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中国平安保险(集团)股份有限公司
Ping An Insurance (Group) Company of China, Ltd.
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2318)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made 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 Announcement of Ping An Insurance (Group) Company of China, Ltd. in relation to the Disclosure of 2021 Interim Report Summary of Ping An Bank”, which is published by Ping An Insurance (Group) Company of China, Ltd. on the website of the Shanghai Stock Exchange, is reproduced herein for your reference.

By order of the Board
Sheng Ruisheng
Joint Company Secretary

Shenzhen, PRC, August 19, 2021

As at the date of this announcement, the executive directors of the Company are Ma Mingzhe, Xie Yonglin, Tan Sin Yin, Yao Jason Bo and Cai Fangfang; the non-executive directors of the Company are Soopakij Chearavanont, Yang Xiaoping and Wang Yongjian; the independent non-executive directors of the Company are Ge Ming, Ouyang Hui, Ng Sing Yip, Chu Yiyun and Liu Hong.

**THE ANNOUNCEMENT OF
PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
IN RELATION TO
THE DISCLOSURE OF 2021 INTERIM REPORT SUMMARY OF
PING AN BANK**

The board of directors and all directors of Ping An Insurance (Group) Company of China, Ltd. (hereinafter referred to as the "Company") confirm that there are no false representations and misleading statements contained in, or material omissions from this announcement, and severally and jointly accept the responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

Ping An Bank Co., Ltd. (hereinafter referred to as "Ping An Bank"), a subsidiary of the Company, has published the "2021 Interim Report of Ping An Bank" on the website of the Shenzhen Stock Exchange (www.szse.cn).

Please also refer to the "2021 Interim Report Summary of Ping An Bank" disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) for the operating performance of Ping An Bank for the first half of 2021.

The Board of Directors
Ping An Insurance (Group) Company of China, Ltd.
August 19, 2021

[English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.]

Summary of 2021 Interim Report of Ping An Bank Co., Ltd.

I. Important Notes

1. The Summary of 2021 Interim Report is extracted from the full text of the 2021 Interim Report. Investors are advised to carefully read the full interim report at the news media designated by the China Security Regulatory Commission to have a comprehensive understanding of the business performance, financial position and future development plan of the Bank.
2. The board of directors (hereinafter referred to as the “Board”), the supervisory committee, the directors, the supervisors and senior management of the Bank guarantee the authenticity, accuracy and completeness of the contents of the Interim Report, in which there are no false representations, misleading statements or material omissions, and are severally and jointly take responsibilities for its contents.
3. The 23rd meeting of the 11th session of the Board deliberated the 2021 Interim Report together with its summary. The Board meeting required 14 directors to attend, and 14 directors attended the Board meeting. The Interim Report was approved unanimously at the meeting.
4. The 2021 Interim Report of the Bank was unaudited, but was reviewed by Ernst & Young Hua Ming LLP.

Reminder on non-standard audit opinions

☐ Applicable ☒ Not applicable

5. Xie Yonglin (the Bank’s Chairman), Hu Yuefei (the President), Xiang Youzhi (the Vice President and the CFO) and Zhu Peiqing (the head of the Finance Department) guarantee the authenticity, accuracy and completeness of the financial report included in the 2021 Interim Report.
6. Proposal of profit distribution of ordinary shares or proposal of provident reserve converting into share capital considered by the Board during the reporting period
☐ Applicable ☒ Not applicable
There was no proposal to distribute cash dividends, issue bonus shares or convert provident reserve into share capital for the first half of 2021.
Proposal of profit distribution of preference shares approved by the resolution of the Board during the reporting period
☒ Applicable ☐ Not applicable

Time of distribution	Dividend yield	Amount of distribution (RMB) (tax inclusive)	Conformity with distribution requirements and procedures	Method of dividend payment	Accumulation of dividend	Participation of surplus profit
8 March 2021	4.37%	874,000,000.00	Yes	Cash	No	No

II. Company profile

Stock Abbreviation	Ping An Bank	Stock code	000001
Traded on	Shenzhen Stock Exchange		
Contact information	Secretary to the Board	Representative of Securities Affairs	
Name	Zhou Qiang	Lv Xuguang	
Office Address	Board Office of Ping An Bank, Block B, Ping An Financial Centre, No. 5023, Yitian Road, Futian District, Shenzhen, Guangdong, the PRC	Board Office of Ping An Bank, Block B, Ping An Financial Centre, No. 5023, Yitian Road, Futian District, Shenzhen, Guangdong, the PRC	
Facsimile	(0755)82080386	(0755)82080386	
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E-mail	PAB_db@pingan.com.cn	PAB_db@pingan.com.cn	

III. Accounting data and financial indicators

1.Key indicators

(In RMB million)

Item	Jan. - Jun. 2021	Jan. - Jun. 2020	Year-on-year change
Operating income	84,680	78,328	8.1%
Net profit attributable to shareholders of the Bank	17,583	13,678	28.5%
Cost/income ratio	27.35%	27.30%	+0.05 percentage point
Average return on total assets (annualised)	0.77%	0.67%	+0.10 percentage point
Weighted average return on net assets (annualised)	10.74%	9.33%	+1.41 percentage points
Net interest margin (annualised)	2.83%	2.87%	-0.04 percentage point
Proportion of net non-interest income	29.90%	29.04%	+0.86 percentage point
	30 June 2021	31 December 2020	Change at the end of the reporting period from the end of last year
Deposit principals due to customers	2,866,678	2,673,118	7.2%
Total principal of loans and advances to customers	2,874,893	2,666,297	7.8%
Non-performing loan (NPL) ratio	1.08%	1.18%	-0.10 percentage point
Provision coverage ratio	259.53%	201.40%	+58.13 percentage points

Deviation ratio of loans overdue for more than 60 days	0.85	0.92	-0.07
Capital adequacy ratio	12.58%	13.29%	-0.71 percentage point

2. Key accounting data and financial indicators

(In RMB million)

Item	30 June 2021	31 December 2020	31 December 2019	Change at the end of the reporting period from the end of last year
Total assets	4,723,520	4,468,514	3,939,070	5.7%
Shareholders' equity	377,193	364,131	312,983	3.6%
Shareholders' equity attributable to ordinary shareholders	307,249	294,187	273,035	4.4%
Share capital	19,406	19,406	19,406	-
Net asset per share attributable to ordinary shareholders (RMB/share)	15.83	15.16	14.07	4.4%

Item	Jan. - Jun. 2021	Jan. - Jun. 2020	Jan.-Dec. 2020	Year-on-year change
Operating income	84,680	78,328	153,542	8.1%
Operating profit before impairment losses on credit and other assets	60,700	56,150	107,327	8.1%
Impairment losses on credit and other assets	38,285	38,491	70,418	(0.5%)
Operating profit	22,415	17,659	36,909	26.9%
Profit before tax	22,341	17,587	36,754	27.0%
Net profit attributable to shareholders of the Bank	17,583	13,678	28,928	28.5%
Net profit attributable to shareholders of the Bank after non-recurring gains/losses	17,511	13,586	28,840	28.9%
Net cash flows from operating activities	(115,972)	(25,666)	(16,161)	Negative amount for the same period of last year
Ratio per share (RMB/share):				
Basic/Diluted earnings per share (EPS)	0.80	0.66	1.40	21.2%
Basic/Diluted EPS after non-recurring gains/losses	0.80	0.66	1.40	21.2%
Net cash flows from operating activities per share	(5.98)	(1.32)	(0.83)	Negative amount for the same period of last year
Financial ratios (%):				
Return on total assets (un-annualised)	0.37	0.33	N/A	+0.04 percentage point

Return on total assets (annualised)	0.74	0.65	0.65	+0.09 percentage point
Average return on total assets (un-annualised)	0.38	0.34	N/A	+0.04 percentage point
Average return on total assets (annualised)	0.77	0.67	0.69	+0.10 percentage point
Weighted average return on net assets (un-annualised)	5.17	4.59	N/A	+0.58 percentage point
Weighted average return on net assets (annualised)	10.74	9.33	9.58	+1.41 percentage points
Weighted average return on net assets (net of non-recurring gains/losses) (un-annualised)	5.15	4.56	N/A	+0.59 percentage point
Weighted average return on net assets (net of non-recurring gains/losses) (annualised)	10.70	9.27	9.55	+1.43 percentage points

Notes: 1. The return on net assets and EPS indicators are calculated in accordance with the *Rule 9 on Information Disclosure and Report for Companies Offering Their Securities to the Public - Calculation and Disclosure of Net Assets Margin and Earnings Per Share* (2010 revised) and *Accounting Standard for Business Enterprises No. 34 - Earnings per Share*. In these calculations:

(1) The calculation of “EPS” and “weighted average return on net assets” has excluded the numerators from the amount of RMB874 million for dividends paid for the RMB20 billion non-cumulative preference shares issued in private placement on 7 March 2016.

(2) The calculation of “EPS” and “weighted average return on net assets” has excluded the numerators from the amount of RMB1,155 million for interests paid for the RMB30 billion undated capital bonds (“Perpetual Bond”) issued in February 2020.

2. In accordance with the *Circular on Strictly Implementing the Accounting Standards for Business Enterprises and Effectively Strengthening the Work on the 2020 Annual Reports of Enterprises (Cai Kuai [2021] No.2)* issued by the Ministry of Finance and other Ministries of China on 5 February 2021, the Bank reclassified credit card instalment business income from fee and commission income into interest income, and the comparative period data of relevant financial indicators has been restated.

Total share capital of the Company as at the trading day prior to disclosure

Total share capital of the Company as at the trading day prior to disclosure (in shares)	19,405,918,198
Dividends paid for preference shares (RMB)	874,000,000
Interest paid for Perpetual Bond (RMB)	1,155,000,000
Fully diluted EPS calculated based on the latest share capital (RMB/share, January to June 2021).	0.80

Differences in accounting data under domestic and overseas accounting standards

1. Differences in net profit and net assets between financial reports under the international accounting standards and the Chinese accounting standards.

☐ Applicable ☒ Not applicable

During the reporting period, there was no difference in net profit and net assets between financial reports under the international accounting standards and the Chinese accounting standards.

2. Differences in net profit and net assets between financial reports under the overseas accounting standards and the Chinese accounting standards.

☐ Applicable ☒ Not applicable

During the reporting period, there was no difference in net profit and net assets between financial reports under the overseas accounting standards and the Chinese accounting standards.

3. Reasons for differences in accounting data under domestic and overseas accounting standards.

☐ Applicable ☒ Not applicable

Information of loans and deposits

(In RMB million)

Item	30 June 2021	31 December 2020	31 December 2019	Change at the end of the reporting period from the end of last year
Deposit principals due to customers	2,866,678	2,673,118	2,436,935	7.2%
Including: Corporate deposits	2,132,592	1,988,449	1,853,262	7.2%
Personal deposits	734,086	684,669	583,673	7.2%
Total principal of loans and advances to customers	2,874,893	2,666,297	2,323,205	7.8%
Including: Corporate loans	1,118,861	1,061,357	965,984	5.4%
General corporate loans	993,397	948,724	871,081	4.7%
Discounted bills	125,464	112,633	94,903	11.4%
Personal loans	1,756,032	1,604,940	1,357,221	9.4%

Note: Pursuant to the *Circular on Revising and Issuing 2018 Versions of Financial Statement Templates for Financial Enterprises* (Cai Kuai [2018] No. 36), interests accrued using the effective interest method are included in the carrying amount of financial instruments, and interests not received or paid as at the balance sheet date are presented in “Other assets” or “Other liabilities”. Unless otherwise stated, “Loans and advances to customers”, “Deposits due to customers” and their breakdowns shown in the Interim Report are all amounts net of interests.

Items and amounts of Non-recurring gains/losses

☒ Applicable ☐ Not applicable

(In RMB million)

Item	Jan. - Jun. 2021	Jan. - Jun. 2020	Jan. - Dec. 2020
Net gains or losses on disposal of non-current assets	35	76	92
Gains/losses on contingencies	(4)	-	(6)
Others	60	43	25
Income tax effect	(19)	(27)	(23)
Total	72	92	88

Note: The non-recurring gains/losses shall refer to the meaning as defined in the *Explanatory Announcement on Information Disclosure by Companies Publicly Offering Securities No. 1 – Non-recurring Gains/Losses*.

During the reporting period, no items of non-recurring gains/losses as defined/stated pursuant to the *Explanatory Announcement on Information Disclosure by Companies Publicly Offering Securities No. 1 – Non-recurring Gains/Losses* were defined as recurring gains/losses.

3. Supplementary financial ratios

(Unit: %)

Item	Jan. - Jun. 2021	Jan. - Jun. 2020	Jan. - Dec. 2020	Year-on-year change
Cost/income ratio	27.35	27.30	29.11	+0.05 percentage point
Credit costs (un-annualised)	0.91	1.33	N/A	-0.42 percentage point
Credit costs (annualised)	1.84	2.67	1.73	-0.83 percentage point
Deposit-loan spread (annualised)	4.29	4.43	4.42	-0.14 percentage point
Net interest spread (annualised)	2.78	2.75	2.78	+0.03 percentage point
Net interest margin (un-annualised)	1.41	1.43	N/A	-0.02 percentage point
Net interest margin (annualised)	2.83	2.87	2.88	-0.04 percentage point

Note: Credit costs = impairment losses on loans/average loan balance (including discounted bills). In the first half of 2021, average loan balance (including discounted bills) of the Group was RMB2,759,354 million. Net interest spread (NIS) = average yield of interest-earning assets – average cost rate of interest-bearing liabilities; and net interest margin (NIM) = net interest income/average balance of interest-earning assets

4. Supplementary regulatory indicators

4.1 Key regulatory indicators

(Unit: %)

Item	Standard level of indicator	30 June 2021	31 December 2020	31 December 2019
Liquidity ratio (RMB and foreign currency)	≥25	55.41	62.05	62.54
Liquidity ratio (RMB)	≥25	54.21	60.64	61.46
Liquidity ratio (foreign currency)	≥25	86.10	96.43	91.18
Liquidity matching ratio	≥100	140.54	141.21	142.26
Capital adequacy ratio	≥10.5	12.58	13.29	13.22
Tier 1 capital adequacy ratio	≥8.5	10.58	10.91	10.54
Core tier 1 capital adequacy ratio	≥7.5	8.49	8.69	9.11
Ratio of loans to the single largest customer to net capital	≤10	2.56	1.96	3.80
Ratio of loans to top 10 customers to net capital	N/A	15.03	14.02	16.96
Ratio of accumulated foreign exchange exposure position to net capital	≤20	2.03	2.67	1.93
Pass loans migration ratio	N/A	1.27	2.30	3.24
Special mention loans migration ratio	N/A	27.86	30.17	31.44
Substandard loans migration ratio	N/A	33.21	76.39	31.49
Doubtful loans migration ratio	N/A	89.61	92.68	99.37

Non-performing loan ratio	≤5	1.08	1.18	1.65
Provision coverage ratio	≥120(Note (2))	259.53	201.40	183.12
Provision to loan ratio	≥1.5(Note (2))	2.80	2.37	3.01

Notes: (1) Above-mentioned regulatory indicators are calculated in accordance with the regulatory requirements. Except for the capital adequacy ratio indicator, which represents the position at the Group level, all other indicators represent the positions at the Bank level as reported to the regulatory authorities.

(2) In accordance with the *Provisions of Circular on Adjusting the Regulatory Requirements for Loss Provisions for Loans of Commercial Banks* (Yin Jian Fa [2018] No. 7), various joint-stock banks have implemented regulatory policies of differentiated and dynamically adjusted provision.

4.2 Capital adequacy ratio

(In RMB million)

Item	30 June 2021		31 December 2020	
	The Group	The Bank	The Group	The Bank
Net core tier 1 capital	285,394	278,818	273,791	268,100
Other tier 1 capital	69,944	69,944	69,944	69,944
Net tier 1 capital	355,338	348,762	343,735	338,044
Tier 2 capital	67,387	67,352	75,032	75,032
Net capital	422,725	416,114	418,767	413,076
Total risk-weighted assets	3,359,725	3,356,347	3,151,764	3,150,828
Credit risk-weighted assets	3,029,237	3,026,374	2,808,573	2,807,985
On-balance-sheet risk-weighted assets	2,645,520	2,642,657	2,444,338	2,443,750
Off-balance-sheet risk-weighted assets	370,484	370,484	348,043	348,043
Risk-weighted assets of counterparty credit risk exposure	13,233	13,233	16,192	16,192
Market risk-weighted assets	76,188	75,909	88,891	88,779
Operational risk-weighted assets	254,300	254,064	254,300	254,064
Core tier 1 capital adequacy ratio	8.49%	8.31%	8.69%	8.51%
Tier 1 capital adequacy ratio	10.58%	10.39%	10.91%	10.73%
Capital adequacy ratio	12.58%	12.40%	13.29%	13.11%
Balance of mitigated risk exposures of credit risk asset portfolio:				
Balance of mitigated risk exposures of on-balance-sheet credit risk assets	4,124,690	4,119,984	3,904,261	3,902,170
Risk exposures of off-balance-sheet assets after conversion	791,699	791,699	780,298	780,298
Counterparty credit risk exposures	6,364,842	6,364,842	6,102,592	6,102,592

Note: The Bank adopted the risk-weighted approach, standardised approach and basic indicator approach to measure the capital requirements for its credit risk, market risk and operational risk, respectively; during the reporting period, there were no material changes in the measurement approaches, risk measurement systems and corresponding capital requirements for credit risk, market risk and operational risk. For more details on capital management, please refer to the Bank's website (<http://bank.pingan.com>).

4.3 Leverage ratio

(In RMB million)

Item	30 June 2021	31 March 2021	31 December 2020	30 September 2020
Leverage ratio	6.40%	6.56%	6.48%	6.59%
Net tier 1 capital	355,338	352,985	343,735	335,602
Balance of on-and off-balance sheet assets after adjustment	5,553,344	5,383,827	5,301,708	5,096,164

Note: The above data represents the performance at the Group level. At the end of the reporting period, the decrease in leverage ratio of the Group from the end of March 2021 was mainly due to an increase in the adjusted balance of on- and off-balance sheet assets. For more details on leverage ratio, please refer to the Bank's website (<http://bank.pingan.com>).

4.4 Liquidity coverage ratio

(In RMB million)

Item	30 June 2021	31 March 2021	31 December 2020
Liquidity coverage ratio	123.94%	109.50%	127.68%
Qualified current assets	571,893	512,725	512,772
Net cash outflow	461,445	468,259	401,618

Note: The above data represents the performance at the Group level. The Group discloses information on liquidity coverage ratio according to the *Measures for the Disclosure of Information on Liquidity Coverage Ratio by Commercial Banks* issued by the China Banking and Insurance Regulatory Commission (CBIRC).

4.5 Net stable funding ratio

(In RMB million)

Item	30 June 2021	31 March 2021	31 December 2020
Net stable funding ratio	105.18%	104.36%	105.50%
Available stable funding	2,767,435	2,668,865	2,592,754
Stable funding required	2,631,045	2,557,390	2,457,675

Note: The above data represents the performance at the Bank level. The Group discloses the information on net stable funding ratio according to the *Measures for the Disclosure of Information on Net Stable Funding Ratio by Commercial Banks* issued by CBIRC.

5 Data on operations of segments

5.1 Profit and scale

(In RMB million)

Item		Retail banking business		Wholesale banking business		Others		Total	
		Jan. - Jun. 2021	Jan. - Jun. 2020	Jan. - Jun. 2021	Jan. - Jun. 2020	Jan. - Jun. 2021	Jan. - Jun. 2020	Jan. - Jun. 2021	Jan. - Jun. 2020
Operating income	Amount	49,213	44,388	30,623	29,298	4,844	4,642	84,680	78,328
	%	58.1	56.7	36.2	37.3	5.7	6.0	100.0	100.0
Operating expenses	Amount	17,631	13,954	6,349	8,224	-	-	23,980	22,178
	%	73.5	62.9	26.5	37.1	-	-	100.0	100.0
Impairment losses on credit and other assets	Amount	16,688	20,128	20,998	18,474	599	(111)	38,285	38,491
	%	43.6	52.2	54.8	48.0	1.6	(0.2)	100.0	100.0
Profit before tax	Amount	14,894	10,304	3,279	2,603	4,168	4,680	22,341	17,587
	%	66.7	58.6	14.7	14.8	18.6	26.6	100.0	100.0
Net profit	Amount	11,722	8,013	2,581	2,025	3,280	3,640	17,583	13,678
	%	66.7	58.6	14.7	14.8	18.6	26.6	100.0	100.0

(In RMB million)

Item	30 June 2021		31 December 2020		Change at the end of the reporting period from the end of last year
	Amount	%	Amount	%	
Total assets	4,723,520	100.0	4,468,514	100.0	5.7%
Including: Retail banking business	1,735,349	36.8	1,589,213	35.6	9.2%
Wholesale banking business	1,857,372	39.3	1,827,156	40.9	1.7%
Others	1,130,799	23.9	1,052,145	23.5	7.5%

Notes: (1) In order to further promote the inclusive finance service for“ increasing quantity and expanding scale, improving quality and reducing cost”, and improve the inclusive finance overall management and marketing driving capability, at the reporting period, the inclusive finance department changed from wholesale banking business segment to retail banking business segment, the comparison data was adjusted accordingly by the same standards based on the corresponding adjustments to data application and secured inclusive financial products.

The retail banking business segment covers the provision of financial products and services to individual customers and small enterprises, including personal loans, personal deposits, bank cards and various intermediary businesses.

The wholesale banking business segment covers the provision of financial products and services to corporate customers, government organisations and banks and other small enterprises. The products and services include corporate loans, corporate deposits, trade financing, various corporate intermediary businesses, various interbank capital businesses and Ping An wealth management businesses.

Other business segments refer to bond investments and some monetary market activities carried out to meet liquidity management needs, as well as the centrally managed equity investments and assets, liabilities and income not directly attributable to any business segment.

(2) The net profit for retail banking businesses represents a year-on-year increase, mainly due to the increase of operating income in retail banking business, meanwhile, because the quality of retail assets is in good momentum gradually, the Bank reduced the provision of impairment loss on retail credit assets.

(In RMB million)

Item	30 June 2021		31 December 2020		Change at the end of the reporting period from the end of last year
	Amount	%	Amount	%	
Deposit principals due to customers	2,866,678	100.0	2,673,118	100.0	7.2%
Including: Corporate deposits	2,132,592	74.4	1,988,449	74.4	7.2%
Personal deposits	734,086	25.6	684,669	25.6	7.2%
Total principal of loans and advances to customers	2,874,893	100.0	2,666,297	100.0	7.8%
Including: Corporate loans (including discounted bills)	1,118,861	38.9	1,061,357	39.8	5.4%
Personal loans (including credit cards)	1,756,032	61.1	1,604,940	60.2	9.4%

Note: Items in the above table are classified based on the nature of the customers, where corporate services to small enterprises is attributable to corporate deposits and corporate loans business, while individual services to small enterprises is attributable to personal deposits and personal loans, and the same approach applies below.

5.2 Asset quality

Item	30 June 2021	31 December 2020	Change at the end of the reporting period from the end of last year
Non-performing loan (NPL) ratio	1.08%	1.18%	-0.10 percentage point
Including: Corporate loans (including discounted bills)	0.99%	1.24%	-0.25 percentage point
Personal loans (including credit cards)	1.13%	1.13%	-

IV. Number of shareholders and shareholding conditions

1. Number of ordinary shareholders and preference shareholders with recovered voting rights, and the shareholdings of the top 10 shareholders

(Unit: Share)

Total number of ordinary shareholders as at the end of the reporting period	296,828	Total number of preference shareholders with restored voting rights as at the end of the reporting period		-				
Shareholdings of the top 10 shareholders								
Name of shareholder	Nature of shareholder	Total number of shares held	Shareholding (%)	Changes during the reporting period	Number of restricted shares held	Number of unrestricted shares held	Pledged, tagged or frozen	
							Status of shares	Number of shares
Ping An Insurance (Group) Company of China, Ltd. - the Group - proprietary fund	Domestic legal entity	9,618,540,236	49.56	-	-	9,618,540,236	-	-
Hong Kong Securities Clearing Company Limited	Overseas legal entity	2,210,015,195	11.39	305,714,709	-	2,210,015,195	-	-
Ping An Life Insurance Company of China, Ltd. - proprietary fund	Domestic legal entity	1,186,100,488	6.11	-	-	1,186,100,488	-	-
Ping An Life Insurance Company of China, Ltd. - traditional – ordinary insurance products	Domestic legal entity	440,478,714	2.27	-	-	440,478,714	-	-
China Securities Finance Corporation Limited	Domestic legal entity	429,232,688	2.21	-	-	429,232,688	-	-
Bank of China Limited - E Fund Selected Blue-chip Mixed Securities Investment Fund	Domestic legal entity	92,000,023	0.47	92,000,023	-	92,000,023	-	-
China Merchants Bank Co., Ltd. - Xingquan Herun Mixed Securities Investment Fund	Domestic legal entity	87,133,751	0.45	87,133,751	-	87,133,751	-	-
China Electronics Shenzhen Company	Domestic legal entity	62,523,366	0.32	-	-	62,523,366	-	-
National Social Security Fund 117 Portfolio	Domestic legal entity	58,000,060	0.30	-	-	58,000,060	-	-
China Merchants Bank Co., Ltd. - Xingquan Heyi Flexibly-allocated Mixed Securities Investment Fund (LOF)	Domestic legal entity	54,890,110	0.28	54,890,110	-	54,890,110	-	-

Details of strategic investors or general legal persons becoming top 10 shareholders for issuing new shares (if any)	None
Explanation of the related party relationship or acting-in-concert relationship among the above shareholders	1. Ping An Life Insurance Company of China, Ltd. is a majority-owned subsidiary of and acts in concert with Ping An Insurance (Group) Company of China, Ltd. "Ping An Insurance (Group) Company of China, Ltd. – the Group – proprietary fund", "Ping An Life Insurance Company of China, Ltd. – proprietary fund" and "Ping An Life Insurance Company of China, Ltd. – traditional – ordinary insurance product" are related. 2. The Bank is not aware of any related-party relationship or parties acting in concert among other shareholders.
Description of the shareholders who engage in securities margin trading business	None

2. Particulars of controlling shareholder or changes in the actual controller

The Bank has no actual controlling party, and there had been no changes to the controlling shareholders of the Bank during the reporting period.

3. Total number of preference shareholders and shareholding conditions

(Unit: Share)

Total number of preference shareholders at the end of the reporting period			15			
Shareholding of shareholders with more than 5% preference shares or the top 10 preference shareholders						
Name of shareholder	Nature of shareholder	Shareholding (%)	Number of shares held as at the end of the reporting period	Changes during the reporting period	Pledged or frozen	
					Status of shares	Number of shares
Ping An Life Insurance Company of China, Ltd. - dividend - dividends for individual insurance	Domestic legal entity	29.00	58,000,000	-	-	-
Ping An Life Insurance Company of China, Ltd. - universal - individual universal insurance	Domestic legal entity	19.34	38,670,000	-	-	-
Ping An Property & Casualty Insurance Company of China, Ltd. - traditional - ordinary insurance products	Domestic legal entity	9.67	19,330,000	-	-	-
China Post & Capital Fund - Hua Xia Bank - Hua Xia Bank Co., Ltd.	Domestic legal entity	8.95	17,905,000	-	-	-
Bank of Communications Schroder Asset Management - Bank of Communications - Bank of Communications Schroder Asset Management Zhuoyuan No. 1 Collective Asset Management Plan	Domestic legal entity	8.95	17,905,000	17,905,000	-	-

China International Capital Corporation Limited (CICC) - Agricultural Bank of China - CICC Agricultural Bank of China Ruichi No. 1 Collective Asset Management Plan	Domestic legal entity	4.52	9,040,000	9,040,000	-	-
Bank of China Limited Shanghai Branch	Domestic legal entity	4.47	8,930,000	-	-	-
China International Capital Corporation Limited (CICC) - Agricultural Bank of China - CICC Agricultural Bank of China No. 10 Collective Asset Management Plan	Domestic legal entity	3.66	7,325,000	7,325,000	-	-
Postal Savings Bank of China Domestic Co., Ltd.	Domestic legal entity	2.98	5,950,000	-	-	-
Merchants Wealth - Postal Savings Bank - Postal Savings Bank of China Co., Ltd.	Domestic legal entity	2.97	5,930,000	(20,000)	-	-
Description of different requirements on other terms of preference shares held other than dividend distribution and residual property distribution		Not applicable				
Description of the related party relationship or acting-in-concert agreement among top 10 preference shareholders and between top 10 preference shareholders and top 10 ordinary shareholders	1. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. are majority-owned subsidiaries of and act in concert with the Ping An Insurance (Group) Company of China, Ltd. “Ping An Insurance (Group) Company of China, Ltd. - the Group - proprietary fund”, “Ping An Life Insurance Company of China, Ltd. - proprietary fund”, “Ping An Life Insurance Company of China, Ltd. - traditional - ordinary insurance product”, “Ping An Life Insurance Company of China, Ltd. - dividend - individual dividend”, “Ping An Life Insurance Company of China, Ltd. - universal - individual universal” and “Ping An Property & Casualty Insurance Company of China, Ltd. - traditional - ordinary insurance products” are related. 2. The Bank is not aware of any related-party relationship or parties acting in concert among other shareholders.					

V. The existing bonds of the Company on the date of approval of the Interim Report

☐ Applicable ☒ Not applicable

VI. Significant Matters

Please see the full text of “2021 Interim Report” for details.

VII. Discussion and Analysis of Operations

The year 2021 marks the 100th anniversary of the founding of the Communist Party of China (CPC), and the beginning year of the country's 14th Five-Year Plan, as well as the critical year for strategic transformation and upgrade in implementing the Bank's new three-year strategy. By actively implementing all the national strategies, the Bank continues to improve its capability of serving the real economy in financial services, vigorously support private enterprises, small and micro enterprises, manufacturing and technological enterprises, continuously support the consumer and industrial transformation and upgrades, vigorously support the revitalization of rural areas, actively practice green finance, comprehensively prevent various financial risks and fulfill its responsibilities. The

Bank strives to carry out its mission, and all the employees contribute their efforts and strengths to present outstanding achievements as a gift to the 100th anniversary of the Party.

In the first half of 2021, the Bank actively implemented the decisions and arrangements made by the Communist Party of China Central Committee and the State Council, continued to deepen comprehensive digital operation and realise the new three-year goal in “reshaping asset-liability management”, and all businesses maintained a stable growth trend of development.

Stable growth of operating income. In the first half of 2021, the Group recorded operating income of RMB84,680 million, representing a year-on-year increase of 8.1%, the net profit was RMB17,583 million with a year-on-year increase of 28.5%.

Continuous optimisation of deposit costs. In the first half of 2021, the Group’s NIM decreased by 4 basis points to 2.83% from the same period last year; the average liability cost was down by 20 basis points to 2.22% as compared with the same period last year, among which the average cost of deposit-taking was 2.05%, down by 30 basis points compared with the same period last year. Due to changes in interest rate and impacts of further supporting the real economy and reducing its financing cost, the average yield of interest-earning assets decreased slightly compared with the same period last year; meanwhile, it effectively reduced the liability cost and slightly narrowed its NIM within a reasonable range by reshaping its asset-liability management.

Rapid growth of non-interest income. In the first half of 2021, the Group recorded a net non-interest income was RMB25,319 million, representing a year-on-year increase of 11.3%, mainly due to the increase in fee and commission income derived from wealth management, credit card, corporate settlement and financial services; the net non-interest income accounted for 29.90%, up by 0.86 percentage point from the same period last year.

Steady growth in the scale of assets and liabilities. As at the end of June 2021, the Group’s total assets amounted to RMB4,723,520 million, up by 5.7% as compared with the end of last year, including the total loans and advances to customers of RMB2,874,893 million, up by 7.8% as compared with the end of last year. The total liabilities were RMB4,346,327 million, an increase of 5.9% over the end of the previous year, including the balance of total deposits due to customers of RMB2,866,678 million, up by 7.2% over the end of the previous year, and total current deposits due to customers of RMB988,490 million, up by 5.6% over the end of the previous year.

Continuous optimisation of asset quality. At the end of June 2021, the NPL ratio was 1.08%, down by 0.10 percentage point over the end of last year. Special mention loans, loans overdue for more than 60 days and loans

overdue for more than 90 days accounted for 0.96%, 0.91% and 0.79% respectively, down by 0.15, 0.17 and 0.09 percentage point respectively from the end of last year. The deviation ratios of loans overdue for more than 60 days and 90 days were 0.85 and 0.73, down by 0.07 and 0.02 respectively from the end of last year; the provision coverage ratios, the provision coverage ratios of non-performing loans overdue for more than 60 days and loans overdue for more than 90 days were 259.53%, 306.11% and 355.67% and up by 58.13, 86.33 and 86.93 percentage points respectively from the end of last year.

The Board of Ping An Bank Co., Ltd.

20 August 2021