






Release of 2021 Interim Operating Results

August 2021

Disclaimer

-  This information was prepared by China CITIC Bank Corporation Limited (hereinafter referred to as “the Bank”) and is not independently verified. The information as it is should be read in conjunction with the Bank's 2021 Semi-annual Report. In case of any discrepancy between the two, the information disclosed by the Bank's 2021 Semi-annual Report shall prevail. This information does not constitute any explicit or implicit presentation or guarantee, neither shall it be relied upon for accuracy, fairness or completeness of information. No part of this information may constitute or be used as the foundation or basis for any contract, commitment or investment decision. The Bank or any of its branches, sub-branches, affiliates, advisors or representatives shall not be held liable for any losses arising whatsoever from any information expressed or contained herein.
-  This information may contain “forward-looking statements” that involve risks and uncertainties. Such statements were made on the basis of existing expectations, assumptions and forecasts about the industry where the Bank operates in. Such statements usually contain “will” , “may” , “expect” , “forecast” , “plan” , “project” and other words similar in meanings. Unless otherwise required by law, the Bank undertakes no duty to update the forward-looking statements to reflect subsequent events or circumstances or to make corresponding changes to its expectations. Although the Bank believes that the expectations set out in these forward-looking statements are reasonable, it shall not be assumed that its forecasts will be proven to be correct in the future. Investors are cautioned that actual results may differ from the forecasts, and as such should not rely on any forward-looking statements expressed herein.
-  This information does not constitute or form any part of the solicitation or invitation to any offer to sell or issue of the Bank's securities or to any offer to purchase or subscribe for any securities of any branch, sub-branch or related party of the Bank or under any jurisdiction. By attending this presentation, investors yourselves shall take full and complete responsibility for the evaluation of the Bank's market position and the market, and shall do your own analysis and form your own views or opinions on the future performance of the Bank's business. Any decision (if any) to buy any securities based on the proposed offering of such securities shall be made exclusively on the basis of the information contained in the offering circular or the prospectus prepared for the concerned offering.

Contents

➤ **Part I: Overview of Operating Results**

- I. Operating profits increased steadily
- II. Asset quality continued to improve
- III. Served the real economy with quality and efficiency further assured
- IV. Development of three core capabilities strengthened at a faster pace
- V. Synergistic integration activated driving forces

Part II: Details of Operating Results

Part III: Development Strategies for Next Phase

Overview of main indicators

Profit indicators	January-June 2021	Year-on-year increment	Year-on-year increase
I. Net profit attributable to the equity holders	290.3	34.9	13.7%
II. Pre-allowance profit	802.9	18.2	2.3%
III. Return on average assets (ROA)	0.78%	Up 0.02 percentage point year-on-year	
IV. Return on average equity (ROE)	12.10%	Up 0.76 percentage point year-on-year	
V. Net operating income	1,055.9	35.8	3.5%
VI. Net interest margin	2.09%	Down by 0.18 percentage point year-on-year	
VII. Non-interest net income	315.1	34.2	12.2%
Non-interest net income ratio	29.8%	Up 2.3 percentage points year-on-year	
VIII. Operating expenses	242.3	17.0	7.6%
Cost-to-income ratio	22.9%	Up 0.9 percentage point year-on-year	
IX. Amount of allowance for impairment losses in the reporting year	453.7	-23.6	-4.9%
Scale indicators	End of June 2021	Increment over the end of the previous year	Increase
I. Total assets	78,163	3,052	4.1%
II. Loans to customers	47,086	2,353	5.3%
III. Deposits from customers	46,656	1,372	3.0%
Quality indicators	End of June 2021	Increment over the end of the previous year	Increase
I. Balance of non-performing loans (NPLs)	706.8	-27.7	-3.8%
II. NPL ratio	1.50%	Down 0.14 percentage point over the end of the previous year	
III. Balance of loan allowance	1,338.5	77.5	6.1%
IV. Allowance coverage ratio	189.37%	Up 17.69 percentage points over the end of the previous year	
V. Ratio of allowance for impairment of loans to total loans	2.84%	Up 0.02 percentage point over the end of the previous year	
Regulatory indicators	End of June 2021	Increase or decrease over the end of the previous year	
I. Capital adequacy ratio	13.53%	Up 0.52 percentage point over the end of the previous year	
II. Tier-one capital adequacy ratio	10.71%	Up 0.53 percentage point over the end of the previous year	
III. Core tier-one capital adequacy ratio	8.63%	Down 0.11 percentage point over the end of the previous year	

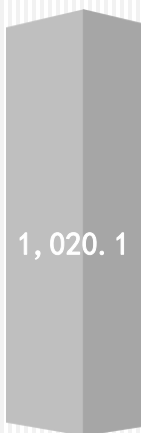
Unit: RMB100 Million

I. Operating profits increased steadily

Net operating income continued to grow

Unit:
RMB100
million

+RMB3.58 billion
3.5%



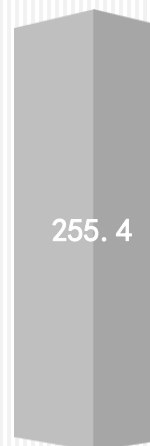
2020 H1

2021 H1

Net profit increased at a faster pace

Unit:
RMB100
million

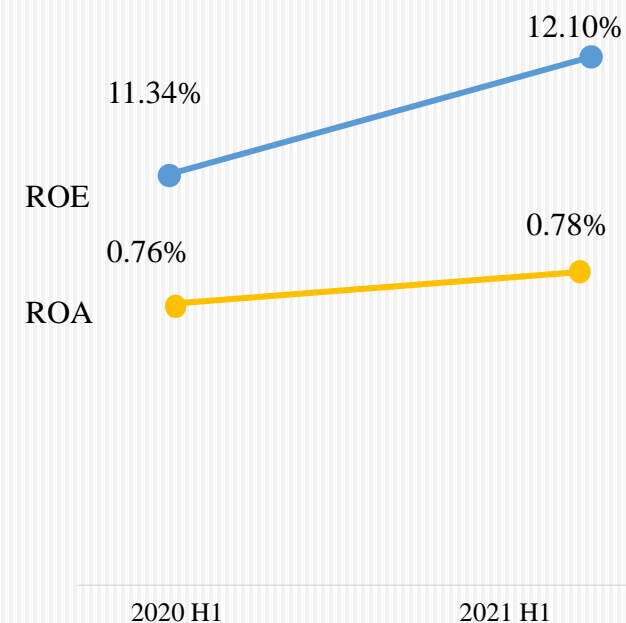
+RMB3.49 billion
13.7%



2020 H1

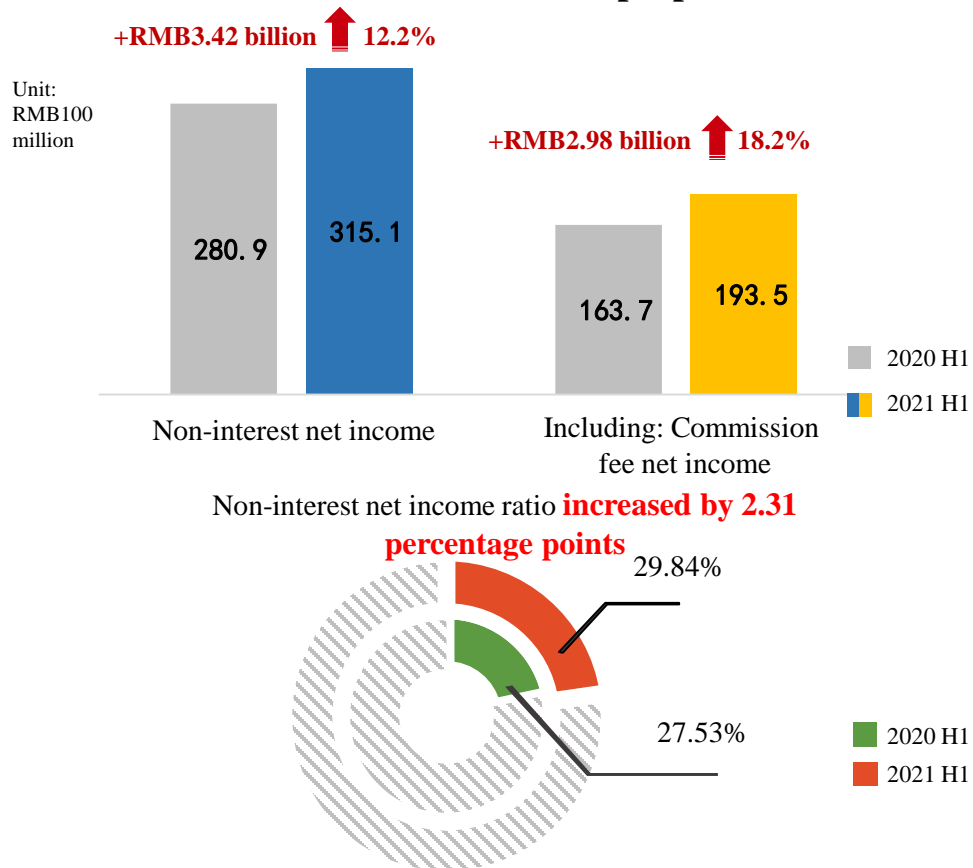
2021 H1

ROA and ROE improved

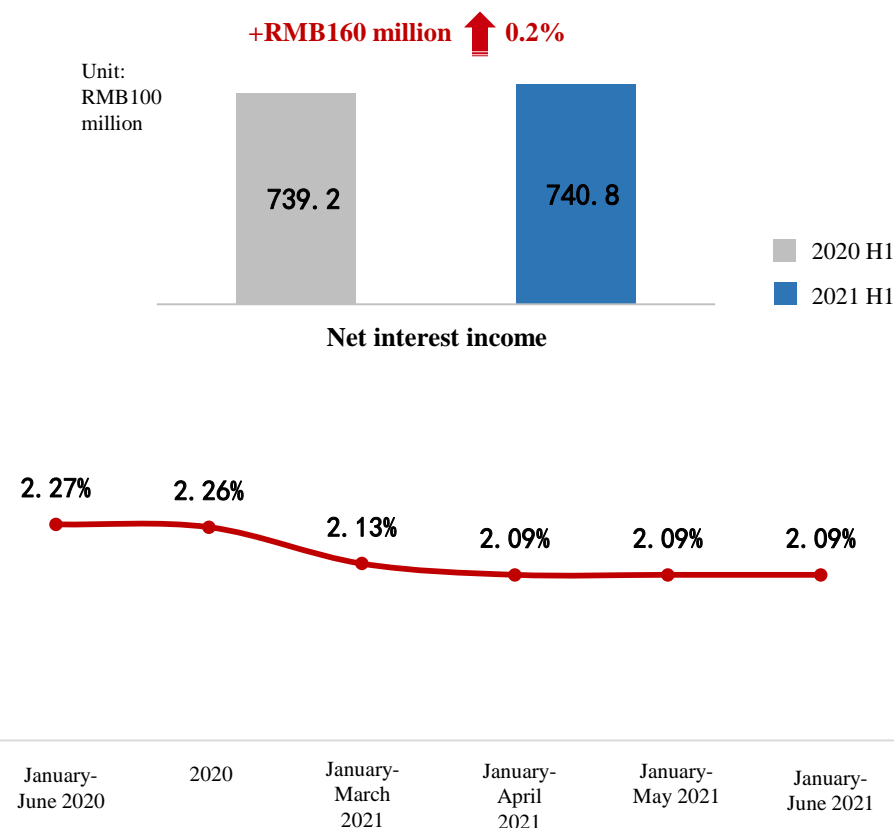


I. Operating profits increased steadily

Non-interest net income maintained a sound growth, with an increase in the proportion

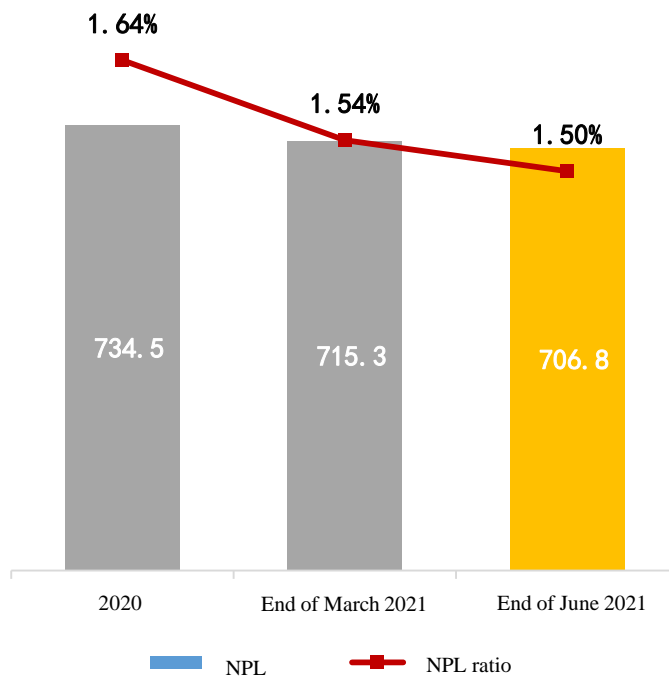


Net interest margin gradually stabilized

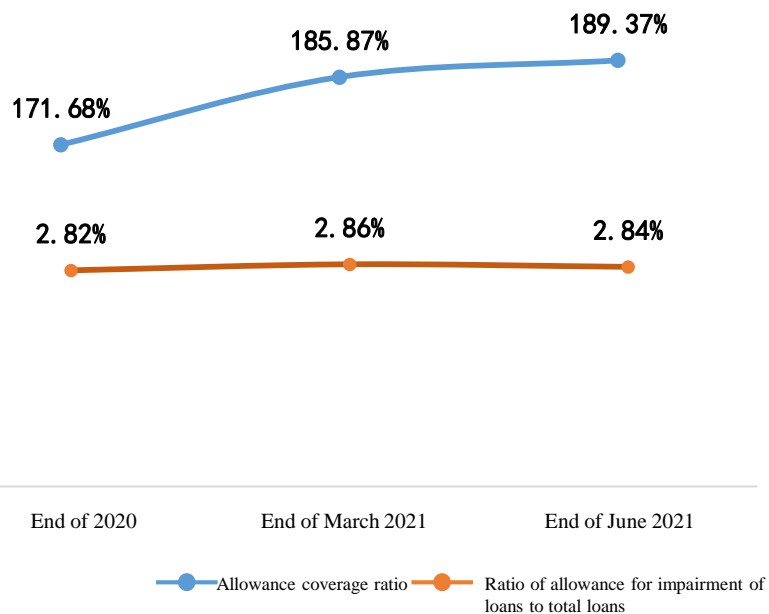


II. Asset quality continued to improve

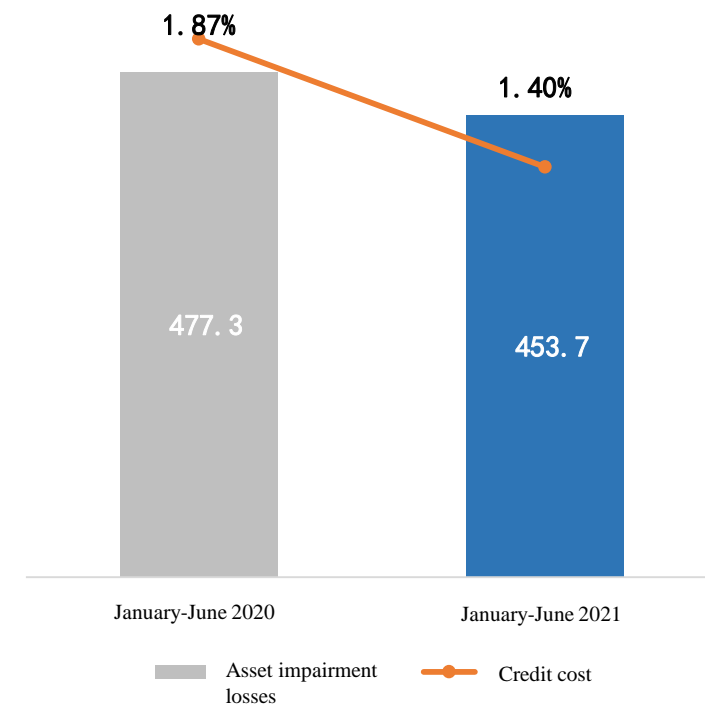
Balance and ratio of NPLs both declined



Allowance coverage ratio and ratio of allowance for impairment of loans to total loans rose amid stability

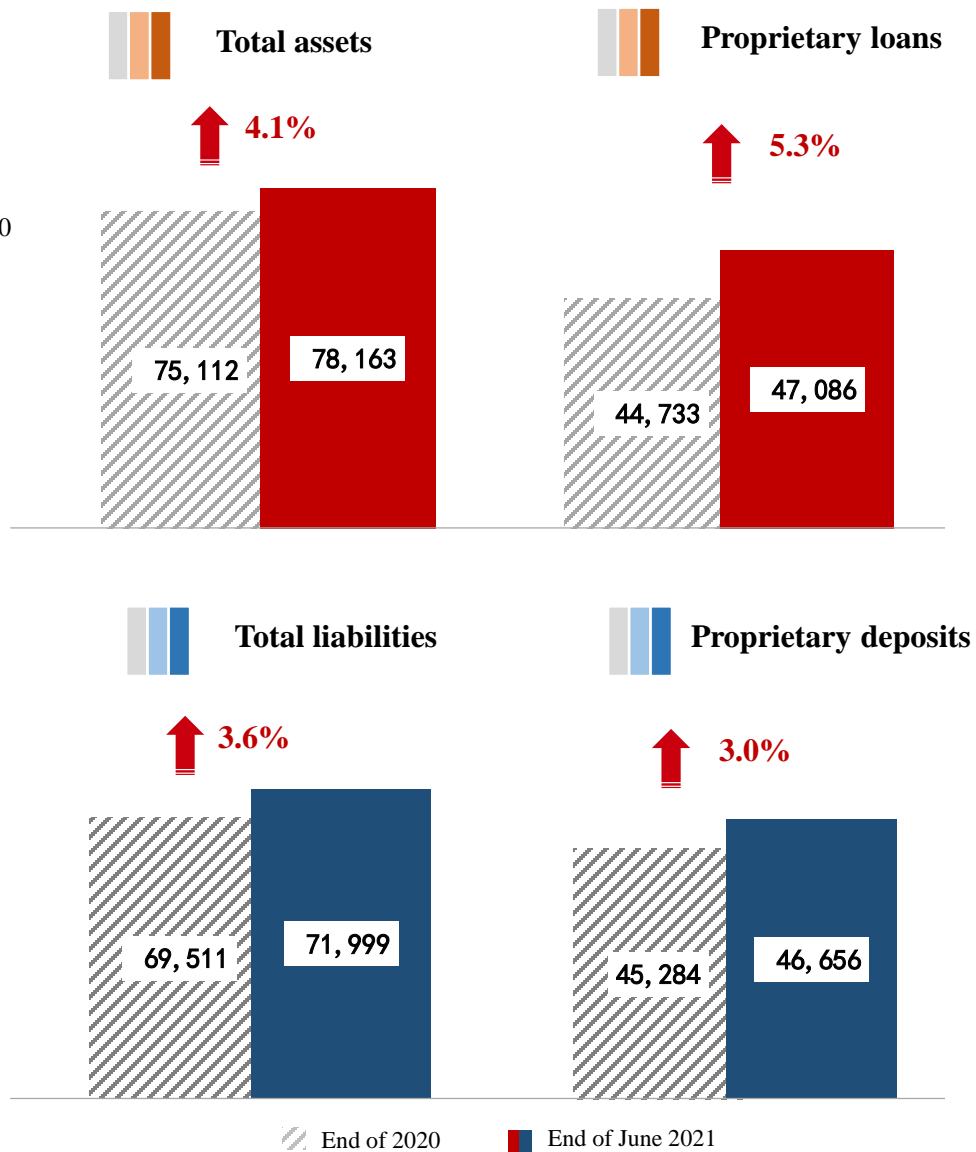


Cost of credit declined



III. Served the real economy with quality and efficiency further assured

Unit:
RMB100
million



Green credit

Balance: **RMB129 billion**

+**RMB45.9 billion** over year-beginning

Up **55.3%**

Strategic emerging industries

Balance: **RMB242.1 billion**

+**RMB59.6 billion** over year-beginning

Up **32.6%**

Agro-related loans

Balance: **RMB366.7 billion**

+**RMB23.9 billion** over year-beginning

Up **7.0%**

Inclusive loans

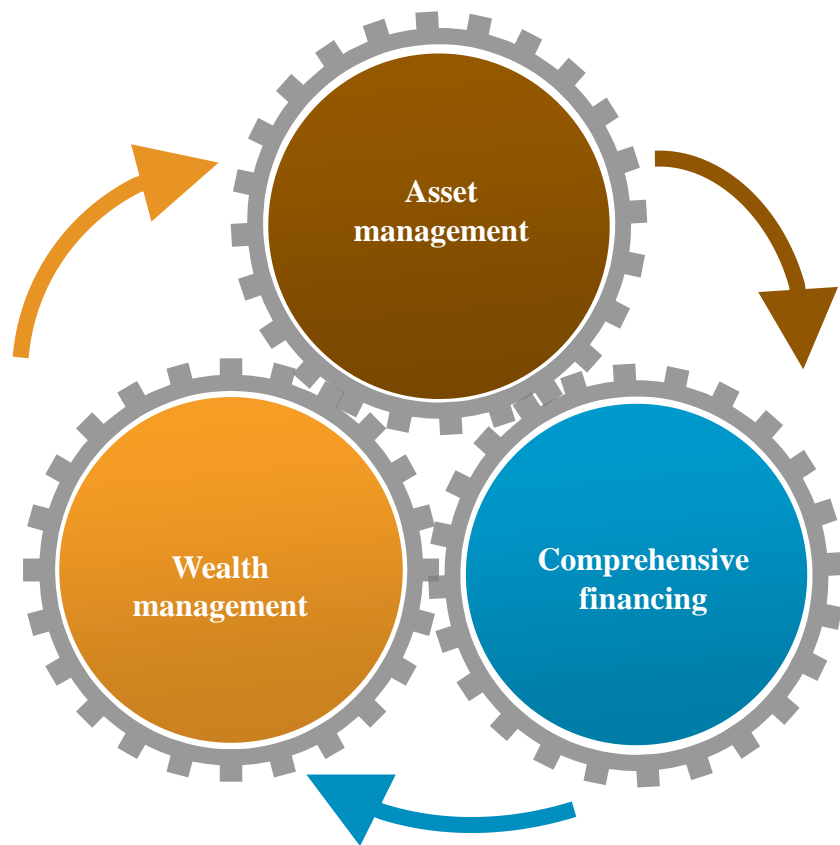
Balance: **RMB349.3 billion**

+**RMB24.2 billion** over year-beginning

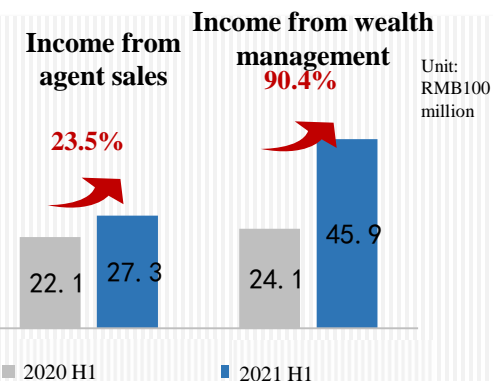
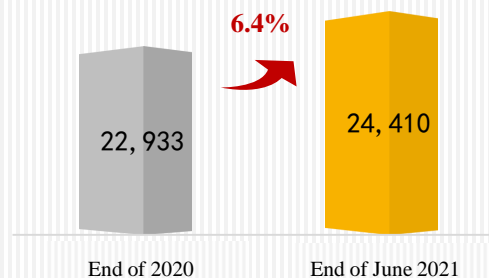
Up **7.4%**

IV. Development of three core capabilities strengthened at a faster pace

Three core capabilities



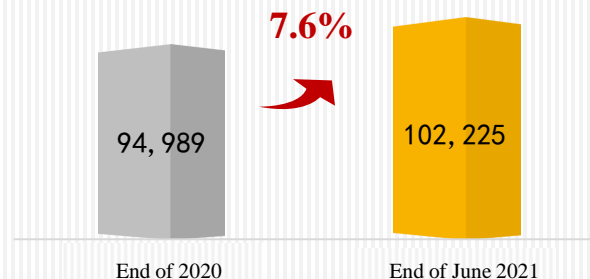
AUM balance



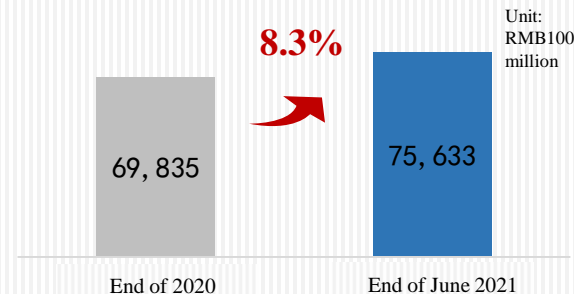
Assets under management
RMB1.2 trillion, ↑7.8%

Proportion of net asset based products
79%, ↑11 percentage points

Total on/off balance sheet financing exceeded RMB10 trillion

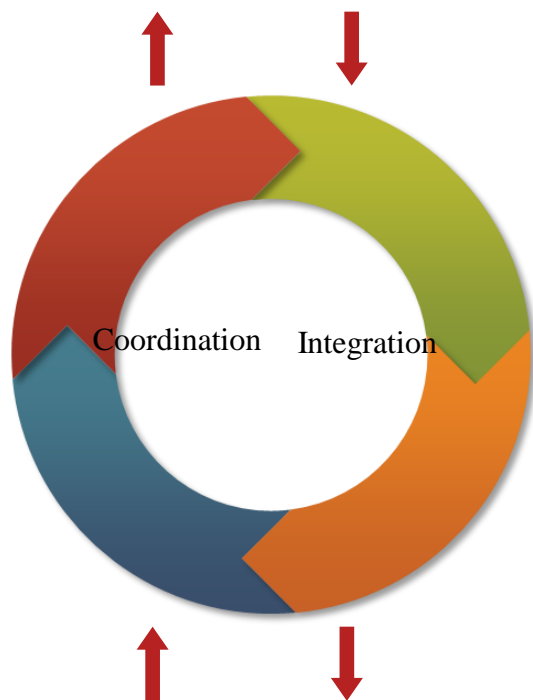


Corporate comprehensive financing



V. Synergistic integration activated driving forces

Group-wide coordination



Internal integration

Joint financing

Joint financing scale with subsidiaries of the Group: **RMB768.9 billion**

↑ 113%

Asset custody

Other financial institutions
New custody scale: **RMB104.1 billion**

↑ 147%

Cross sales

Cross sales obtained by acting as the sales agent of products of the Group's financial subsidiary

RMB44.9 billion

Cross referral of customers

High-end customers acquired through cross referral or joint capture with other financial institutions: **10,746**

↑ 298%

Agency business

Agency customers: **10.01 million**

↑ 88.1%

Agency amount **RMB312.9 billion**

↑ 59.1%

Inter-bank agency
Conversion rate of personal customers

↑ 2 percentage points

Conversion and acquisition of customers

Wealth management customers converted from personal loans **29,000**

↑ 60%

Credit card customer acquisition of the branch **345,000**

↑ 95%

Contents

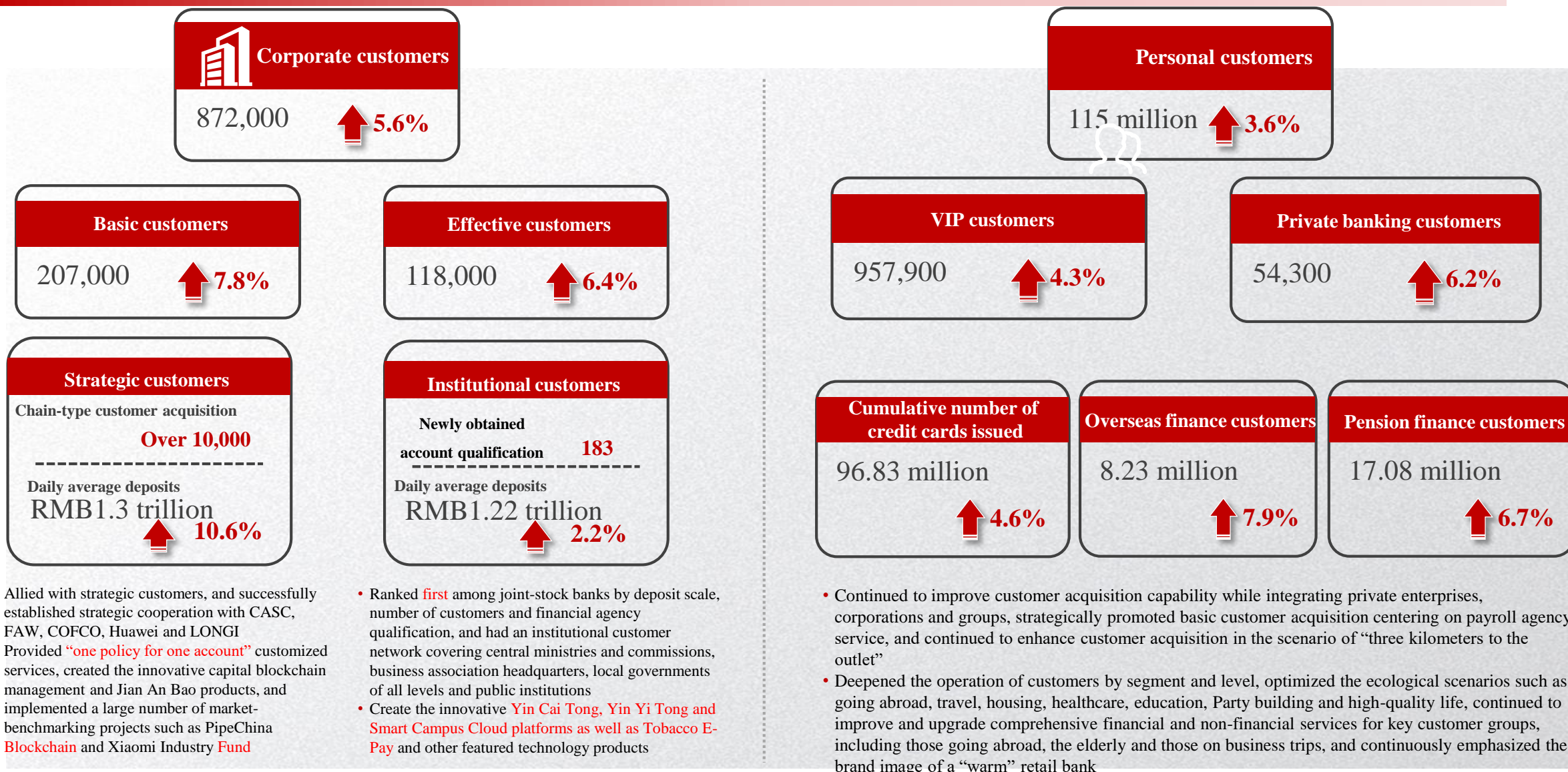
Part I: Overview of Operating Results

➤ **Part II: Details of Operating Results**

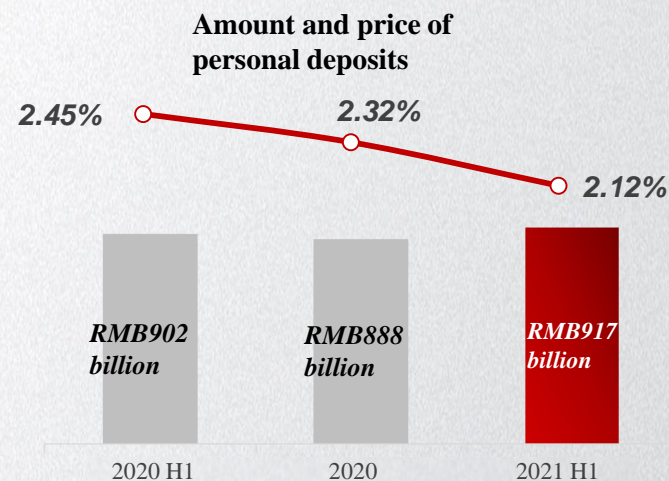
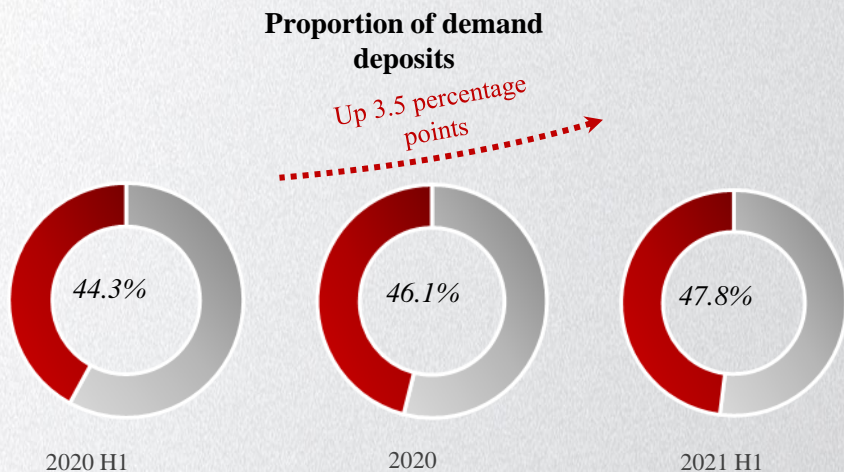
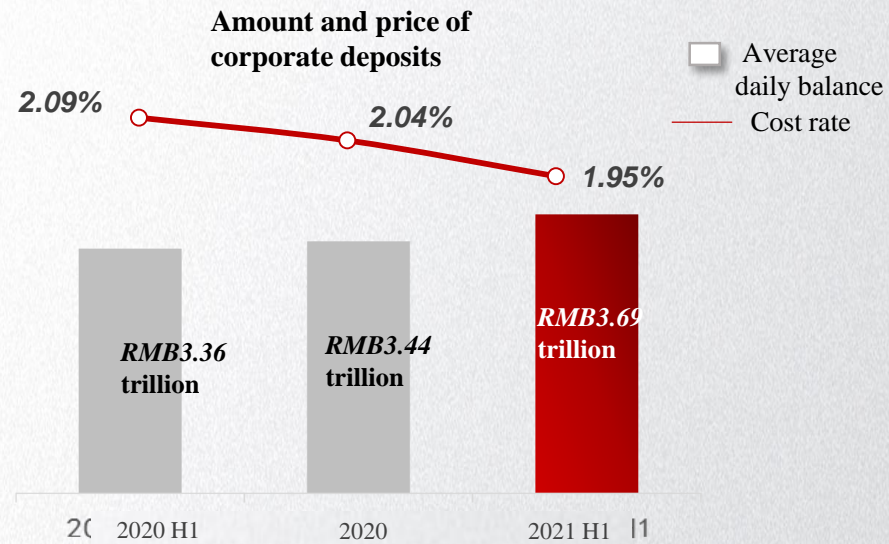
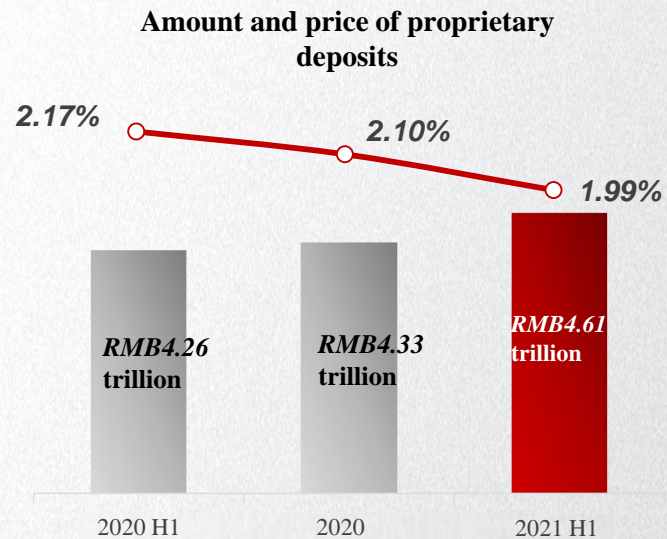
- I. Developed basic customer segment with the focus on both quantity and quality
- II. Developed deposits with increase in volume and decrease in price
- III. Consolidated strengths in the market of key businesses
- IV. Conducted risk mitigation in a strong and down-to-earth manner
- V. Enhanced the quality and pace of transformation towards digitalized operation

Part III: Development Strategies for Next Phase

I. Developed basic customer segment with the focus on both quantity and quality



II. Developed deposits with increase in volume and decrease in price



III. Consolidated strengths in the market of key businesses



The Bank continued to lead in the international business

- The Bank continued to lead other joint-stock banks in terms of foreign exchange funds, balance of payments and cross-border RMB business scale.
- The Bank launched scenario-based innovative products such as Xin Fu E and Xin Fu Agency, and major breakthroughs were made in forfaiting business in the secondary market.
- Cross-border e-commerce stably ranked first among peers, with the trading amount and fee-based business doubled year-on-year.



Investment banking bond underwriting ranked first in the market

- The issuance volume and number of bond underwriting ranked first in the market, and several nationwide-first batch innovative bond projects were implemented.
- The capital market business implemented the "100 Billion Partnership Plan", with an investment of RMB32.5 billion in the first half year and deposits of RMB46.2 billion in the raised funds, ranking second in the whole market.



Transaction banking developed rapidly

- The accumulated financing volume reached RMB400.9 billion, up 305% year on year.
- The number of transactions reached 92.46 million, up 78.4%.
- The transaction amount reached RMB67.1 trillion, up 34.3% year-on-year



Leading advantages in auto finance were strengthened

- The accumulated financing amount was up 48% year-on-year to RMB190.1 billion. The average daily balance of deposits reached RMB128.7 billion, up 37% year-on-year.
- Structural breakthroughs were made in key brands, among which commercial vehicles showed obvious effect of snatching market share.



Building of ecological scenarios of personal loans was accelerated

- The building of ecological scenario system was accelerated and the incremental volume of unsecured loans reached RMB36.9 billion. Specially, the newly-added "Xin Miao Dai" reached RMB24.2 billion, 7.5 times the incremental volume in the same period last year.
- The building of auto scenarios was constantly promoted. The balance of loans to auto scenarios surpassed RMB30 billion. In H1, new loans of RMB15 billion were issued, up 286% year-on-year.



Enhanced the ability to seize opportunities in the financial market

- The Bank accurately judged the market trend, initiated the band operation, and realized a net operating income of RMB14 billion in H1.
- The Bank established a prediction model for interest rate of bills. The discount was RMB615 billion in H1, ranking the third in the market, while the sale of bills reached RMB452.1 billion, achieving a fee-based business income of RMB700 million.
- The custody scale exceeded RMB11 trillion.

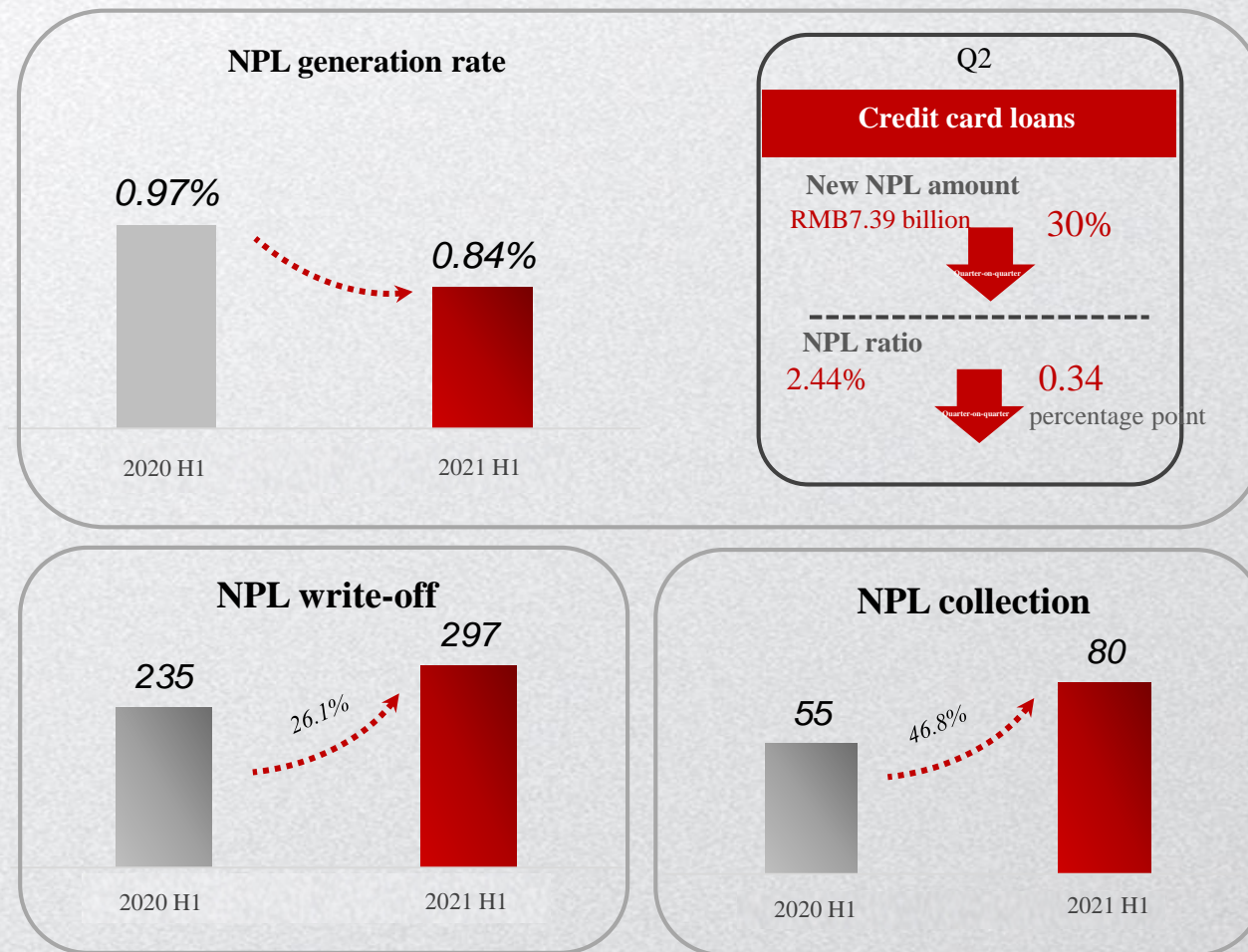
IV. Conducted risk mitigation in a strong and down-to-earth manner

- ❑ The Bank continued to improve the building of the risk management system, strictly controlled new NPLs and strengthened the efforts of NPL disposal at the same time, so as to further enhance the asset quality.

The system of risk management was improved.

- ✓ The Bank improved the transmission mechanism for credit policies, strengthened industry research in key areas such as green credit and strategic emerging industries and improved review and approval standards, striving to "integrate the five policies into one".
- ✓ The Bank focused on the difficulties of asset quality, strengthened the management of customer and regional concentration, completed the inspection of key areas, and formulate risk control countermeasures.
- ✓ The Bank improved the post-lending and investment management of the corporate business, strengthened the risk monitoring of pass customers and large-value key customers, and strictly controlled the downgrading of asset quality.
- ✓ The Bank strengthened coordination within the Group, took multiple measures simultaneously to increase the operation of problematic assets, accelerated the risk clear-out and improved the disposal efficiency.

Note: The five policies refer to industry research, credit granting policies, review and approval standards, customer marketing guidelines and lists and resource allocation and assessment policies.



Note: NPL generation rate refers to the ratio between the change of non-performing loan balance after the disposal and the average balance of loans at the beginning and the end of the period, which is the Bank's standard.

V. Enhanced the quality and pace of transformation towards digitalized operation



Digitalized customer acquisition

- ✓ The corporate chain marketing attracted more than 10,000 customers, leading to the average daily growth of RMB245.6 billion of deposits.
- ✓ The retail customer management system promoted the assets under management by nearly RMB135 billion through precision marketing.



Digitalized scenario

- ✓ The open banking formed more than 30 standardized product components, and **built over 4,000** scenarios with aviation, Internet finance, etc.
- ✓ The on-line loan business of the auto scenarios whole procedure far exceeded the traditional auto loan, and the loan incremental volume in the past 7 months quickly broke through the sum of that in the previous 5 years.
- ✓ The number of users of health insurance code in health scenarios reached 1.2 million, ranking at the forefront among peers.



Digitalized operations

- ✓ The financial market has launched a new generation of corporate treasury transaction platform and realized on-line management of **full-product and full-life-cycle** in agency business, more than doubling the transaction efficiency.
- ✓ Credit card launched HarmonyOS version of "Mobile Card APP", becoming the first financial service products adapted to HarmonyOS.



Digitalized risk control

- ✓ The Bank improved the closed-loop operation mechanism of risk control in high-risk scenarios, optimized the risk control screening model, and enhanced the ability of anti-money laundering, anti-fraud and other risk prevention and control.

12.35 million

The number of MAUs of mobile APP

Year-on-year growth: **13.8%**

14.5 million

The number of MAUs of Mobile Card App

Year-on-year growth: **9.5%**

Contents

Part I: Overview of Operating Results

Part II: Details of Operating Results

➤ **Part III: Development Strategies for Next Phase**

Development Strategies for Next Phase

- The Bank will focus on the new three-year development plan, uphold the principles of sustainable development of high quality, focus on building a value bank, and strive to achieve better results throughout the year.



- To concentrate on the four business themes of "stabilizing interest rate gap, expanding fee-based business, relieving the burden and managing customers", and strive to improve business performance
- To accelerate the building of the three core capabilities including wealth management, asset management and comprehensive financing, and strengthen the value cycle chain
- To comprehensively advance the transformation towards digitalized operation, and deepen the adjustment of business models
- To promote collaboration and integration to inject new momentum into high-quality development
- To comprehensively improve the risk management capability, and maintain the positive growth of asset quality
- To accelerate restructuring of organizational capacity to effectively support business development



Thank you!