

Major Accounting Data and Financial Indicators

The financial data and indicators set forth in the tables below is prepared in accordance with the PRC GAAP. Unless otherwise specified, such information represents the data of the Group stated in RMB.

Major accounting data	For the six months ended 30 June			
	2019	2018	Increase/decrease (%)	2017
Operating results				
Operating income ⁽¹⁾	6,256,592	5,159,466	21.26	4,867,412
Profit before tax	3,058,914	3,036,601	0.73	3,007,725
Net profit attributable to shareholders of the Bank	2,469,317	2,366,553	4.34	2,271,396
Net profit attributable to shareholders of the Bank after deducting non-recurring profit and loss	2,466,759	2,364,587	4.32	2,263,229
Net cash flows used in operating activities	(4,299,941)	(3,042,722)	41.32	(13,135,567)
Calculated on a per share basis (RMB/share)				
Basic earnings per share ⁽²⁾	0.42	0.44	(4.55)	0.43
Diluted earnings per share	0.42	0.44	(4.55)	0.43
Basic earnings per share after deducting non-recurring profit and loss	0.42	0.44	(4.55)	0.43
Scale indicators	As at 30 June 2019	As at 31 December 2018	Increase/decrease (%)	As at 31 December 2017
Total assets	479,795,566	466,142,418	2.93	435,828,887
Gross loans and advances to customers (excluding accrued interest)	177,557,152	159,572,792	11.27	128,456,478
Provision for impairment losses on loans and advances to customers ⁽³⁾	6,731,152	6,097,376	10.39	4,000,536
Total liabilities	440,280,452	428,278,919	2.80	402,389,522
Total deposits from customers (excluding accrued interest)	271,595,248	264,130,934	2.83	255,407,398
Share capital	5,921,932	5,921,932	-	5,321,932
Shareholders' equity	39,515,114	37,863,499	4.36	33,439,365
Including: equity attributable to shareholders of the Bank	38,260,665	36,649,739	4.40	32,205,887
Net assets per share attributable to ordinary shareholders of the Bank ⁽⁴⁾ (RMB/share)	5.14	4.87	5.54	4.58
Net capital ⁽⁵⁾	47,718,002	45,958,462	3.83	41,614,453
Including: net tier one capital ⁽⁵⁾	38,140,611	36,618,138	4.16	32,262,545
Net risk-weighted assets ⁽⁵⁾	374,558,345	349,504,822	7.17	307,474,718

Major financial indicators	As at 30 June 2019	As at 31 December 2018	Change	As at 31 December 2017
Capital adequacy ratio (%)				
Core tier-one capital adequacy ratio ⁽⁵⁾	8.07	8.22	(0.15)	7.93
Tier-one capital adequacy ratio ⁽⁵⁾	10.18	10.48	(0.30)	10.49
Capital adequacy ratio ⁽⁵⁾	12.74	13.15	(0.41)	13.53
Asset quality indicators (%)				
Non-performing loan ratio ⁽⁶⁾	2.39	2.47	(0.08)	1.50
Allowance to non-performing loans ⁽⁶⁾	158.44	154.84	3.60	207.75
Allowance to total loans ⁽⁶⁾	3.79	3.82	(0.03)	3.11
Ratio of loans with principal or interest overdue for more than 90 days to non-performing loans	83.67	95.36	(11.69)	171.13
	For the six months ended 30 June			
Profitability Indicators (%)	2019	2018	Change	2017
Weighted average return on net assets ⁽²⁾ (annualized)	16.50	18.84	(2.34)	20.50
Weighted average return on net assets after deducting non-recurring profit and loss (annualized)	16.49	18.82	(2.33)	20.40
Return on total assets ⁽⁷⁾ (annualized)	1.06	1.08	(0.02)	1.19
Cost-to-income ratio ⁽⁸⁾	26.53	26.85	(0.32)	22.56
Net interest spread ⁽⁹⁾ (annualized)	1.88	1.58	0.30	2.05
Net interest margin ⁽¹⁰⁾ (annualized)	1.86	1.48	0.38	2.20
Other financial indicators (%)	As at 30 June 2019	As at 31 December 2018	Change	As at 31 December 2017
Leverage ratio ⁽¹¹⁾	6.85	6.79	0.06	6.49
Liquidity ratio ⁽¹¹⁾	39.63	56.39	(16.76)	61.72
Liquidity coverage ratios ⁽¹¹⁾	172.91	304.42	(131.51)	225.20
Loan-to-deposit ratio ⁽¹¹⁾	70.67	66.06	4.61	50.29
Percentage of loans to the single largest customers ⁽¹¹⁾	3.98	4.13	(0.15)	3.12
Percentage of loans to the top ten single customers ⁽¹¹⁾	22.37	21.46	0.91	22.01
Percentage of credit granted to the single largest group customer ⁽¹¹⁾	6.04	6.02	0.02	4.66
Normal loan migration ratio ⁽¹¹⁾	2.19	8.81	(6.62)	10.35
Special mention loan migration ratio ⁽¹¹⁾	20.18	55.14	(34.96)	58.55
Substandard loan migration ratio ⁽¹¹⁾	76.97	76.71	0.26	29.46
Doubtful loan migration ratio ⁽¹¹⁾	0.65	0.14	0.51	0.07

Notes:

- Operating income includes net interest income, net fee and commission income, net gains arising from investments, net losses/(gains) due to change in fair value, net exchange gains/(losses), other gains and other operating income.
- Basic earnings per Share and weighted average return on net assets were calculated according to Compilation Rules for Information Disclosures by Companies that Offer Securities to the Public (No.9): Calculation and Disclosure of Rate of Return on Equity and Earnings per Share (2010 Revision). In 2018, the Bank distributed the dividends on the Offshore Preference Shares. In the first half of 2019, the Bank did not distribute dividends on the Preference Shares. In calculating the basic earnings per Share and weighted average return on net assets, no dividend of the Preference Shares for the Reporting Period has to be deducted from the “net profit attributable to shareholders of the Bank”, and net proceeds raised from the Preference Shares issuance were deducted from the “weighted average net assets”.

3. Including the provision for impairment losses on the loans and advances to customers measured at amortised costs and the loans and advances to customers at fair value through other comprehensive income.
4. Representing the equity attributable to ordinary shareholders of the Bank after deducting other equity instruments divided by the number of Ordinary Shares at the end of the period.
5. Calculated based on the “Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)” published by the former CBRC on 7 June 2012.
6. Non-performing loan ratio was calculated by dividing total non-performing loan principal (excluding accrued interests) by gross loan and advance principal to customers (excluding accrued interest); the allowance to non-performing loans was calculated by dividing allowance for impairment losses on loans and advances to customers by total non-performing loan principal (excluding accrued interest); and the allowance to total loans was calculated by dividing allowance for impairment losses on loans and advances to customers by gross loan and advance principal to customers (excluding accrued interest).
7. Calculated by dividing net profit for the Reporting Period by average balance of total assets at the beginning and the end of the period.
8. Calculated by dividing business and management expenses and other operating cost by operating income.
9. Calculated as the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities, calculated based on daily average of the interest-earning assets and the interest-bearing liabilities.
10. Calculated by dividing net interest income by the daily average balance of total interest-earning assets.
11. Percentage of loans to the single largest customer and percentage of loans to the top ten single customers were recalculated in accordance with regulatory criteria based on reviewed data, other indicators represented data reported to regulatory authorities. Loan migration ratio was based on the criteria of the parent of the Bank.