	(17.86)	0.27
Basic earnings per share after deducting non-recurring profit and loss ⁽²⁾	0.22	0.27	(18.52)	0.27
Scale indicators	As at 30 June 2023	As at 31 December 2022	Increase/ decrease as at the end of the Reporting Period as compared to the end of the previous year (%)	As at 31 December 2021
Total assets	616,859,397	591,513,618	4.28	574,979,662
Gross loans and advances to customers (excluding accrued interest)	351,144,063	330,921,097	6.11	289,027,668
Provision for impairment losses on loans and advances to customers ⁽³⁾	10,977,669	10,311,525	6.46	8,369,541
Total liabilities	561,945,824	538,888,382	4.28	515,568,122

Scale indicators	As at 30 June 2023	As at 31 December 2022	Increase/ decrease as at the end of the Reporting Period as compared to the end of the previous year (%)	As at 31 December 2021
Total deposits from customers (excluding accrued interest)	353,415,379	337,708,162	4.65	318,813,450
Share capital	9,092,091	8,265,538	10.00	8,265,538
Shareholders' equity	54,913,573	52,625,236	4.35	59,411,540
Including: equity attributable to Shareholders of the Bank	52,993,053	50,772,566	4.37	57,766,182
Net assets per Share attributable to Ordinary Shareholders of the Bank ⁽⁴⁾ (RMB/Share)	4.73	4.93	(4.06)	4.83
Net capital base ⁽⁵⁾	57,196,340	55,291,681	3.44	63,166,634
Including: net tier-one capital ⁽⁵⁾	52,199,817	50,566,245	3.23	57,931,340
Total risk-weighted assets ⁽⁵⁾	447,781,750	434,769,547	2.99	421,013,820
Major financial indicators				
Capital adequacy ratio (%)	As at 30 June 2023	As at 31 December 2022	Change as at the end of the Reporting Period as compared to the end of the previous year	As at 31 December 2021
Core tier-one capital adequacy ratio ⁽⁵⁾	9.38	9.29	0.09	9.49
Tier-one capital adequacy ratio ⁽⁵⁾	11.66	11.63	0.03	13.76
Capital adequacy ratio ⁽⁵⁾	12.77	12.72	0.05	15.00
Asset quality indicators (%)	As at 30 June 2023	As at 31 December 2022	Change as at the end of the Reporting Period as compared to the end of the previous year	As at 31 December 2021
Non-performing loan ratio ⁽⁶⁾	1.87	1.88	(0.01)	1.85
Allowance to non-performing loans ⁽⁶⁾	167.45	165.73	1.72	156.58
Allowance to total loans ⁽⁶⁾	3.13	3.12	0.01	2.90
Profitability indicators (%)	For the six months ended 30 June			

	2023	2022	Change for the Reporting Period as compared to the same period of the previous year	2021
Weighted average return on net assets ⁽²⁾	9.77	12.27	(2.50)	12.88
Weighted average return on net assets after deducting non-recurring profit and loss ⁽²⁾ (annualized)	9.63	12.19	(2.56)	12.83
Return on total assets ⁽⁷⁾ (annualized)	0.70	0.91	(0.21)	0.91
Cost-to-income ratio ⁽⁸⁾ (annualized)	20.81	16.94	3.87	18.62
Net interest spread ⁽⁹⁾ (annualized)	2.06	2.22	(0.16)	2.20
Net interest margin ⁽¹⁰⁾ (annualized)	2.13	2.35	(0.22)	2.24
Other financial indicators (%)	As at 30 June 2023	As at 31 December 2022	Change as at the end of the Reporting Period as compared to the end of the previous year	As at 31 December 2021
Leverage ratio ⁽¹¹⁾	7.73	7.69	0.04	8.72
Liquidity ratio ⁽¹¹⁾	63.61	72.34	(8.73)	63.72
Liquidity coverage ratio ⁽¹¹⁾	205.17	300.13	(94.96)	339.61
Loan-to-deposit ratio ⁽¹¹⁾	99.36	97.99	1.37	90.66
Percentage of loans to the single largest customer ⁽¹¹⁾	4.37	5.18	(0.81)	4.75
Percentage of loans to the top ten single customers ⁽¹¹⁾	33.39	34.06	(0.67)	27.66
Percentage of credit granted to the single largest group customer ⁽¹¹⁾	8.79	5.63	3.16	4.93
Normal loan migration ratio ⁽¹¹⁾	1.13	1.33	(0.20)	4.58
Special mention loan migration ratio ⁽¹¹⁾	20.28	16.92	3.36	48.26
Substandard loan migration ratio ⁽¹¹⁾	-	25.19	(25.19)	1.35
Doubtful loan migration ratio ⁽¹¹⁾	-	9.33	(9.33)	4.27

Notes:

1. Operating income includes net interest income, net fee and commission income, net gains arising from investments, net gains/losses arising from changes in fair value, net exchange gains/losses, other operating income and other gains, etc.
2. Basic earnings per Share, diluted earnings per Share, basic earnings per share after deducting non-recurring profit and loss, weighted average return on net assets and weighted average return on net assets after deducting non-recurring profit and loss were calculated according to Compilation Rules for Information Disclosures by Companies that Offer Securities to the Public (No.9): Calculation and Disclosure of Rate of Return on Equity

and Earnings per Share (2010 Revision).

In June 2023, the Bank issued one new Share for every 10 Shares to Ordinary Shareholders by way of Capitalization Issue. After the implementation of the Capitalization Issue, the number of Ordinary Shares of the Bank increased from 8,265,537,599 to 9,092,091,358. Basic earnings per Share, diluted earnings per Share and basic earnings per share after deducting non-recurring profit and loss during the comparison period were recalculated on the basis of the number of Shares after the Capitalization Issue. Other equity instruments were deducted from the weighted average net assets.

During the Reporting Period, the Bank did not distribute interests on the indefinite-term capital bonds. No interests on the indefinite-term capital bonds had to be deducted from the “net profit attributable to Shareholders of the Bank”, and net proceeds raised from the indefinite-term capital bonds issuance were deducted from the “weighted average net assets”.

3. Including the provision for impairment losses on the loans and advances to customers measured at amortized costs and the loans and advances to customers at fair value through other comprehensive income.
4. Representing the equity attributable to Ordinary Shareholders of the Bank after deducting other equity instruments divided by the number of Ordinary Shares at the end of the period.
5. Calculated based on the “Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)” published by the Former CBIRC.
6. Non-performing loan ratio was calculated by dividing total non-performing loan principal (excluding accrued interests) by gross loan and advance principal to customers (excluding accrued interest); the allowance to non-performing loans was calculated by dividing allowance for impairment losses on loans and advances to customers by total non-performing loan principal (excluding accrued interest); and the allowance to total loans was calculated by dividing allowance for impairment losses on loans and advances to customers by gross loan and advance principal to customers (excluding accrued interest).
7. Representing the net profit for the Reporting Period as a percentage to the average balance of the total assets as at the beginning and end of the Reporting Period.
8. Calculated by dividing the sum of business and management expenses and other business cost by operating income.
9. Calculated as the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities based on daily average of the interest-earning assets and the interest-bearing liabilities.
10. Calculated by dividing net interest income by the daily average interest-earning assets based on daily average interest earning assets.
11. Percentage of loans to the single largest customer and percentage of loans to the top ten single customers were recalculated in accordance with regulatory criteria based on reviewed data. Loan-to-deposit ratio was recalculated as per audited (reviewed) total loan principal divided by total deposit principal. Other indicators represent data reported to regulatory authorities. Loan migration ratio was based on the criteria of the Bank (the parent).