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BANK OF CHONGQING CO., LTD.*
重慶銀行股份有限公司*

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

(Stock Code: 1963)

(Stock Code of Preference Shares: 4616)

FIRST QUARTERLY REPORT FOR 2021

The board of directors (the “**Board**”) of Bank of Chongqing Co., Ltd.* (the “**Bank**” or “**Bank of Chongqing**”) is pleased to announce the unaudited quarterly report of the Bank and its subsidiaries (the “**Group**”) for the first quarter ended March 31, 2021 (the “**Reporting Period**”) prepared in accordance with the International Financial Reporting Standards (the “**IFRSs**”). This quarterly report is made pursuant to Rule 13.09 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

1. IMPORTANT NOTICE

- 1.1 The Board, the board of supervisors, directors, supervisors and senior management of the Bank warrant that the contents in this report are true, accurate and complete and contain no false representations, misleading statements or material omissions, and they will take legal responsibilities for such contents on a several and joint basis.
- 1.2 The 26th meeting of the sixth session of the Board of the Bank was held on April 28, 2021 in the form of voting by correspondence. The Bank has 13 directors, among which 13 directors attended the meeting in person. The meeting considered and unanimously approved the Bank’s first quarterly report for 2021.
- 1.3 LIN Jun (Chairman of the Bank), RAN Hailing (President of the Bank), YANG Shiyin (Vice President in charge of Finance) and YANG Kun (Head of Finance Department) warrant that the financial statements in this report are true, accurate and complete.
- 1.4 The first quarterly report of the Bank for 2021 has not been audited.

* *The Bank holds a financial licence number B0206H250000001 approved by the regulatory authority of the banking industry of the PRC and was authorised by the Administration for Market Regulation of Chongqing to obtain a corporate legal person business licence with a unified social credit code 91500000202869177Y. The Bank is not an authorized institution within the meaning of the Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

2. CORPORATE INFORMATION

2.1 Company information

Legal name in Chinese: 重慶銀行股份有限公司(abbreviation: 重慶銀行)

Stock name of A shares	BCQ	Stock name of H shares	BCQ
Stock code of A shares	601963	Stock code of H shares	01963
Listing exchange of A shares	Shanghai Stock Exchange	Listing exchange of H shares	Hong Kong Stock Exchange
Secretary of the Board	PENG Yanxi	Securities Affairs Representative	LIU Songtao ¹
Company Secretary	HO Wing Tsz Wendy		
Correspondence address	No. 6 Yongpingmen Street, Jiangbei District, Chongqing, the PRC		
Telephone	+86(23)63799024		
E-mail	ir@cqcbank.com		

¹ The Board of Directors has appointed Mr. LIU Songtao as the Securities Affairs Representative of the Bank. The appointment of Mr. LIU Songtao will take effect only after he obtains the qualification certificate of the Secretary to the Board issued by Shanghai Stock Exchange.

2.2 Financial highlights

2.2.1 Major financial data and indicators

The financial information set out in this quarterly report was prepared according to IFRSs. Unless otherwise stated, the financial information of the Group is expressed in RMB.

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	March 31, 2021	December 31, 2020	Increase/ (decrease) at the end of the Reporting Period as compared to the end of the previous year (%)
Total assets	586,058,847	561,641,397	4.3
Loans and advances to customers, gross	298,772,111	283,226,555	5.5
Total liabilities	539,119,241	519,647,183	3.7
Customer deposits	325,784,002	314,500,257	3.6
Equity attributable to shareholders of the Bank	45,076,182	40,174,997	12.2
Total equity	46,939,606	41,994,214	11.8
Net assets per share attributable to ordinary shareholders of the Bank (RMB)	11.56	11.28	2.5
			Increase/ (decrease) in the Reporting Period as compared to the same period of the previous year (%)
<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	January to March 2021	January to March 2020	
Operating income	3,607,157	3,311,152	8.9
Net profit	1,478,343	1,406,318	5.1
Net profit attributable to shareholders of the Bank	1,434,136	1,377,459	4.1
Net cash (outflow)/inflow generated from operating activities	(7,860,809)	8,266,958	N/A

	January to March 2021	January to March 2020	Increase/ (decrease) in the Reporting Period as compared to the same period of the previous year
Basic earnings per share (<i>RMB</i>)	0.41	0.44	(0.03)
Diluted earnings per share (<i>RMB</i>)	0.41	0.44	(0.03)
Annualized return on average total assets (%) ⁽¹⁾	1.04	1.12	(0.08)
Annualized weighted average return on equity (%) ⁽²⁾	15.42	16.87	(1.45)

Notes:

- (1) Calculated by dividing net profit by the average of total assets at the beginning and at the end of the period.
- (2) Net profit (net of dividends of preference shares distributed during the year) attributable to shareholders of the Bank as a percentage of the average balance of equity, net of preference shares, attributable to shareholders of the Bank at the beginning and at the end of the period.

2.2.2 Note on differences between the financial statements respectively prepared in accordance with the PRC accounting standards and the IFRS

With respect to the financial statements of the Group prepared under the PRC GAAP (China Accounting Standards) and those under the IFRSs, there is no difference for the net profit attributable to shareholders of the Bank for the Reporting Period ended March 31, 2021 and the equity attributable to shareholders of the Bank as at the end of the Reporting Period.

2.2.3 Capital adequacy ratio

The table below sets forth the capital adequacy ratio of each level calculated by the Group and the Bank in accordance with the Administrative Measures for the Capital of Commercial Banks (for Trial) (《商業銀行資本管理辦法(試行)》) as of the dates indicated.

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	March 31, 2021		31 December, 2020	
	The Group	The Bank	The Group	The Bank
Core Tier I Capital, net	40,880,023	37,805,685	35,902,191	32,937,291
Tier I Capital, net	45,929,409	42,714,992	40,934,037	37,846,598
Net capital	57,471,434	53,640,053	53,672,813	50,048,091
Risk-weighted assets	449,271,979	420,695,530	427,946,826	402,983,025
Core Tier I Capital adequacy ratio (%)	9.10	8.99	8.39	8.17
Tier I Capital adequacy ratio (%)	10.22	10.15	9.57	9.39
Capital adequacy ratio (%)	12.79	12.75	12.54	12.42

2.2.4 Leverage ratio

The table below sets forth the leverage ratio calculated by the Group in accordance with the Administrative Measures for the Leverage Ratio of Commercial Banks (Revised) (《商業銀行槓桿率管理辦法(修訂)》) as of the dates indicated.

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	March 31, 2021	December 31, 2020
The balance of assets on and off-balance sheet after adjustments	626,032,941	598,603,483
Tier I Capital, net	45,929,409	40,934,037
Leverage ratio (%)	7.34	6.84

2.2.5 Liquidity coverage ratio

The table below sets forth the liquidity coverage ratio calculated by the Group in accordance with the Administrative Measures for the Liquidity Risk Management of Commercial Banks (《商業銀行流動性風險管理辦法》) as of the dates indicated.

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	March 31, 2021	December 31, 2020
Qualified high-quality liquid assets	38,578,510	38,740,874
Net cash outflow in the next 30 days	19,995,882	18,889,865
Liquidity coverage ratio (%)	192.93	205.09

2.3 Number of shareholders and shareholding

2.3.1 Holders and shareholding of the ordinary shares

As at the end of the Reporting Period, the Bank had a total of 118,196 ordinary shareholders, of which, 117,043 are A-share shareholders and 1,153 are registered H-share shareholders. As at the end of the Reporting Period, the shareholdings of top ten shareholders of ordinary shares and top ten shareholders of ordinary shares without selling restrictions of the Bank are as follow:

Particulars of shareholdings of the top ten shareholders of ordinary shares of the Bank

S.N.	Name of shareholder	Nature of shareholder	Number of shares held at the end of the period (shares)	Shareholding (%)	Type of shares	Number of shares with selling restrictions (shares)	Pledged or frozen (shares)
1	HKSCC Nominees Limited	Offshore legal person	1,118,752,819	32.20	H shares	0	-
2	Chongqing Yufu Capital Operation Group Co., Ltd.	State-owned legal person	462,179,748	13.30	A shares +H shares	407,929,748	-
3	Dah Sing Bank, Limited	Offshore legal person	458,574,853	13.20	H shares	0	-
4	Lifan Technology (Group) Co., Ltd.	Private legal person	294,818,932	8.49	A shares +H shares	129,564,932	252,064,932
5	SAIC Motor Corporation Limited	State-owned legal person	240,463,650	6.92	H shares	0	-
6	Funde Sino Life Insurance Co., Ltd.	Private legal person	217,570,150	6.26	H shares	0	-
7	Chongqing Road & Bridge Co., Ltd.	Private legal person	171,339,698	4.93	A shares	171,339,698	-
8	Chongqing Real Estate Group Co., Ltd.	State-owned legal person	139,838,675	4.02	A shares	139,838,675	-
9	Chongqing Water Conservancy Investment Group Co., Ltd.	State-owned legal person	139,838,675	4.02	A shares	139,838,675	-
10	Peking University Founder Group Co., Ltd.	State-owned legal person	94,506,878	2.72	A shares	94,506,878	-

Statement on the connected relations and concerted actions between the above shareholders: The Bank is not aware of any connected relations or concerted actions between the above shareholders.

**Particulars of shareholdings of the top ten shareholders
of ordinary shares without selling restrictions of the Bank**

S.N.	Name of shareholder	Number of outstanding shares without selling restrictions (shares)	Type and number of shares	
			Type	Number (shares)
1	HKSCC Nominees Limited	1,118,752,819	H shares	1,118,752,819
2	Xin Xiaoyan (辛曉艷)	2,301,896	A shares	2,301,896
3	Xiao Huizhu (肖惠珠)	1,660,930	A shares	1,660,930
4	Zhuhai Niuda Investment and Management Co., Limited – Niuda Investment Shejiang No. 1 Private Equity Securities Investment Fund (珠海紐達投資管理有限公司 – 紐達投資畚江一號私募證券投資基金)	1,570,100	A shares	1,570,100
5	Xie Kunlin (謝坤林)	1,527,100	A shares	1,527,100
6	Hong Kong Securities Clearing Company Limited	1,452,454	A shares	1,452,454
7	Liang Demou (梁德謀)	1,003,444	A shares	1,003,444
8	He Shichao (何世超)	917,346	A shares	917,346
9	Haitai Energy (Shenzhen) Co., Ltd. (海泰能源(深圳)有限公司)	894,600	A shares	894,600
10	Lin Chukang (林初康)	847,400	A shares	847,400

Statement on the connected relations and concerted actions between the above shareholders: HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. Apart from this, the Bank is not aware of any connected relations or concerted actions between the above shareholders.

Statement on shareholders of preference shares with restored voting rights and the number of shares held: Not applicable

Notes:

- (1) The number of shares held by HKSCC Nominees Limited refers to the total number of shares in the shareholders of H shares' account of the Bank in the trading system represented by HKSCC Nominees Limited. Hong Kong Securities Clearing Company Limited is an institution that is designated as a nominal holder and is designated by others to hold shares on their behalf. It holds the Shanghai Connect shares of the Bank which are held by investors.
- (2) Chongqing Yufu Capital Operation Group Co., Ltd. directly held 407,929,748 A shares and held 54,250,000 H shares of the Bank through its subsidiary Chongqing Yufu (Hong Kong) Limited and held 21,764,838 A shares of the Bank through Chongqing Chuanyi Automation Co., Ltd., Chongqing Chuanyi Instrument Microcircuit Co., Ltd. (重慶川儀微電路有限責任公司), Chongqing Silian Investment and Management Co., Ltd. (重慶四聯投資管理有限公司), Southwest Securities Company, Ltd. and Chongqing Hotel Co., Ltd.. Its associates, namely Chongqing Rural Commercial Bank Co., Ltd., Chongqing Union Property Right Exchange Co., Ltd. (重慶聯合產權交易所集團股份有限公司) and Yang Yusong, held 9,408,709 A shares of the Bank, together with its associates, held an aggregate of 493,353,295 shares of the Bank, representing 14.20% of the Bank's total shares.

- (3) Lifan Technology (Group) Co., Ltd. held 129,564,932 A shares of the Bank and held 165,254,000 H shares of the Bank through its subsidiary Lifan International (Holdings) Limited. Lifan Technology (Group) Co., Ltd., together with its subsidiary, held an aggregate of 294,818,932 shares of the Bank, representing 8.49% of the Bank's total share capital.
- (4) SAIC Motor Corporation Limited held 240,463,650 H shares of the Bank through its subsidiary SAIC Motor HK Investment Limited, representing 6.92% of the Bank's total share capital.
- (5) Funde Sino Life Insurance Co., Ltd. directly held 150,000,000 H shares of the Bank and held 67,570,150 H shares of the Bank through its subsidiary Fund Resources Investment Holding Group Company Limited. Funde Sino Life Insurance Co., Ltd., together with its subsidiary, held an aggregate of 217,570,150 H shares of the Bank, representing 6.26% of the Bank's total share capital.
- (6) Chongqing Road & Bridge Co., Ltd. directly held 171,339,698 A shares of the Bank, and its associate, namely Chongqing International Trust Co., Ltd., held 195,102 A shares of the Bank. Chongqing Road & Bridge Co., Ltd., together with its associate, held an aggregate of 171,534,800 A shares of the Bank, representing 4.94% of the Bank's total shares.
- (7) Chongqing Real Estate Group Co., Ltd. directly held 139,838,675 A shares of the Bank, and its associate, namely Chongqing Kangju Property Development Co., Ltd. (重慶康居物業發展有限公司) and Chongqing Institute of Urban Pest Control (重慶市城市害蟲防治研究所) held 1,750,981 A shares of the Bank. Chongqing Real Estate Group Co., Ltd., together with its associates, held an aggregate of 141,589,656 A shares of the Bank, representing 4.08% of the Bank's total shares.

2.3.2 Holders and shareholding of the preference shares

As at March 31, 2021, the total number of preference shareholders (or nominees) of the Bank was one, who is an offshore preference shareholder. Particulars of shareholdings are as follows:

Name of shareholder of preference shares	Nature of shareholder	Increase or decrease during the Reporting Period (shares)	Total number of shares held at the end of the period (shares)	Shareholding (%)	Number of shares pledged or frozen (shares)
The Bank of New York Depository (Nominees) Limited	Offshore legal person	-	37,500,000	100.00	Unknown

Notes:

- (1) Shares held by the above shareholders are the Bank's shares without selling restrictions.
- (2) The shareholding of preference shareholders is based on the information contained in the register of preference shareholders of the Bank.
- (3) As the issuance is a non-public offer, the information contained in the register of preference shareholders refers to the nominees of placees.
- (4) The Bank is not aware whether there are any connected relations or concerted actions among the above preference shareholders and Top 10 ordinary shareholders.
- (5) "Shareholding" means the proportion of offshore preference shares held by preference shareholders to the total number of offshore preference shares.

3. HIGHLIGHTS OF QUARTERLY RESULTS

As at March 31, 2021, the Group's total assets amounted to RMB586,059 million, representing an increase of RMB24,417 million or 4.3% as compared to the end of the previous year.

Customer deposits amounted to RMB325,784 million, representing an increase of RMB11,284 million or 3.6% as compared to the end of the previous year, of which, time deposits, demand deposits, pledged deposits held as collateral, other deposits and interest payable amounted to RMB222,105 million, RMB86,486 million, RMB10,851 million, RMB3,241 million and RMB3,101 million, respectively.

Total loans and advances to customers amounted to RMB298,772 million, representing an increase of RMB15,546 million or 5.5% as compared to the end of the previous year, of which, corporate loans, personal loans, discounted bills and interest receivables amounted to RMB181,320 million, RMB103,687 million, RMB11,559 million and RMB2,206 million, respectively.

The balance of non-performing loans amounted to RMB3,757 million, representing an increase of RMB194 million as compared to the end of the previous year; the non-performing loan ratio was 1.27%, remaining at the same level as compared with the end of the previous year; and the provision coverage ratio was 307.38%, representing a decrease of 1.75 percentage points as compared to the end of the previous year.

For the three months ended March 31, 2021, the Group recorded a net profit of RMB1,478 million, representing an increase of RMB72 million or 5.1% as compared to the same period of the previous year. The annualized return on average total assets was 1.04%, representing a decrease of 0.08 percentage point as compared with the same period of the previous year. The annualized weighted average return on equity was 15.42%, representing a decrease of 1.45 percentage point as compared with the same period of the previous year. The Group recorded basic earnings per share of RMB0.41, representing a decrease of RMB0.03 as compared with the same period of the previous year.

Net interest income amounted to RMB2,877 million, representing an increase of RMB268 million or 10.3% as compared with the same period of the previous year. Net fee and commission income² amounted to RMB174 million, representing a decrease of RMB50 million or 22.2% as compared with the same period of the previous year, primarily because commission income from wealth management agency services recorded a decrease of 29.3% as compared with the same period of the previous year.

Operating expenses amounted to RMB718 million, representing an increase of RMB113 million or 18.6% as compared to the same period of the previous year. The cost-to-income ratio was 18.86%, representing an increase of 1.51 percentage point as compared to the same period of the previous year. Asset impairment losses amounted to RMB1,079 million, representing an increase of RMB171 million or 18.9% as compared to the same period of the previous year.

In accordance with the Administrative Measures for the Capital of Commercial Banks (for Trial) (《商業銀行資本管理辦法(試行)》), as at the end of the Reporting Period, the Group's Core Tier One capital adequacy ratio, Tier One capital adequacy ratio and capital adequacy ratio were 9.10%, 10.22% and 12.79%, respectively, fulfilling the latest regulatory requirements on capital adequacy ratios applicable to the PRC banking industry.

² In accordance with the notice of the Ministry of Finance of PRC and the China Banking and Insurance Regulatory Commission on Strictly Implementing the Accounting Standards for Business Enterprises and Practically Strengthening the Annual Reporting Work of Enterprises in 2020, the Group re-classified the credit card service fee business from "service fee income" to "interest income" for the same period of previous year.

4. SIGNIFICANT EVENTS

4.1 Particulars and reasons of material changes in major accounting statement items and financial indicators

Applicable Not applicable

The main reasons for material changes over 30% in the major accounting statement items and financial indicators as compared to the same period of the previous year or the end of the previous year are as follows:

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	January to March 2021	January to March 2020	Change rate as compared to the same period of the previous year (%)	Main reasons of the changes
Fee and commission expense	(46,899)	(23,056)	103.4	Primarily due to an increase in consulting service fee for business cooperation.
Net trading gains	93,451	48,534	92.5	Primarily due to the impacts of exchange rate fluctuations on USD assets held by the Group, and the valuation gains on equity investments classified as financial assets held for trading which recorded valuation losses in the previous year.
Other operating income	26,783	4,182	540.4	Primarily due to an increase in rental income resulting from the year-on-year increase in the size of the Group's operating lease assets.
Share of profit of associates	52,369	34,345	52.5	Primarily due to an increase in the Group's share of profit of associates as compared with the corresponding period.
<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	March 31, 2021	December 31, 2020	Change rate as compared to the end of the previous year (%)	Main reasons of the changes
Capital reserve	8,038,476	4,680,638	71.7	Primarily due to the premium of the A-share issuance which has increased the capital reserve.

4.2 The progress of significant events and their influence and analysis on the solutions

Applicable Not applicable

The Board of the Bank considered and passed 7 proposals on the issuance of A share convertible corporate bonds, including the Plan for the Public Issuance of A Share Convertible Corporate Bonds by Bank of Chongqing Co., Ltd. on March 30, 2021, and considered and passed the Proposal on the Report regarding the Use of Proceeds Previously Raised of Bank of Chongqing Co., Ltd. on April 12, 2021. The Bank intends to issue corporate bonds that can be converted into A shares of the Bank not exceeding RMB13 billion (RMB13 billion inclusive).

The above matters are still subject to consideration at the general meeting of the Bank. Upon consideration and approval at the Bank's general meeting, their implementation is subject to the approvals of Chongqing Bureau of China Banking and Insurance Regulatory Commission and the China Securities Regulatory Commission and the approved plan shall prevail. For details, please refer to the announcements issued by the Bank on the Shanghai Stock Exchange, The Stock Exchange of Hong Kong Limited and the Bank's website.

4.3 Undertakings that have not been fulfilled on time during the Reporting Period

Applicable Not applicable

4.4 Implementation of the cash dividend policy during the Reporting Period

Applicable Not applicable

4.5 Disclosure of, and reasons for, the warning in respect of forecast of a probable loss in respect of the accumulated net profit from the beginning of the year to the end of the next reporting period or any significant changes in profit as compared to the same period of the previous year

Applicable Not applicable

5. PUBLICATION OF QUARTERLY REPORT

The quarterly report will be published on the HKEXnews website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Bank (www.cqcbank.com). The quarterly report prepared under the PRC GAAP (China Accounting Standards) will be published on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Bank (www.cqcbank.com).

This quarterly report was prepared in both Chinese and English, where there is a discrepancy between the Chinese and English versions, the Chinese version shall prevail.

On behalf of the Board
Bank of Chongqing Co., Ltd.*
LIN Jun
Chairman

Chongqing, the PRC, April 28, 2021

As at the date of this announcement, the executive directors of the Bank are Ms. LIN Jun, Mr. RAN Hailing, Mr. LIU Jianhua and Mr. WONG Wah Sing; the non-executive directors are Mr. WONG Hon Hing, Mr. YANG Yusong, Mr. WU Heng and Ms. LIU Ying; and the independent non-executive directors are Dr. LIU Xing, Mr. WANG Rong, Dr. ZOU Hong, Dr. FUNG Don Hau and Mr. YUAN Xiaobin.

APPENDIX FINANCIAL STATEMENTS ACCORDING TO IFRSs

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021

(All amounts expressed in thousands of RMB unless otherwise stated)

	For the three months ended March 31,	
	2021 (Unaudited)	2020 (Unaudited)
Interest income	6,659,941	6,071,123
Interest expense	(3,782,450)	(3,461,540)
Net interest income	2,877,491	2,609,583
Fee and commission income	220,667	246,376
Fee and commission expense	(46,899)	(23,056)
Net fee and commission income	173,768	223,320
Net trading gains	93,451	48,534
Net gains on investment securities	435,664	425,533
Other operating income	26,783	4,182
Operating income	3,607,157	3,311,152
Operating expenses	(718,141)	(605,384)
Asset impairment losses	(1,078,680)	(907,354)
Operating profit	1,810,336	1,798,414
Share of profit of associates	52,369	34,345
Profit before income tax	1,862,705	1,832,759
Income tax	(384,362)	(426,441)
Net profit for the period	1,478,343	1,406,318

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021
(All amounts expressed in thousands of RMB unless otherwise stated)

	For the three months ended March 31,	
	2021	2020
	(Unaudited)	(Unaudited)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss:</i>		
Net (loss)/gains on debt investments at fair value through other comprehensive income	(321,620)	285,241
Less: Relevant income tax impact	80,405	(71,310)
Subtotal	(241,215)	213,931
<i>Items that will not be reclassified to profit or loss:</i>		
Net gains on equity investments designated at fair value through other comprehensive income	-	-
Less: Relevant income tax impact	-	-
Subtotal	-	-
Remeasurement of retirement benefits/(losses)	3,968	(2,360)
Less: Relevant income tax impact	(992)	590
Subtotal	2,976	(1,770)
Total other comprehensive income, net of tax	(238,239)	212,161
Total comprehensive income for the period	1,240,104	1,618,479

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021
(All amounts expressed in thousands of RMB unless otherwise stated)

	For the three months ended March 31,	
	2021	2020
	(Unaudited)	(Unaudited)
Net profit attributable to:		
Shareholders of the Bank	1,434,136	1,377,459
Non-controlling interests	44,207	28,859
	<u>1,478,343</u>	<u>1,406,318</u>
Total comprehensive income attributable to:		
Shareholders of the Bank	1,195,897	1,589,620
Non-controlling interests	44,207	28,859
	<u>1,240,104</u>	<u>1,618,479</u>
Earnings per share attributable to the shareholders of the Bank (expressed in RMB per share)		
– Basic and diluted	<u>0.41</u>	<u>0.44</u>

Chairman: LIN Jun President: RAN Hailing Vice President: YANG Shiyin Head of Finance Department: YANG Kun

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2021
(All amounts expressed in thousands of RMB unless otherwise stated)

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS		
Cash and balances with central bank	33,120,323	35,305,289
Due from other banks and financial institutions	58,586,525	52,659,497
Financial assets at fair value through profit or loss	29,388,716	31,208,753
Loans and advances to customers	287,251,904	272,259,348
Investment securities		
– Financial assets at fair value through other comprehensive income	50,276,934	45,881,180
– Financial assets measured at amortised cost	116,518,548	113,700,026
Investment in associates	1,997,450	1,945,081
Property, plant and equipment	3,220,481	3,233,280
Deferred tax assets	3,500,561	3,353,016
Other assets	2,197,405	2,095,927
Total assets	<u>586,058,847</u>	<u>561,641,397</u>
LIABILITIES		
Due to and placements from other banks and financial institutions	99,938,102	97,411,900
Customer deposits	325,784,002	314,500,257
Financial liabilities at fair value through profit or loss	6,138	6,904
Current tax liabilities	458,884	405,461
Debt securities issued	106,290,100	101,040,342
Other liabilities	6,642,015	6,282,319
Total liabilities	<u>539,119,241</u>	<u>519,647,183</u>
SHAREHOLDERS' EQUITY		
Share capital	3,474,505	3,127,055
Preference shares	4,909,307	4,909,307
Capital surplus	8,038,476	4,680,638
Other reserves	10,118,082	10,356,321
Retained earnings	18,535,812	17,101,676
Total equity attributable to shareholders of the Bank	<u>45,076,182</u>	<u>40,174,997</u>
Non-controlling interests	1,863,424	1,819,217
Total shareholders' equity	<u>46,939,606</u>	<u>41,994,214</u>
Total liabilities and shareholders' equity	<u>586,058,847</u>	<u>561,641,397</u>

Chairman: LIN Jun President: RAN Hailing Vice President: YANG Shiyin Head of Finance Department: YANG Kun

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021
(All amounts expressed in thousands of RMB unless otherwise stated)

	For the three months ended March 31,	
	2021	2020
	(Unaudited)	(Unaudited)
Cash flows from operating activities:		
Profit before income tax	1,862,705	1,832,759
Adjustments:		
Depreciation and amortisation	84,671	76,498
Impairment losses on loans	1,026,191	1,072,438
Provision for/(reversal of) impairment allowances on other assets	52,489	(165,084)
Net losses on disposal of property, plant and equipment and foreclosed assets	52	1
Fair value gains	(145,360)	(18,131)
Net gains arising from financial investments	(352,832)	(359,616)
Share of profit of associates	(52,369)	(34,345)
Interest income arising from investment securities	(2,136,266)	(1,885,787)
Interest expense arising from financing activities	805,230	848,768
Net (increase)/decrease in operating assets:		
Net (increase)/decrease in restricted deposit balances with central bank	(673,388)	347,748
Net (increase)/decrease in due from and placements with banks and other financial institutions	(18,512)	2,193,413
Net (increase)/decrease in financial assets held under resale agreements	(5,200,456)	6,890,701
Net increase in loans and advances to customers	(16,381,919)	(10,682,686)
Net increase in other operating assets	(686,210)	(795,845)
Net increase/(decrease) in operating liabilities:		
Net increase in borrowings from central banks	1,767,657	4,765,300
Net increase/(decrease) in due to and placements from banks and other financial institutions	2,142,424	(7,341,556)
Net decrease in financial assets sold under repurchase agreements	(1,383,879)	(1,638,374)
Net increase in customer deposits	11,283,745	13,751,749
Net increase/(decrease) in other operating liabilities	545,845	(111,764)
Income tax paid	(400,627)	(479,229)
Net cash (outflows)/inflows from operating activities	(7,860,809)	8,266,958

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021
(All amounts expressed in thousands of RMB unless otherwise stated)

	For the three months ended March 31,	
	2021	2020
	(Unaudited)	(Unaudited)
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment, intangible assets and other long-term assets	43,612	1,315
Purchase of property, plant and equipment, intangible assets and other long-term assets	(99,388)	(14,105)
Proceeds from sale and redemption of investments	17,289,870	9,297,884
Purchase of investment securities	(19,616,364)	(12,376,383)
Net cash outflows from investing activities	(2,382,270)	(3,091,289)
Cash flows from financing activities:		
Proceeds from issuance of shares	3,705,289	-
Proceeds from issuance of debt securities and inter-bank certificates of deposit	30,609,432	24,881,431
Cash paid to redeem debt securities and inter-bank certificates of deposit issued	(25,810,000)	(26,190,000)
Cash paid for lease liabilities	(10,806)	(12,163)
Interest paid in relation to financing activities	(354,000)	(354,000)
Dividends paid to shareholders	(63,042)	(21,618)
Net cash inflows/(outflows) from financing activities	8,076,873	(1,696,350)
Impact from exchange rate changes on cash and cash equivalents	13,959	41,562
Net (decrease)/increase in cash and cash equivalents	(2,152,247)	3,520,881
Cash and cash equivalents at the beginning of the period	11,524,221	9,958,679
Cash and cash equivalents at the end of the period	9,371,974	13,479,560

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