

2021 Results Announcement

Stock Code: 3698.HK

April 2022

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





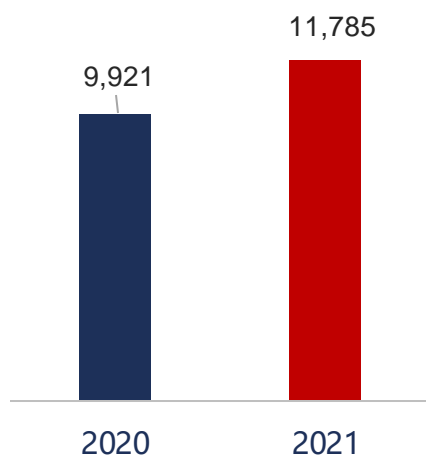
Financial Performance



Stable Core Profitability

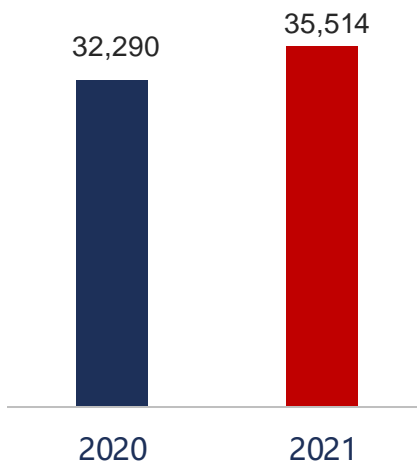
(RMB mm)

Net Profit Remains Steady Growth



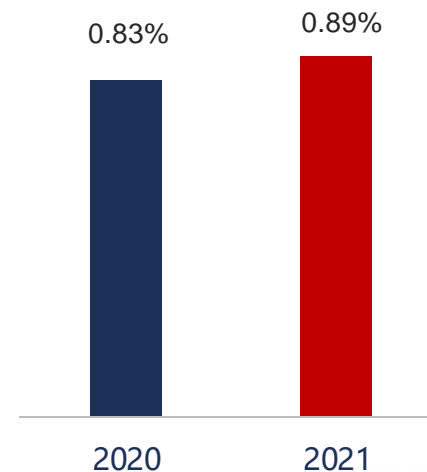
Net Profit

Operating Revenue Continuous Improved



Operating Revenue

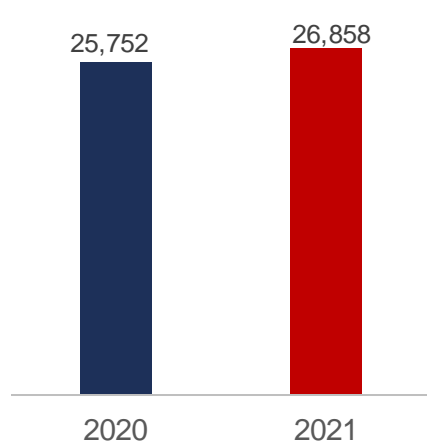
ROA Remains Stable



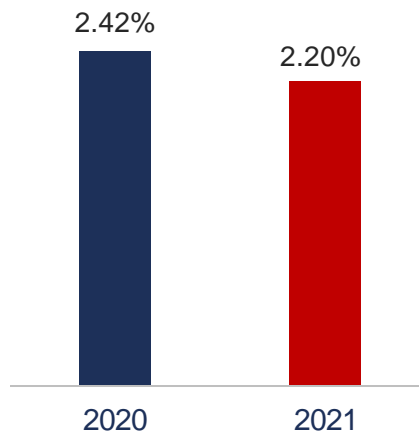
Return on Average Total Assets

Net Interest Spread Remains Well

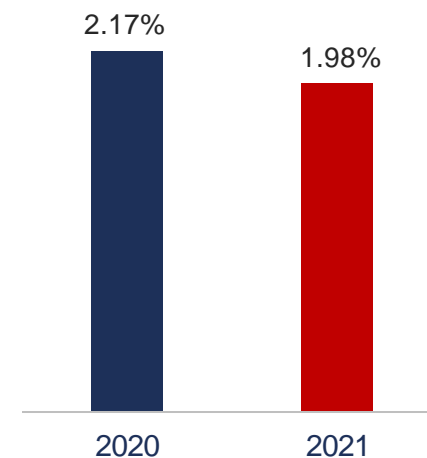
(RMB mm)



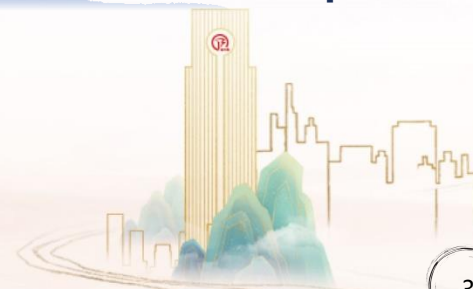
Net Interest Income



Net Interest Margin

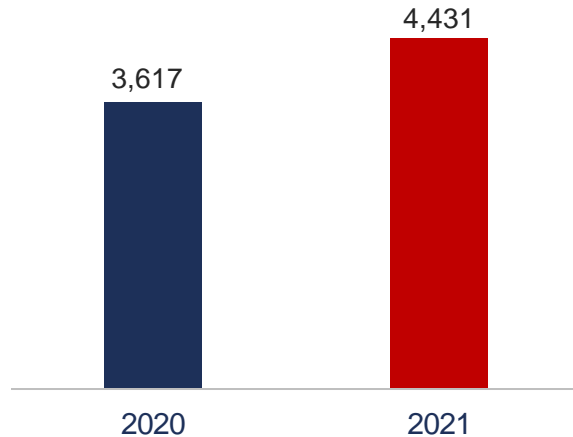


Net Interest Spread



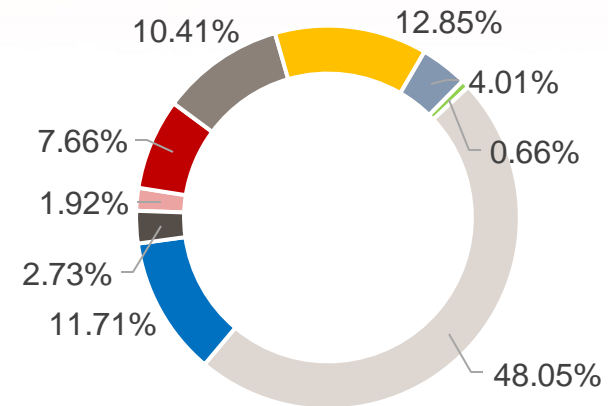
Steady Growth in Net Fee and Commission Income

(RMB mm)



Net Fee and Commission Income

Principal Components of Fee and Commission Income

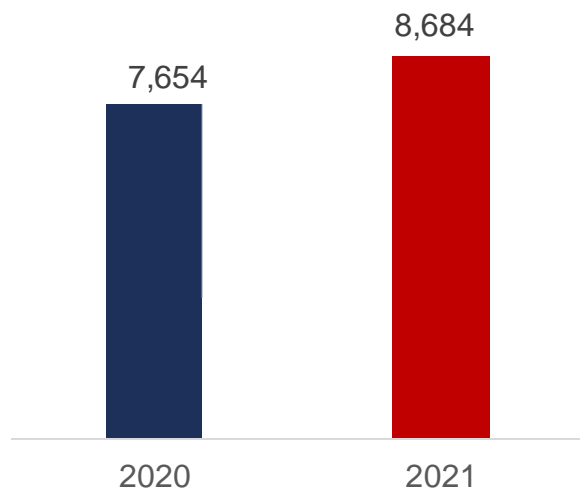


- Settlement fee income
- Guarantee and commitment fee income
- Investment banking fee income
- Custodian service fee income
- Bank card fee income
- Acquiring business fees
- Agency service fees
- Financial leasing fee income
- Other fee income

Continued Leading Cost-efficiency among Peers

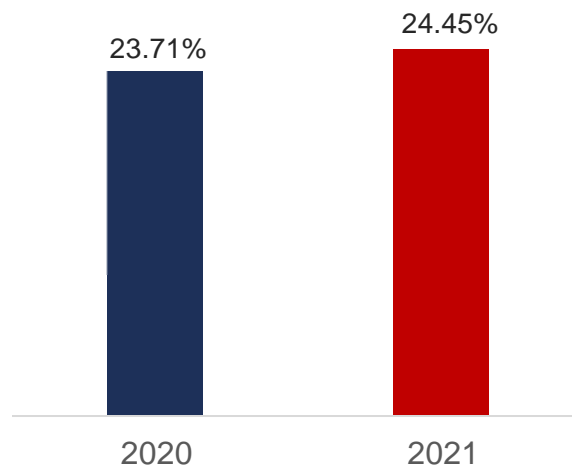
(RMB mm)

Operating Expenses Increased Slightly



Operating Expenses

Cost-to-income Ratio Continually Stayed Low



Cost-to-income Ratio



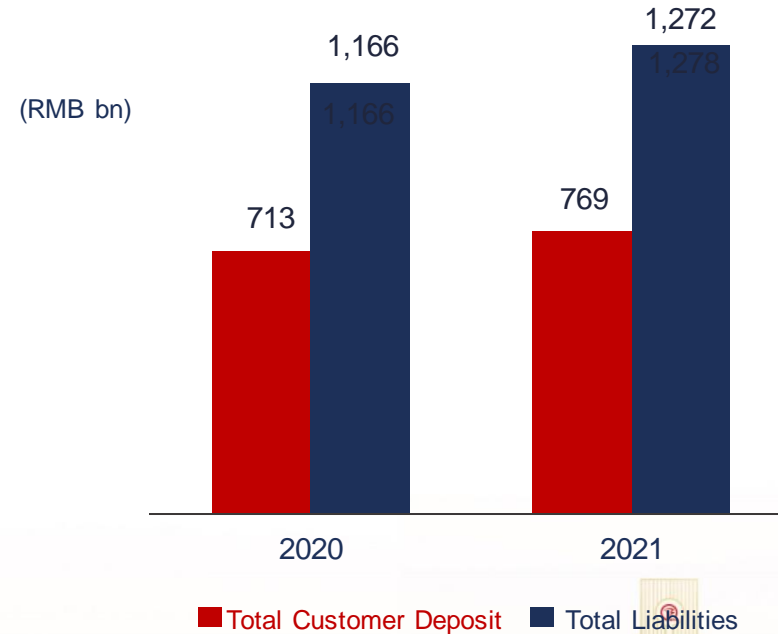
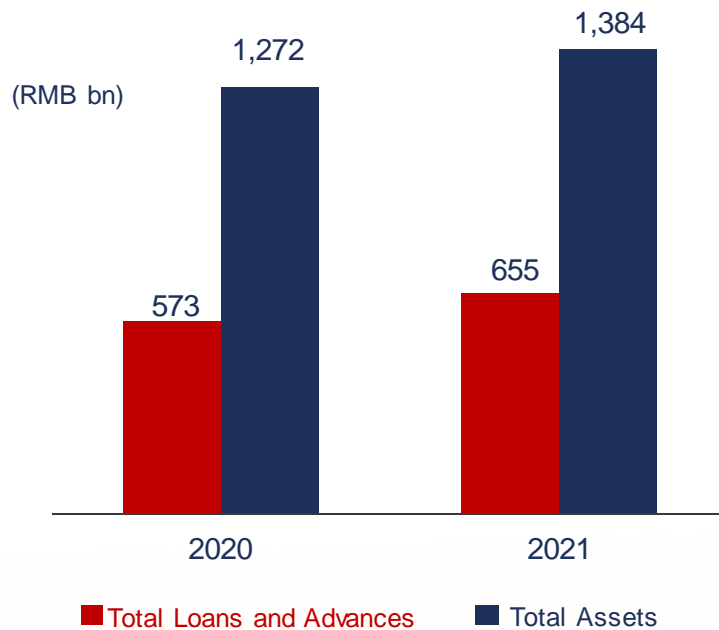
Business Development



Steady Expansion of Business Scale


Total Assets: RMB 1,383.66 bn
Growth: 8.80%YTD
Total Loans and Advances to Customers Growth: 14.28% YTD

Total Liabilities: RMB 1,272.15 bn
Growth: 9.10%YTD
Total Customer Deposits Growth: 7.81% YTD

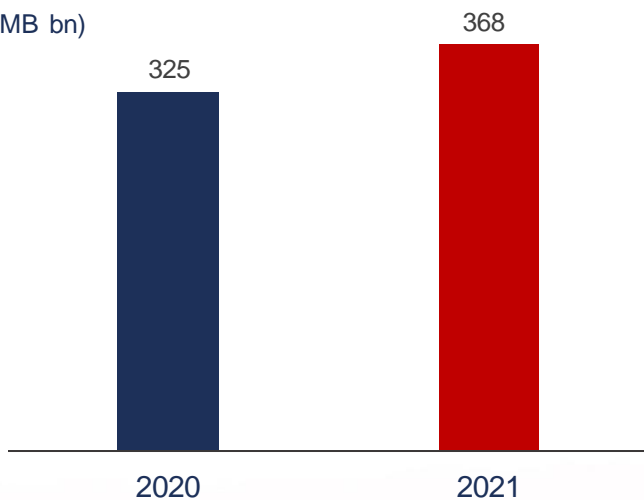


Modest Growth of Corporate Banking Business

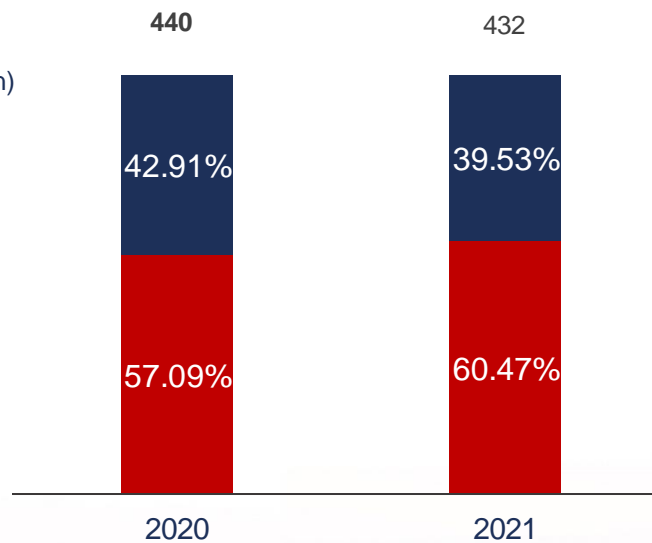
Total Corporate Loans: **367.95** bn
Growth: **13.18%**YTD

Continue to Maintain
Its **Leading Position** in Corporate
Deposits within Anhui Province

(RMB bn)



(RMB bn)



■ Demand Deposits

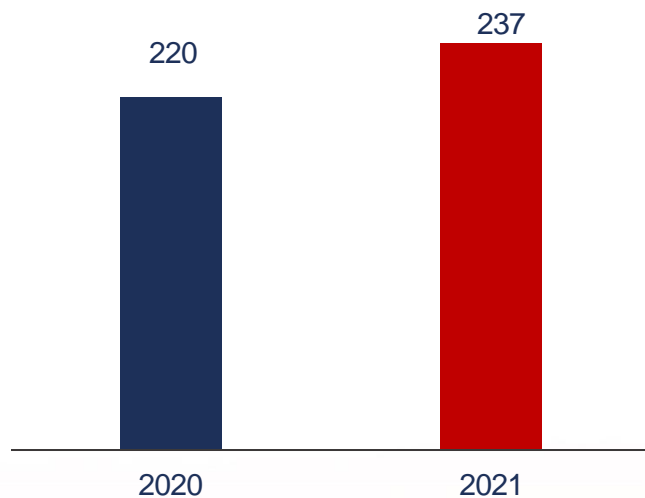
■ Time Deposits

Rapid Growth of Retail Banking Business

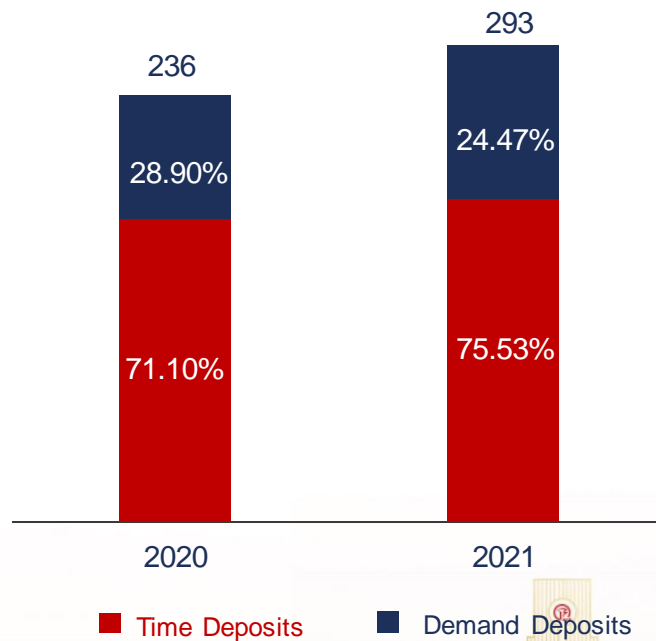
 Retail Loan Growth **7.85%** YTD

 Retail Deposit Growth: **24.35%** YTD

(RMB bn)



(RMB bn)

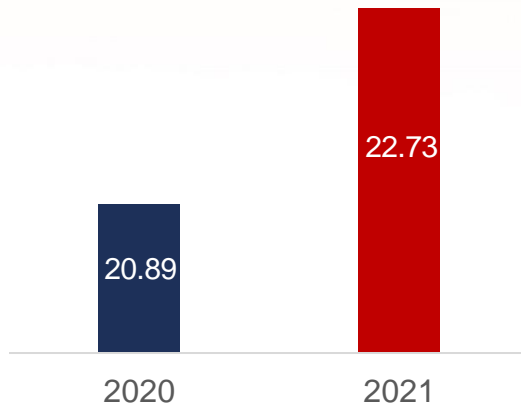


Rapid Growth of Retail Banking Business (Cont'd)



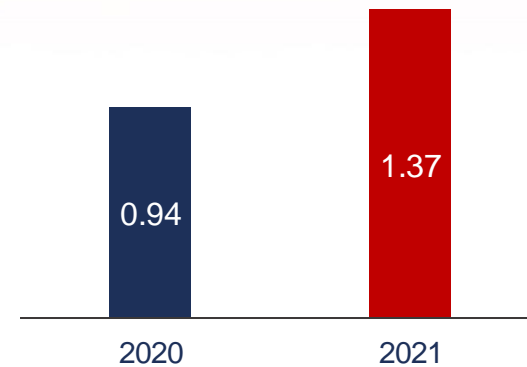
Total Number of Issued Debit Cards

(in mm)



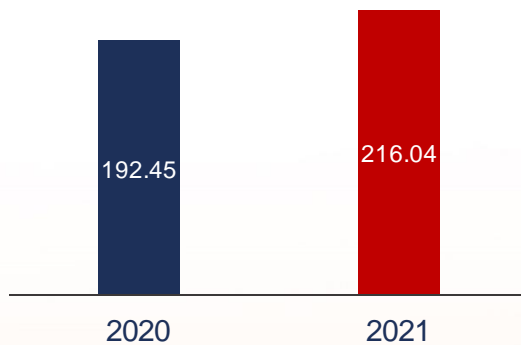
Credit Card Income

(RMB bn)



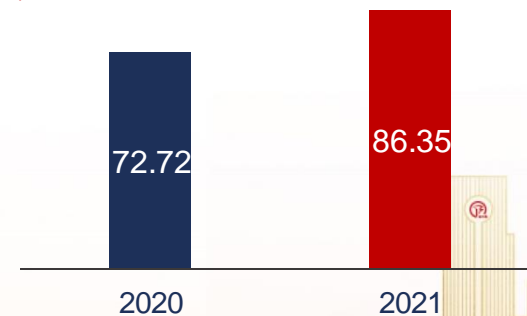
Wealth Management Business Scale (Excluding Direct Banking Business)

(RMB bn)



County-level Retail Deposits Under the Headquarters

(RMB bn)



Rapid Development of Other Businesses

Transaction banking

The Bank was committed to building a domestic and foreign currency integrated transaction banking and wealth and asset management platform, to give full play to advantage of professional services of cash management and meet capital management demands of customers during the entire transaction process. The Bank recorded performance highlights in serving the digital transformation of government authorities, establishing regulations on capitals in people's livelihood under multi scenarios and providing resolutions in key industries. In 2021, the Bank has signed contracts with **5,083** customers on cash management, representing an increase of **22.51%** from the previous year; the annual transaction amount of the cash management business reached **RMB4.93** trillion, representing an increase of **20.36%** from the previous year.

Investment banking

The Bank completed the registration of **35** debt financing instruments, with a total registered amount of **RMB43,000** million; and completed the issuance of **54** debt financing instruments with an underwriting amount of **RMB21,411** million, increasing by **9.22%** as compared to last year. In 2021, the Bank continued to make breakthroughs in the asset securitization and financing debts business, winning the bid in the lead underwriting business of multiple asset securitization products and financial bonds. It also achieved rapid growth in the sector of direct wealth management financing instruments and further satisfied the diversified corporate financing needs.

Fintech Business

In 2021, the Bank thoroughly implemented the national innovation-driven strategic deployment. As of the end of 2021, the balance of technology-based enterprises loans of the Bank amounted to **RMB43,897** million, representing a net increase of **RMB8,608** million or **24.39%** as compared with the beginning of the year. The number of customers from technology-based enterprises loans amounted to **3,353**, representing an increase of **46.36%**. The Bank had cooperated with external investment institutions and provided investment and loan linked business of approximately **RMB6,414** million for **381** technology-based enterprises, representing a net increase of **RMB2,564** million or **66.60%**.

Green Finance

Guiding by "carbon peaking and carbon neutrality", the Bank faithfully implements national environmental protection laws and regulations, industrial policies, industry access policies and other policies and regulations, as well as the regulatory requirements of regulators, actively pursues green finance, and supports green, low-carbon and recycling economy development. As of the end of 2021, the green loan balance of the Bank amounted to **RMB32.181** billion in total, representing an increase of **RMB11.265** billion or **53.86%** as compared with the beginning of the year.

Rapid Development of Other Businesses (Cont'd)

Electronic Banking

Online Banking

As of the end of the Reporting Period, the total number of personal online banking customers of the Bank reached **6.7403** million. In 2021, the Bank's personal online banking business maintained a steady development. To ensure the information and capital security of personal online banking customers, the Bank strengthened the construction of personal online banking security mechanisms, optimized business processes and customer service experience, as well as continuously improved the deep integration of personal online banking channels with business. As of the end of 2021, the Bank's total number of enterprise online banking customers reached **310,900** with **27.1969** million enterprise online banking transactions, representing a year-on-year increase of **29.08%**. The transaction amount of enterprise online banking accumulated to **RMB5.31** trillion, representing a year-on-year increase of **16.07%**.



Online Payment

The Bank actively promotes the rapid development of various online payment services such as fast payment, gateway payment and non-inductive payment, and focuses on providing payment services for government, public welfare and merchants engaging in basic living services to meet new consumer needs. In 2021, the number of online payment transactions amounted to **344,509,100**, representing a year-on-year increase of **35.30%**, and the amount of which totaled **RMB216.495** billion, representing a year-on-year increase of **25.95%**.

Mobile Banking

As of the end of the Reporting Period, the total number of mobile banking customers reached **7.0493** million. The number of mobile banking transactions reached **217.0822** million, representing a year-on-year increase of **34.85%**. The transaction amount accumulated to **RMB1,675.575** billion, representing a year-on-year increase of **27.85%**.





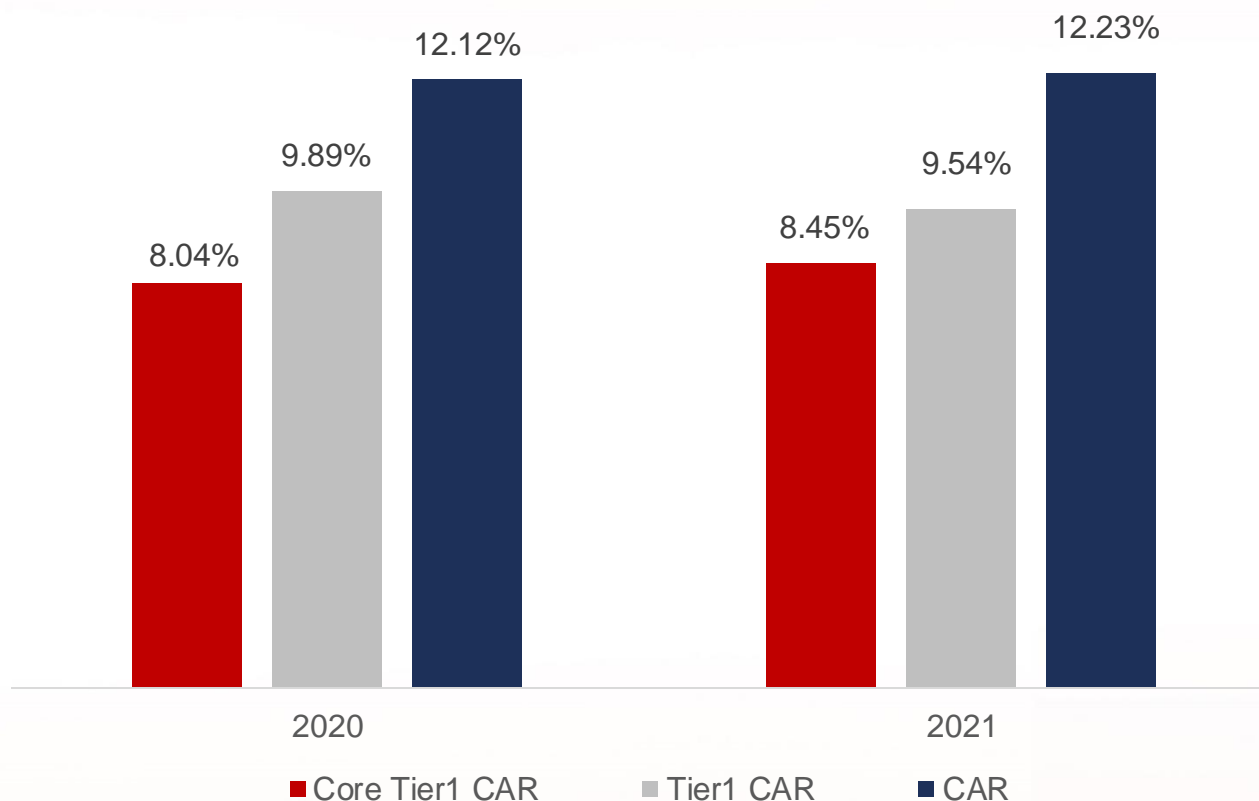
Risk Management



Capital Adequacy Ratios Continuously Comply with Regulatory Requirements



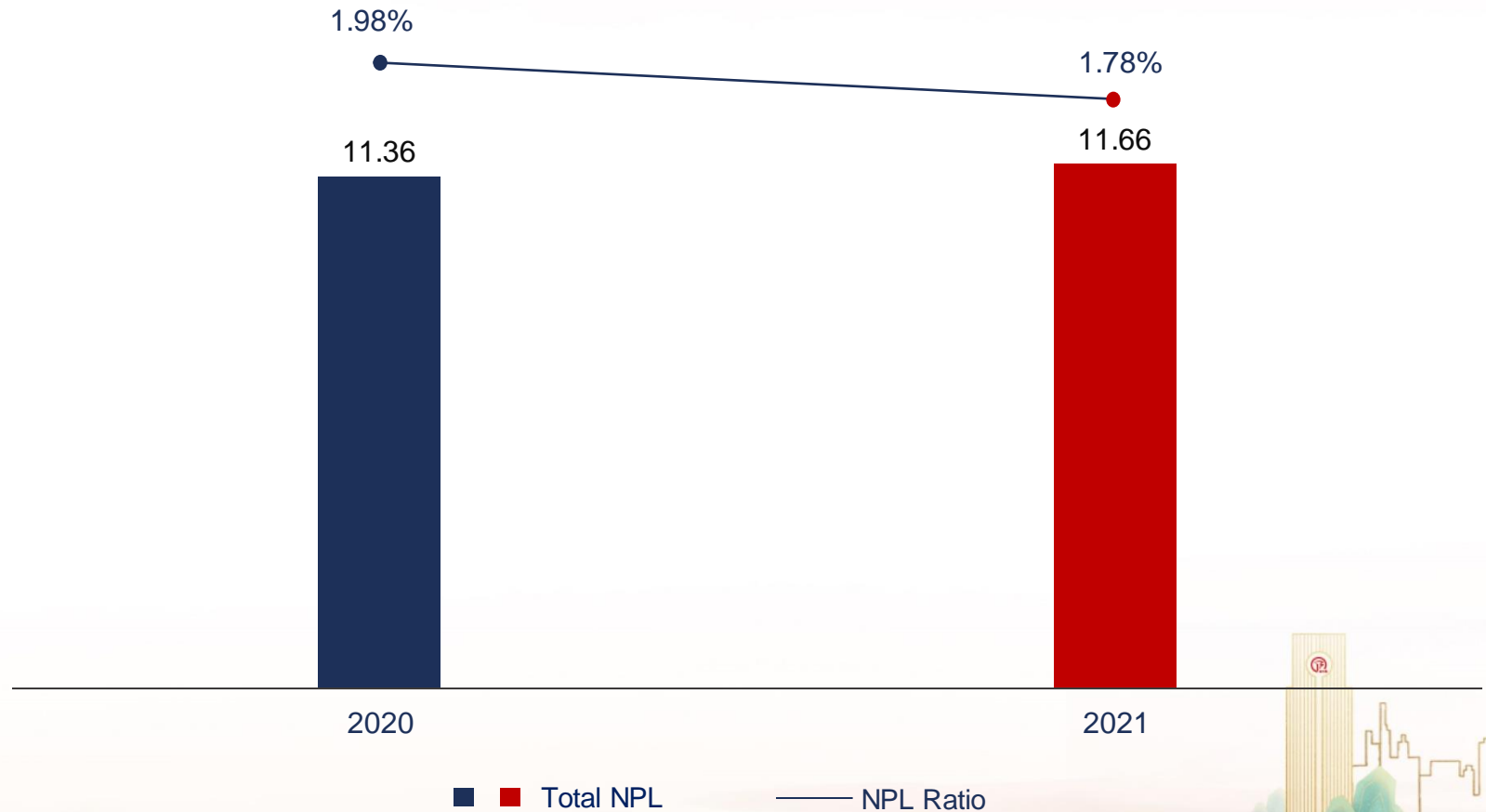
Capital Adequacy Ratios



Asset Quality Remains Stable

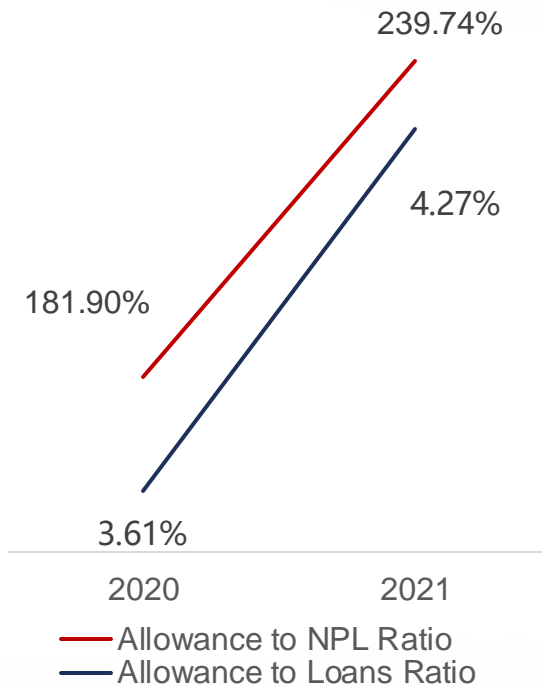
Significant Decrease in NPL Ratio

(RMB billion)

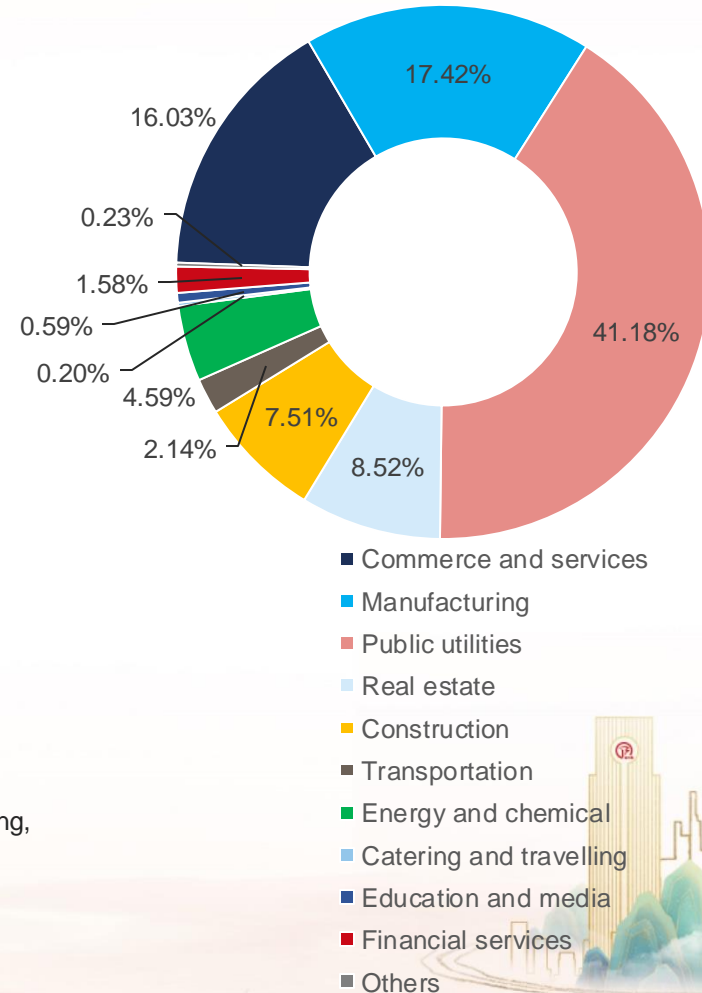


Effective Risk Management

NPL Provision Coverage Rised Steadily



Strictly Control of Corporate Loan Distribution⁽¹⁾



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

IV

Outlook



2022 Outlook

In 2022, the Bank will hold high the great banner of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, give priority to stable growth and make progress amid stability, follow the guidance of the new round of five-year strategic plan, coordinate development, transformation and innovation, earnestly focus on market-based reform, digital transformation, integrated operation, refined management and other key tasks, **devote to building an outstanding local mainstream bank** and embrace the convening of the 20th National Congress of the CPC with outstanding achievements.



Devoted to serving real economies: use integrated financial means to grab high-quality assets in government, industry, policy and consumption sectors, and make them better and stronger in serving the real economy.



Continuously optimizing the business structure: stabilize the basic business development, realize the diversification of customer structure, balanced debt structure, light asset structure, diversified income structure, and promote the transformation and development of "value bank".



Vigorously developing financial technology: displaying the strategic leadership, adhere to the "science and technology revitalize the banking", speed up the construction of "digital banking", growth momentum to enable high-quality development.










Comprehensively optimizing financial supply: deepen supply-side structural reform of the financial sector, create new ways to serve the new economy, accelerate the pooling of new capabilities, and improve the quality and efficiency of financial services.













Comprehensively strengthen risk control: strengthen new measures for risk control, consolidate the foundation of asset quality, carry out regular epidemic prevention and control, and ensure the smooth operation of business.



Summary Financials

RMB in millions, percentage excluded	2021	2020		Change
Total assets	1,383,662	1,271,701		8.80%
Total loans and advances	654,795	572,954		14.28%
Total liabilities	1,272,146	1,166,028		9.10%
Total customer deposits	768,668	712,953		7.81%
Equity attributable to shareholders of the bank	108,564	103,041		5.36%
Core Tier 1 capital adequacy ratio	8.45%	8.04%		0.41PPT
Capital adequacy ratio	12.23%	12.12%		0.11PPT
NPL ratio	1.78%	1.98%		0.20PPT
Allowance to NPL ratio	239.74%	181.90%		57.84PPT
Allowance to loans ratio	4.27%	3.61%		0.66PPT

Summary Financials (Cont'd)

RMB in millions, percentage excluded	2021	2020		Change
Net interest income	26,856	25,752		4.29%
Net fee and commission income	4,431	3,617		22.50%
Operating income	35,514	32,290		9.98%
Profit before tax	13,537	12,083		12.03%
Net profit	11,785	9,921		18.79%
Earnings per share (RMB Yuan)	0.76	0.72		5.56%
Net interest margin (NIM)	2.20%	2.42%		0.22PPT
Cost-to-income ratio	24.45%	23.71%		0.74PPT
Return on average assets	0.89%	0.83%		0.06PPT
Return on average net asset	12.33%	12.94%		0.61PPT

*Cost-to-income ratio = Operating expenses/operating income, where operating expenses include taxes and surcharges.



Thank you!

