



2020 Interim Results Announcement

August 2020



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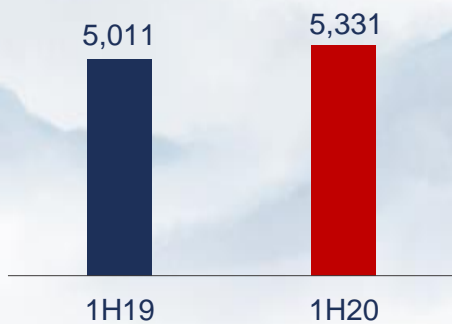
*Notes: Increase/decrease and percentage figures are derived based
financials rounded to RMB millions*



Financial Performance

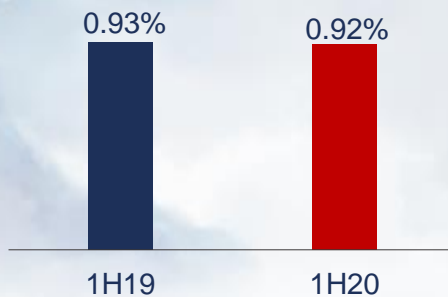
Stable Profitability with Steady Growth in Net Profit

(RMB mn)
YoY Growth **6.39%**



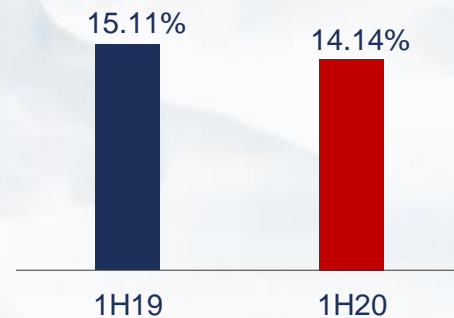
Net Profit

Return on Average Total Assets
reached over **0.9%** for five years



Return on Average Total Assets

Return on Average Net Assets
remained stable

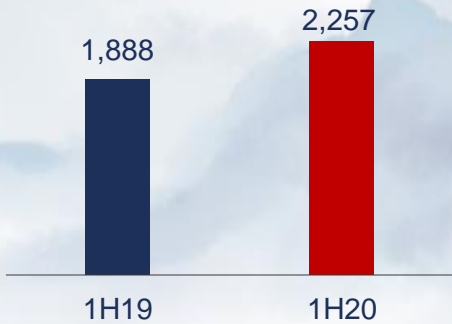


Return on Average Net Assets

Robust Growth in Net Fee and Commission Income

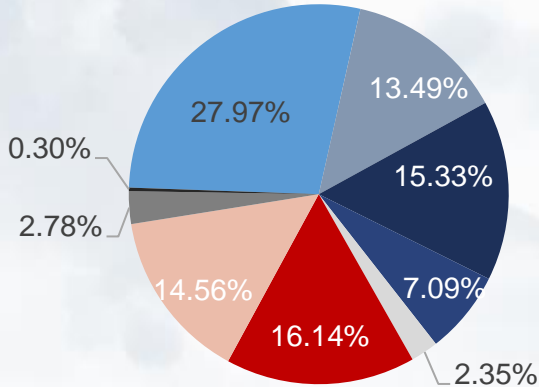
(RMB mn)

YoY Growth=19.54%



Net Fee and Commission Income

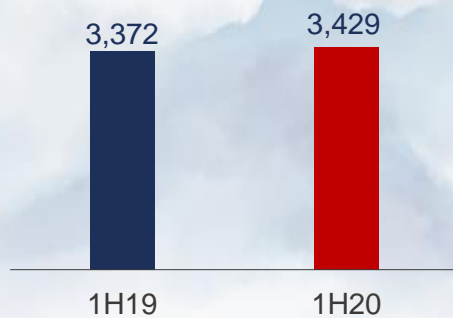
- Agency commissions
- Bank card fees
- Settlement and clearing fees
- Custody fees
- Acquiring business fees
- Financial leasing fee income
- Guarantee and commitment fees
- Investment banking fees
- Others



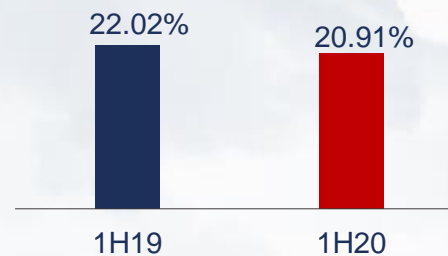
Principal Components of Fee And Commission Income

Continued Leading Cost-efficiency among Peers

(RMB mn)



**Operating Expenses
Increased Slightly**



**Cost-to-income Ratio
Continually Stayed Low**

II

Business Development

Steady Expansion of Business Scale



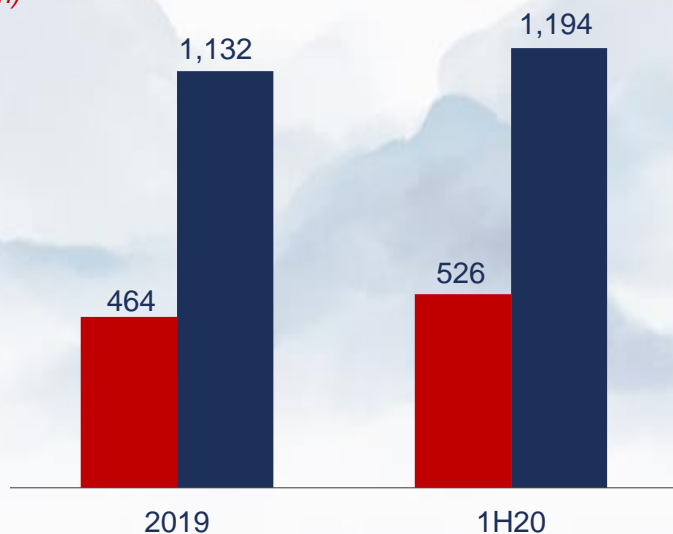
Total Assets: RMB **1,194.2** bn

Growth: **5.52%** YTD

Total Loans and Advances to

Customers Growth: **13.44%** YTD

(RMB bn)



■ Total Loans and Advances ■ Total Assets

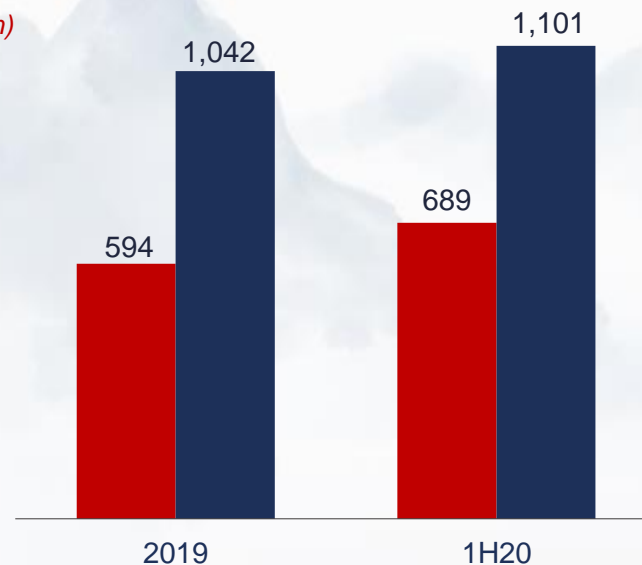


Total Liabilities: RMB **1,100.9** bn

Growth: **5.63%** YTD

Total Customer Deposits Growth: **16.08%** YTD

(RMB bn)



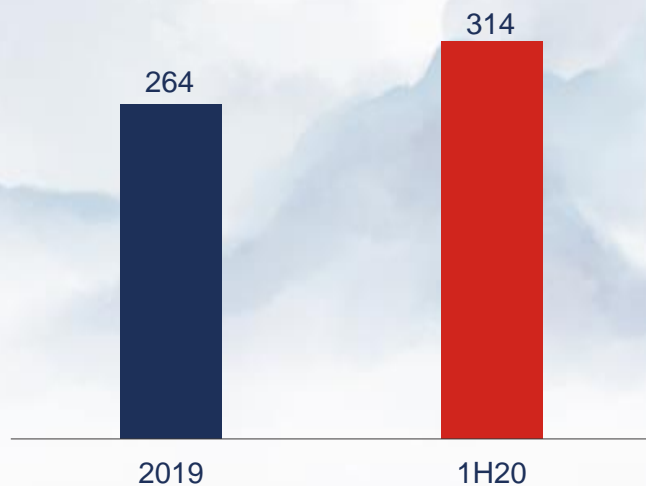
■ Total Customer Deposit ■ Total Liabilities

Steady Growth of Corporate Banking Business



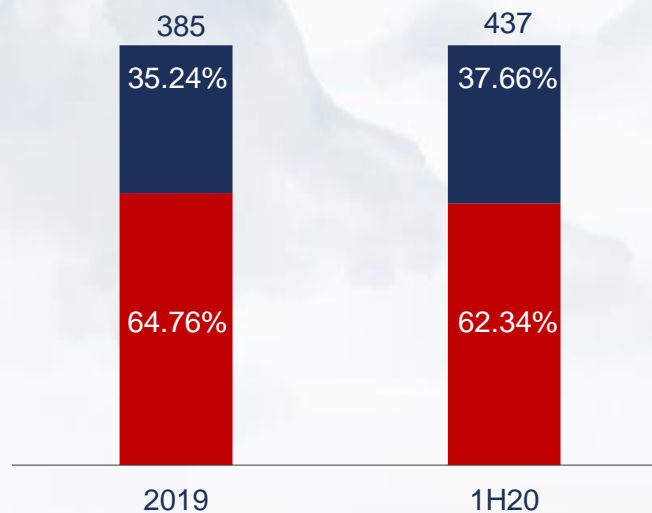
Total Corporate Loans: **314.0** bn
Growth: **19.03%** YTD

(RMB bn)



Continued to maintain its **leading position** in **corporate deposits** within Anhui Province

(RMB bn)



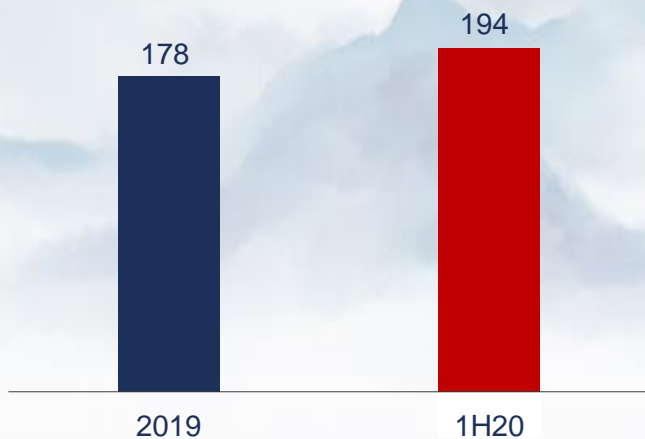
■ Demand Deposits ■ Time Deposits

Fast Growth of Retail Banking Business



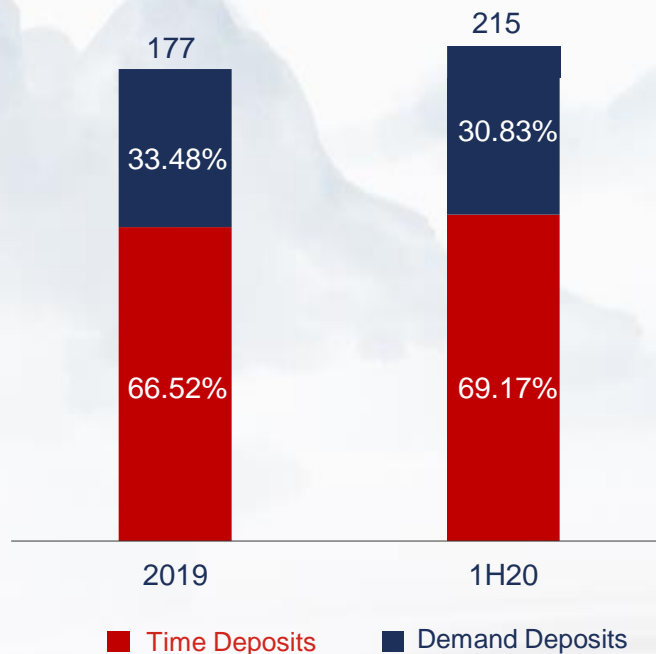
Retail Loan Growth: **9.02%** YTD

(RMB bn)



Retail Deposit Growth: **21.38%** YTD

(RMB bn)

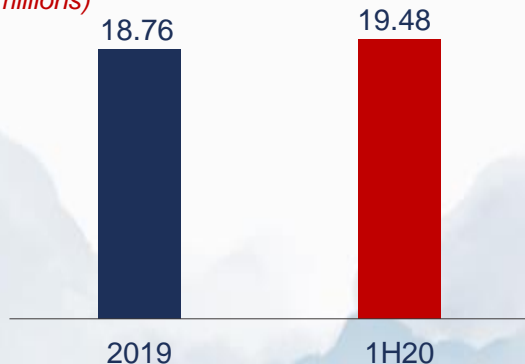


Fast Growth of Retail Banking Business (Cont'd)



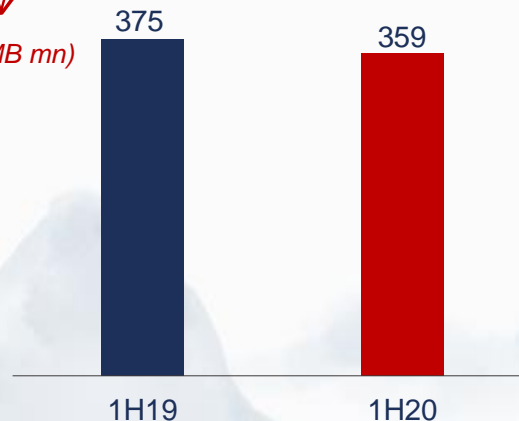
Total Number of Issued Debit Cards

(in millions)



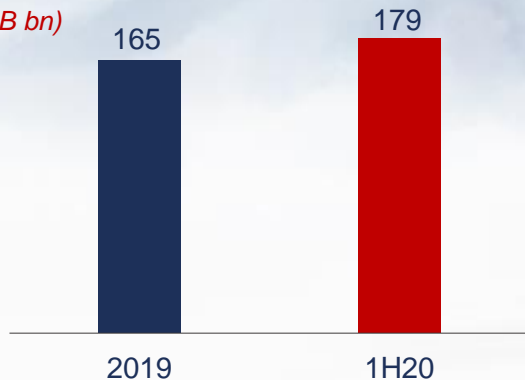
Bank Card Fee Income

(RMB mn)



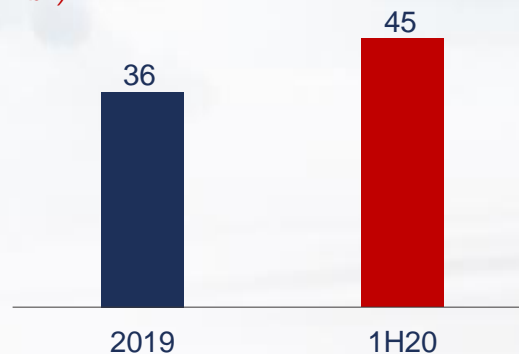
Wealth Management Business Scale
(Excluding Direct Banking Business)

(RMB bn)



The Balance of Various Deposits
of the Inclusive Financial Outlets

(RMB bn)



Rapid Development of Other Businesses

International Business Maintained Steady and Rapid Growth

As at the end of June 2020, international settlement amounted to US\$**3.726** billion, up **12.03%** YoY

As at the end of June 2020, the cumulative transaction volume of foreign exchange funds amounted to US\$**13.018** billion, up **274.5%** YoY

As at the end of June 2020, the Bank had established agency partnership with **671** banks in **76** countries and regions. In respect of cross-border clearing channel construction, the Bank provides clearing services in **8** major currencies, including U.S. dollars, euro and Japanese yen, and has **14** overseas clearing accounts, striving to provide more convenient and faster cross-border financial service experience to domestic enterprises for “going out”.



Electronic Banking Channels Further Improved

In the first half of 2020, the total number of personal online banking customers amounted to **5.28** mn. The number of personal online banking transactions amounted to **210.41** mn, up **9.53%** YoY. The number of enterprise online banking transactions reached **103** mn. The transaction amount of enterprise online banking reached RMB **1,154.016** bn

The total number of contracted mobile banking customers reached **5.2287** mn. The number of mobile banking transactions reached **77.528** mn, up **32.31%** YoY, and transaction amount accumulated to RMB**585.988** bn, up **82.96%** YoY

As at the end of June 2020, the total number of the direct banking customers reached over **20.83** mn, and the balance of various loans was RMB **23.860** bn



Rapid Development of Other Businesses(Cont'd)

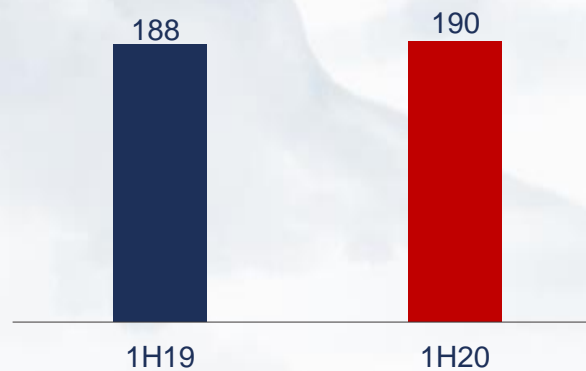
 The Balance of Assets under Custody

(RMB bn)



 The Balance of Wealth Management Products

(RMB bn)



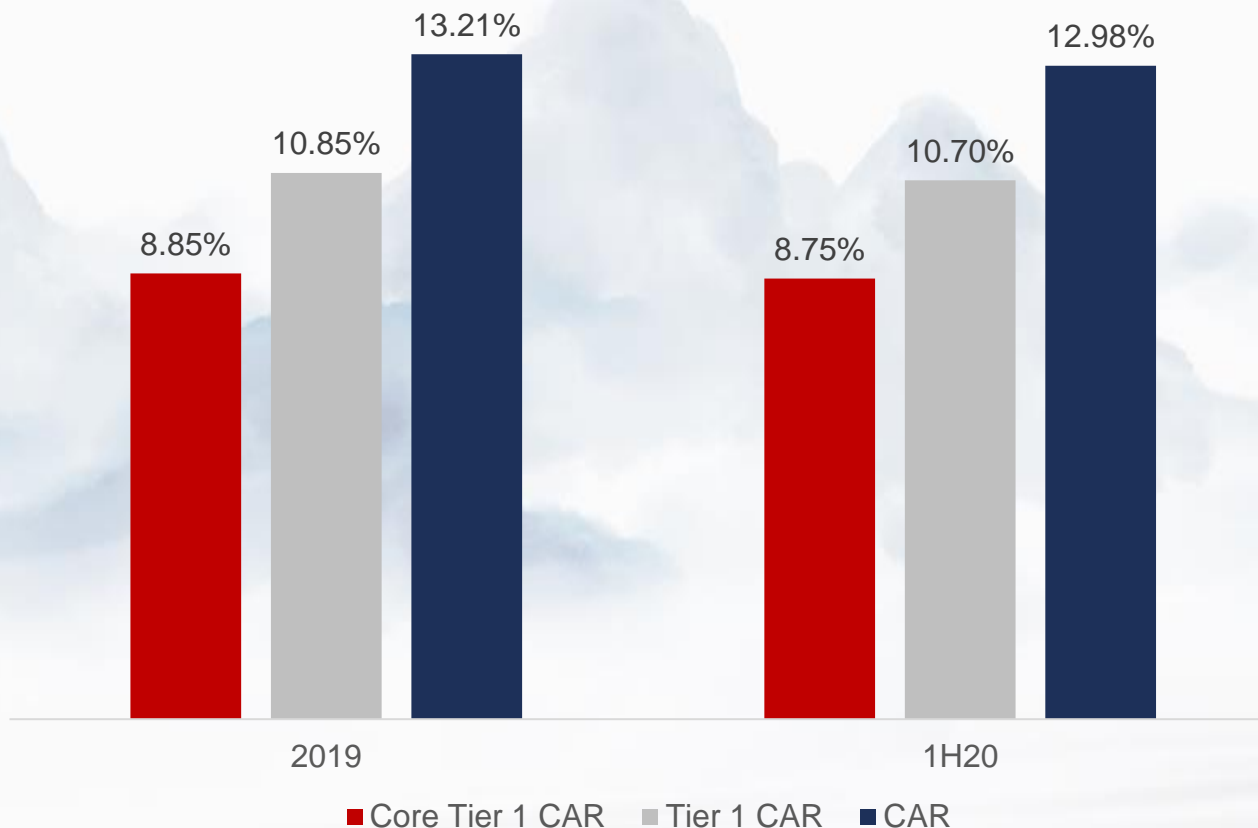


Risk Management

Capital Adequacy Ratios Continuously Comply with Regulatory Requirements



Capital Adequacy Ratios

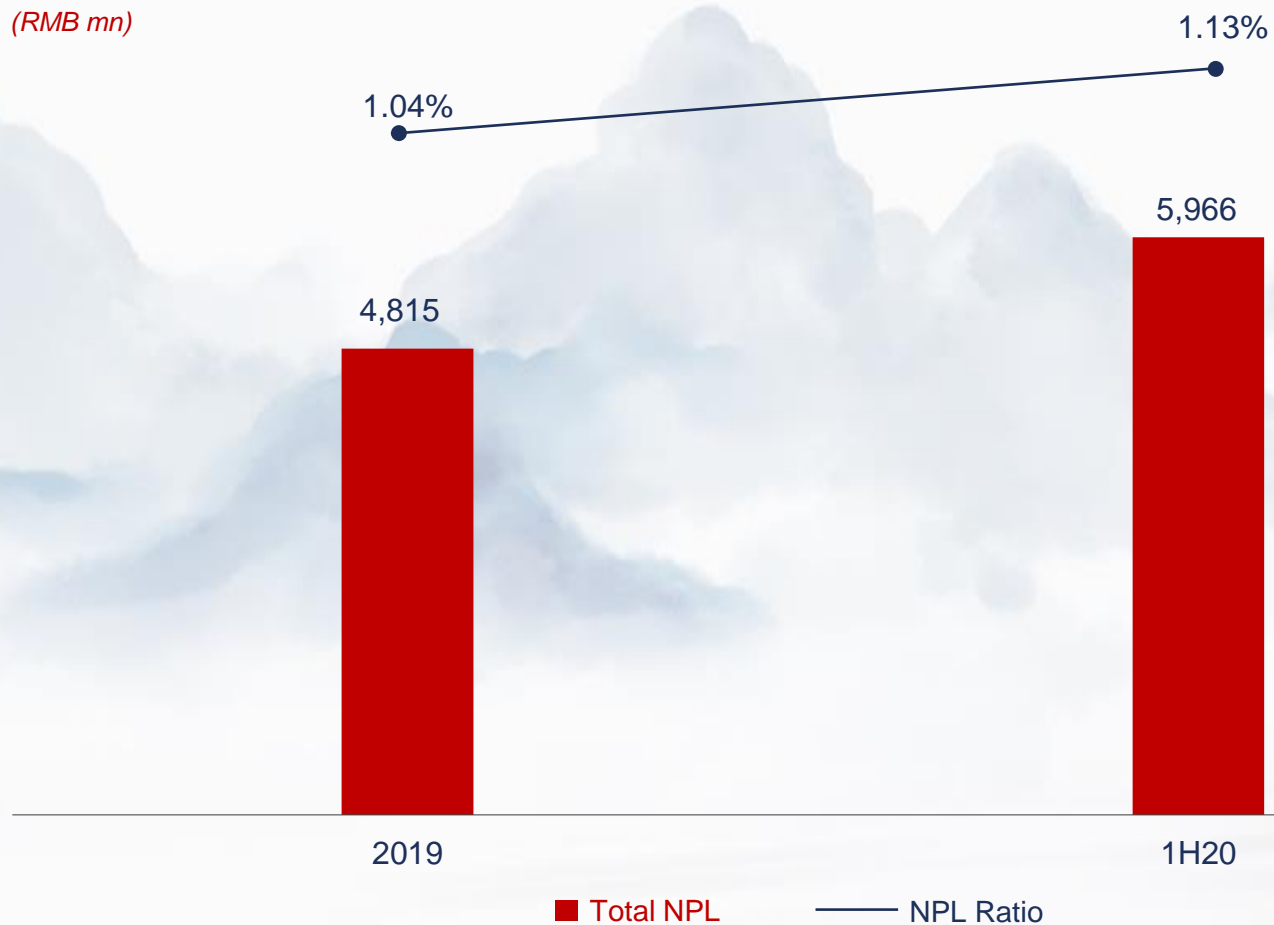


Asset Quality Remains Stable




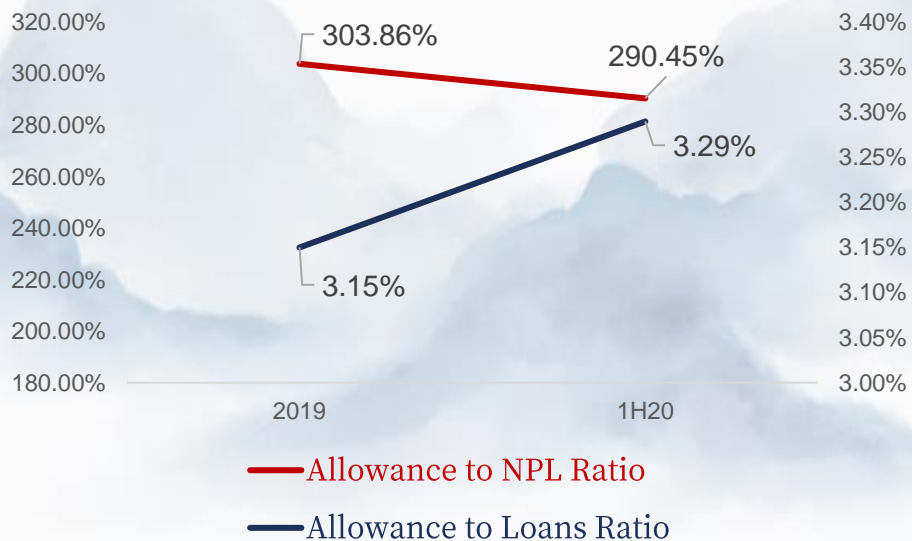
Slightly Increase in NPL Ratio

(RMB mn)

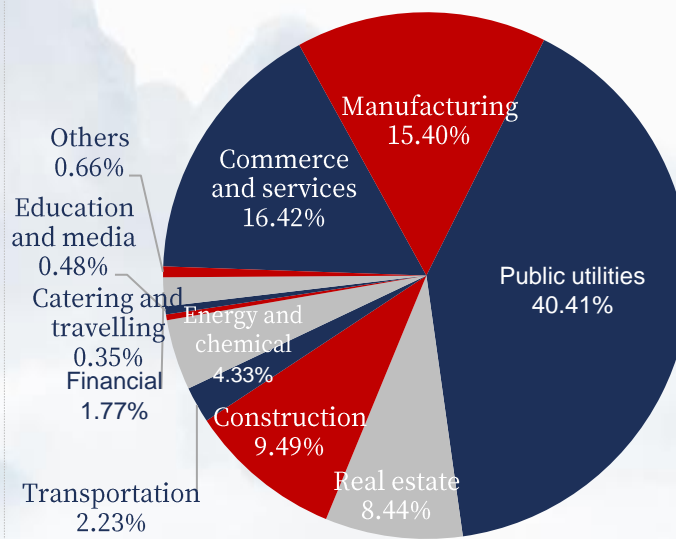


Effective Risk Management

 NPL Provision Coverage remained stable



 Strictly Control of Corporate Loan Distribution ⁽¹⁾



(1) Corporate loans are classified by industry; other sectors include the planting, forestry and livestock industry and the fishery industry.

IV

Outlook

2019 Outlook – Opportunities and Challenges

With the **institutional business** as the body

Focus on **digital transformation** as the main line

Corporate light-asset business and **digital retail business** as two wings

Maintaining its market positioning as a city commercial **bank “serving the local economy, serving small and medium enterprises and serving urban residents”**

Looking forward to the second half of 2020, with the implementation of policies on “ensuring stability on the six fronts” and “security in the six areas”, these will not reverse the trend of continuous economic recovery in China and China is expected to be the globally major economy maintaining positive growth in 2020.

A **dominant bank** serving local economies
A **preferred bank** for regional customers
A **value bank** rewarding shareholders
A **quality bank** being proud by employees

First-class digital city commercial bank with **intelligent, considerate, professional and prompt services**

Summary Financials

RMB in millions, percentage excluded	30 Jun. 2020	31 Dec. 2019		Change
Total assets	1,194,179	1,131,721		5.52%
Total loans and advances	526,351	463,985		13.44%
Total liabilities	1,100,917	1,042,228		5.63%
Total customer deposits	689,344	593,834		16.08%
Equity attributable to shareholders of the bank	90,901	87,209		4.23%
Core Tier 1 capital adequacy ratio	8.75%	8.85%		0.1PPT
Capital adequacy ratio	12.98%	13.21%		0.23PPT
NPL ratio	1.13%	1.04%		0.09PPT
Allowance to NPL ratio	290.45%	303.86%		13.41PPT
Allowance to loans ratio	3.29%	3.15%		0.14PPT

Summary Financials (Cont'd)

RMB in millions, percentage excluded	30 Jun. 2020	30 Jun. 2029		Change
Net interest income	12,526	12,825		2.33%
Net fee and commission income	2,257	1,888		19.54%
Operating income	16,399	15,310		7.11%
Profit before tax	6,440	6,111		5.38%
Net profit	5,331	5,011		6.39%
Earnings per share (RMB Yuan)	0.43	0.40		7.50%
Net interest margin (NIM)	2.47%	2.56%		0.09PPT
Cost-to-income ratio ⁽¹⁾	20.91%	22.02%		1.11PPT
Return on average assets	0.92%	0.93%		0.01PPT
Return on average net asset	14.14%	15.11%		0.97PPT

(1) Cost-to-income ratio = Operating expenses (including business tax and surcharges) / Net operating income



Thank You