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中國光大銀行股份有限公司

China Everbright Bank Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 6818)

FIRST QUARTERLY REPORT OF 2022

The Board of Directors (the “**Board**”) of China Everbright Bank Company Limited (the “**Company**”) hereby announces the unaudited results of the Company and its subsidiaries for the first quarter ended 31 March 2022 (the “**Reporting Period**”) prepared under the International Financial Reporting Standards (the “**IFRS**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**The Board of Directors of
China Everbright Bank Company Limited**

Beijing, the PRC
27 April 2022

As at the date of this announcement, the Executive Directors of the Company are Mr. Fu Wanjun and Mr. Qu Liang; the Non-executive Directors are Mr. Wu Lijun, Mr. Yao Zhongyou, Mr. Yao Wei, Mr. Liu Chong and Mr. Li Wei; and the Independent Non-executive Directors are Mr. Wang Liguo, Mr. Shao Ruiqing, Mr. Hong Yongmiao, Mr. Li Yinquan, Mr. Han Fuling and Mr. Liu Shiping.

China Everbright Bank Company Limited

First Quarterly Report of 2022

I. IMPORTANT NOTICE

- 1.1 The Board of Directors, Board of Supervisors and Directors, Supervisors and Senior Management of the Bank hereby warrant the authenticity, accuracy and completeness of the contents of this Report and that there are no false representations, misleading statements or material omissions, and jointly and severally assume full responsibility for the information in this Report.
- 1.2 The 38th Meeting of the Eighth Session of the Board of Directors of the Bank was convened via written resolution on 27 April 2022, at which the *First Quarterly Report of 2022* was considered and approved. 13 out of 13 Directors exercised their voting rights.
- 1.3 Mr. Fu Wanjun, Executive Director and President, Mr. Qu Liang, Executive Director and Executive Vice President, Mr. Zhao Ling, Executive Vice President who is in charge of finance, and Mr. Sun Xinhong, General Manager of Finance and Accounting Department, hereby warrant the authenticity, accuracy and completeness of the financial statements in this Report.
- 1.4 The financial statements in this Report were prepared pursuant to the International Financial Reporting Standards (“IFRS”) and were unaudited.
- 1.5 Unless otherwise stated, all monetary sums stated in this Report are expressed in Renminbi/RMB.
- 1.6 In this Report, “the Bank” refers to China Everbright Bank Company Limited, and “the Group” refers to China Everbright Bank Company Limited and its subsidiaries.

II. COMPANY PROFILE

2.1 Basic Information

Stock abbreviated name	A shares: Everbright Bank	Stock code	A shares: 601818
	H shares: CEB BANK		H shares: 6818
Stock exchanges for listing of shares	A shares: Shanghai Stock Exchange (SSE)		
	H shares: Hong Kong Exchanges and Clearing Limited (HKEX)		
Contact	Secretary to the Board of Directors	Securities Affairs Representative	
	Zhao Ling	Zeng Wenxue	
Investor Hotline	86-10-63636388		
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China Everbright Bank, established in August 1992 and headquartered in Beijing, is a national joint-stock commercial bank approved by the State Council of China and the People's Bank of China (PBOC). The Bank was listed on the SSE in August 2010 (stock code 601818) and the HKEX in December 2013 (stock code 6818).

2.2 Strategy Implementation

During the reporting period, the Bank resolutely implemented the decisions and plans of the CPC Central Committee and the State Council, and carried out the mission of a “national team” of financial state-owned enterprises, a professional team of wealth management and a vanguard team of people's livelihood services. Grounded on the new development stage, the Bank applied the new development philosophy and served to create a new pattern of development, made in-depth efforts to facilitate the construction of a wealth management bank, and continuously enhanced its capacity of high-quality development.

First, rooted in the real economy, the Bank shouldered its due responsibilities. The Bank fully implemented incentive and restraint measures such as special credit plan management, differentiated FTP preferential policies and enhanced assessment of balanced scorecard, and strongly supported the development of key areas such as manufacturing industry, inclusive finance, green finance and rural revitalization. Medium and long-term manufacturing loans, inclusive loans to micro and small enterprises and green loans increased by 9.40%, 8.59% and 16.54% respectively over the end of the previous year, the growth rate of which all higher than that of general loans.

Second, oriented at delivering benefits to the people, the Bank served to improve people's well-being. The Bank secured Cloud Fee Payment's leading position as the largest open-ended and convenient fee payment platform in China, expanded the coverage of government affairs fee payment services and improved caring services for physically challenged groups. With an amount of 530 services newly added, the platform has offered a total of 12,793 fee payment services in cumulative terms. The Bank made refined efforts in providing livelihood services including pension agency payment service, third-generation social security card service and the "Craftsman Card" service exclusive for migrant workers, with a year-on-year growth rate of 10.12% in the amount of payroll agency transactions. The Bank also supported and provided preferential treatment for military personnel, veterans, martyrs and their families. 22 branches of the Bank have carried out cooperative projects with organizations and units regarding preferential treatment certification for ex-servicemen and other entitled groups.

Third, promoting reform and innovation, the Bank improved operation quality and efficiency. The Bank broadened settlement business and other transaction banking businesses, expanded high-quality liabilities, increased its deposit balance by RMB168,182 million over the end of the previous year with the decrease of deposit costs reaching a comparable level among financial peers, and created favorable conditions for enterprises to lower comprehensive financing costs. It promoted the development of fee-based business not occupying the Bank's risk assets, and optimized resource allocation, thus gradually showcasing the effect of light-asset transformation, with the ratio of fee-based income from businesses not occupying the Bank's risk assets reaching 8.50%, up 1.01 percentage points year on year.

Fourth, strictly safeguarding the bottom line of risks, the Bank strengthened risk management and control. The Bank pushed ahead the risk manager dispatching mechanism and the risk embedding mechanism for front office business to boost the accuracy of marketing services and risk prevention and control. It enhanced concentrated risk control of the real estate industry, improved the risk management of scenario-based online loans, refined the industry research system for credit granting, and made risk prevention more forward-looking. Taking multiple measures, the Bank maintained overall stability of asset quality, and the NPL ratio, special-mention loan ratio and overdue loan ratio were all lowered down while the provision coverage ratio rose up.

III. KEY FINANCIAL DATA

3.1 Key Accounting Data and Financial Indicators

Unit: RMB million, %

Item	January- March 2022	January- March 2021 (restated) ⁵	Change
Operating income	38,810	38,798	0.03
Net profit	11,835	11,573	2.26
Net profit attributable to shareholders of the Bank	11,750	11,522	1.98
Basic earnings per share ¹ (RMB)	0.19	0.18	5.56
Diluted earnings per share ² (RMB)	0.17	0.17	–
Return on weighted average equity ³ (%)	10.53	11.12	-0.59 percentage point
Net cash flow from operating activities	(217,555)	(72,208)	201.29
Item	31 March 2022	31 December 2021	Change
Total assets	6,247,231	5,902,069	5.85
Total equity attributable to shareholders of the Bank	490,333	482,489	1.63
Net assets per share attributable to ordinary shareholders of the Bank ⁴ (RMB)	7.13	6.99	2.00

Notes:

1. Basic earnings per share = net profit attributable to ordinary shareholders of the Bank/weighted average number of ordinary shares outstanding; net profit attributable to ordinary shareholders of the Bank = net profit attributable to shareholders of the Bank – dividends of the preference shares and interest of the non-fixed-term capital bonds declared during the period.

The Bank declared to distribute total dividends of the preference shares of RMB1,680 million (before tax) as at the end of the reporting period.

2. Diluted earnings per share = (net profit attributable to ordinary shareholders of the Bank + effect of dilutive potential ordinary shares on net profit attributable to ordinary shareholders of the Bank)/(weighted average number of ordinary shares outstanding + weighted average number of dilutive potential ordinary shares converted into ordinary shares).
3. Return on weighted average equity = net profit attributable to ordinary shareholders of the Bank/weighted average equity attributable to ordinary shareholders of the Bank, listed in an annualized form.
4. Net assets per share attributable to ordinary shareholders of the Bank = (total equity attributable to shareholders of the Bank – preference shares and non-fixed-term capital bonds of other equity instruments)/total number of ordinary shares at the end of the period.
5. In September 2021, a business combination under common control occurred within the Group. For more details, please refer to the *2021 Annual Report* of the Bank. The Group made retrospective adjustments to relevant items in the comparative financial statements, adding the “restated” note to the items after retrospective adjustments. The same below.

The above figures were calculated according to the *Compilation Rules for Information Disclosure 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)* issued by the China Securities Regulatory Commission (“CSRC”).

3.2 Capital Adequacy Ratio and Leverage Ratio

The capital adequacy ratio (CAR) indicators calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)* (Decree No. 1 of CBRC in 2012) are as follows:

Unit: RMB million, %

Item	31 March 2022		31 December 2021	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Net common equity tier-1 capital	382,598	360,774	374,792	353,466
Net tier-1 capital	487,650	465,673	479,854	458,365
Net capital	541,468	515,087	562,254	536,269
Risk-weighted assets	4,364,995	4,238,693	4,204,733	4,081,624
Common equity tier-1 CAR	8.77	8.51	8.91	8.66
Tier-1 CAR	11.17	10.99	11.41	11.23
CAR	12.40	12.15	13.37	13.14

Note: All domestic and overseas branches, as well as invested financial institutions within the scope of consolidated management in accordance with the *Capital Rules for Commercial Banks (Provisional)*, shall be included in the calculation of the consolidated CARs. Among these, the invested financial institutions within the scope of consolidated management include Everbright Financial Leasing Co., Ltd., Everbright Wealth Management Co., Ltd., Beijing Sunshine Consumer Finance Co., Ltd., CEB International Investment Corporation Limited, China Everbright Bank (Europe) S.A., Shaoshan Everbright Rural Bank Co., Ltd., Jiangsu Huai'an Everbright Rural Bank Co., Ltd., and Jiangxi Ruijin Everbright Rural Bank Co., Ltd.

The leverage ratio indicators calculated in accordance with the *Measures for the Administration of the Leverage Ratio of Commercial Banks (Revised)* (Decree No.1 of CBRC in 2015) are as follows:

Unit: RMB million, %

Item	31 March 2022	31 December 2021	30 September 2021	30 June 2021
Leverage ratio	6.73	7.00	7.15	6.85
Net tier-1 capital	487,650	479,854	471,920	460,402
Adjusted balance of on- and off-balance-sheet assets	7,240,628	6,857,297	6,601,587	6,719,012

3.3 Liquidity Coverage Ratio

The liquidity coverage ratio indicators calculated in accordance with the *Measures for the Administration of Liquidity Risk of Commercial Banks* (Decree No.3 of CBIRC in 2018) are as follows:

Unit: RMB million, %

Item	31 March 2022	31 December 2021	30 September 2021	30 June 2021
Liquidity coverage ratio	119.89	136.39	129.39	144.97
High quality liquid assets	732,656	838,986	771,985	789,952
Net cash outflow in the next 30 days	611,108	615,137	596,635	544,893

3.4 Differences between the Financial Statements Prepared in accordance with the PRC Generally Accepted Accounting Principles (“PRC GAAP”) and Those Prepared in accordance with IFRS

There was no difference regarding the net profit for January-March 2022 and the net assets as at 31 March 2022 calculated by the Group in accordance with PRC GAAP and IFRS respectively.

3.5 Changes in Key Accounting Data and Financial Indicators and Reasons

Unit: RMB million, %

Item	January-March 2022	January-March 2021 (restated)	Increase/Decrease	Major reasons for change
Net cash flow from operating activities	(217,555)	(72,208)	201.29	mainly attributed to the increase of cash outflow of financial assets held under resale agreements

During the reporting period, except for the above-mentioned indicators, none of the other key accounting data and financial indicators of the Group changed by more than 30% compared with the end of the previous year or the same period of the previous year.

3.6 Analysis of Operations

During the reporting period, the Group resolutely implemented national policies, vigorously supported the real economy, realized rapid growth in business scale, stable operation of risk indicators and more progress in high-quality development, and registered sustained and sound operating results.

As at the end of the reporting period, total assets of the Group posted RMB6,247,231 million, representing an increase of 5.85% over the end of the previous year. Among them, total loans and advances stood at RMB3,453,957 million, representing an increase of 4.43% over the end of the previous year. Total liabilities registered RMB5,754,956 million, representing an increase of 6.23% over the end of the previous year. Among them, the balance of deposits reported RMB3,843,925 million, representing an increase of 4.58% over the end of the previous year.

During the reporting period, the Group realized a net profit of RMB11,835 million, representing a year-on-year increase of 2.26%. Its operating income registered RMB38,810 million, representing a year-on-year increase of 0.03%, among which, net interest income reached RMB27,913 million, representing a year-on-year increase of 0.13%. Net fee and commission income reported RMB7,695 million, representing a year-on-year decrease of 2.04%. Return on weighted average equity was 10.53%, down 0.59 percentage point year on year.

During the reporting period, the Group incurred operating expenses of RMB10,313 million, representing a year-on-year increase of 0.44%. Its credit impairment losses stood at RMB13,970 million, representing a year-on-year increase of 0.09%.

As at the end of the reporting period, the balance of non-performing loans (NPLs) of the Group amounted to RMB42,986 million, representing an increase of RMB1,620 million over the end of the previous year. The NPL ratio was 1.24%, down 0.01 percentage point from the end of the previous year. Its provision coverage ratio was 187.52%, representing an increase of 0.50 percentage point over the end of the previous year.

As at the end of the reporting period, the Group's CAR reached 12.40%, tier-1 CAR stood at 11.17%, common equity tier-1 CAR reported 8.77%, and leverage ratio registered 6.73%, all of which met the regulatory requirements.

3.7 Performance of Business Segments

3.7.1 Corporate banking

The Bank actively implemented national policies and served national strategies by deepening financial support for major national strategic areas such as the Belt and Road, Beijing-Tianjin-Hebei region, Yangtze River Delta, Yangtze River Economic Belt, and Guangdong-Hong Kong-Macao Greater Bay Area. It fully supported the real economy and bolstered the development of manufacturing industry, private sector, inclusive finance and rural revitalization. Upholding the "customer-oriented" philosophy, the Bank established a new marketing pattern that was tiered, centralized and professionalized, accurately positioned customer groups, carried out classified customer management, and achieved overall growth in seven major customer groups in corporate banking. It continued to accelerate the strategic transformation towards a combination of commercial banking, investment banking, asset management and transaction banking to foster new competitive edges of integrating investment banking and commercial banking. With Finance Product Aggregate (FPA) as the driving force for transformation, the Bank expanded the FPA and formed a four-pronged organization and operation system encompassing customers, channels, teams and products. What's more, the Bank enhanced financial technology empowerment, integrated cash management, supply chain finance, trade finance, cross-border finance and other advantageous businesses, and accelerated online transformation of its businesses.

3.7.2 Retail banking

The Bank continued to focus on building digital retail banking, promoted the digital transformation of retail banking covering all customers, all channels and all products, and the building of a whole-chain marketing model, covering the full life-cycle of customers. Adopting the integrated retail customer management system that is tiered, grouped and data-driven featuring channel coordination and transaction transformation as the core, the Bank realized steady increase in retail customers and assets under management (AUM). On the liability side, the Bank adhered to the philosophy of “improvement in both quality and scale”, and focused on acquiring customers through expanding channels and scenarios relating to social security, people’s livelihood, health and medical care, business district management, community property, transportation, culture and education, tourism, consumption payment and internet innovation platform. On the asset side, the Bank advocated the principle of “quality and efficiency enhancement”, and cultivated its hit products of Sunshine retail loan, witnessing rapid growth in retail loan scale and stable asset quality. The Bank actively fostered new driving forces for the wealth management business, deepened the transformation of wealth management, promoted the development of Wealth E-SBU for individual customers.

3.7.3 Financial market business

The Bank’s financial market business followed regulatory guidance, focused on the essence of finance, and supported the development of the real economy. The Bank stepped up research and analysis of the macroeconomic landscape, grasped market opportunities and continuously improved the business operation and investment and trading capabilities of financial market business. It focused on business coordination empowerment, intensified efforts in customer management, and achieved positive interactions with branches and different business lines. It optimized the interbank asset structure, and controlled the cost of interbank liabilities by leveraging on market fluctuations, so as to ensure compliance and sound operation. It promoted strategic cooperation with leading enterprises in the industry, and maintained rapid growth in product custody such as mutual funds, asset management of securities companies, insurance, and pension business. Furthermore, the Bank made in-depth efforts to facilitate the formulation of a multi-tiered pension security system and issued a number of pension wealth management products with life-cycle features that meet the long-term needs for the elderly care. It put into practice the decisions on fee deductions and interest concessions, and took the initiative to reduce management fee rate of some wealth management products. It also continued to improve its systematic investment capabilities with production, research and investment integrated as a whole. Its NAV wealth management products showcased steady performance despite market fluctuations, thereby creating promising investment returns for investors.

IV. SHAREHOLDER INFORMATION

4.1 Total Number of Ordinary Shareholders and Shareholding of Top Ten Shareholders

Unit: Shareholder, Share, %

Total number of shareholders as at the end of the reporting period		222,371 shareholders for A shares and 851 shareholders for H shares			
Shareholding of Top Ten Shareholders					
Name of shareholder	Nature of shareholder	Class of shares	Number of shares	Shareholding percentage	Number of shares pledged/ marked/ frozen
China Everbright Group Ltd.	State-owned legal person	A Shares	23,359,409,561	43.23	–
		H Shares	1,782,965,000	3.30	–
Hong Kong Securities Clearing Company Nominees Limited	Overseas legal person	H Shares	5,615,957,380	10.39	Unknown
Overseas Chinese Town Holdings Company	State-owned legal person	H Shares	4,200,000,000	7.77	–
China Everbright Limited	Overseas legal person	A Shares	1,572,735,868	2.91	–
China Life Reinsurance Company Ltd.	State-owned legal person	H Shares	1,530,397,000	2.83	–
China Securities Finance Corporation Limited	State-owned legal person	A Shares	989,377,094	1.83	–
China Reinsurance (Group) Corporation	State-owned legal person	A Shares	413,094,619	0.76	–
		H Shares	376,393,000	0.70	–
Shenergy (Group) Co., Ltd.	State-owned legal person	A Shares	766,002,403	1.42	–
COSCO Shipping (Shanghai) Investment Management Co., Ltd.	State-owned legal person	A Shares	723,999,875	1.34	–
Hong Kong Securities Clearing Company Ltd.	Overseas legal person	A Shares	634,178,602	1.17	–

Shareholding of top 10 holders of shares not subject to restrictions on sales			
Name of shareholder	Number of shares held not subject to restrictions on sales	Class and number of shares	
		Class of shares	Number of shares held
China Everbright Group Ltd.	23,532,374,561	A Shares	23,359,409,561
		H Shares	172,965,000
Hong Kong Securities Clearing Company Nominees Limited	5,615,957,380	H Shares	5,615,957,380
China Everbright Limited	1,572,735,868	A Shares	1,572,735,868
China Life Reinsurance Company Ltd.	1,530,397,000	H Shares	1,530,397,000
China Securities Finance Corporation Limited	989,377,094	A Shares	989,377,094
China Reinsurance (Group) Corporation	789,487,619	A Shares	413,094,619
		H Shares	376,393,000
Shenergy (Group) Co., Ltd.	766,002,403	A Shares	766,002,403
COSCO Shipping (Shanghai) Investment Management Co., Ltd.	723,999,875	A Shares	723,999,875
Hong Kong Securities Clearing Company Ltd.	634,178,602	A Shares	634,178,602
Yunnan Hehe (Group) Co., Ltd.	626,063,556	A Shares	626,063,556

Notes:

1. As at the end of the reporting period, 1,610 million H shares held by China Everbright Group Ltd. and 4,200 million H shares held by Overseas Chinese Town Holdings Company were subject to restrictions on sales. Except them, all other ordinary shares were not subject to restrictions on sales.
2. The total number of H shares of the Bank held by the Hong Kong Securities Clearing Company Nominees Limited acting as the nominee for all institutional and individual investors that maintain an account with it was 5,615,957,380 H shares as at the end of the reporting period. Among them, 1,605,286,000, 376,393,000, 282,684,000 and 172,965,000 H shares of the Bank were held by Ocean Fortune Investment Limited, China Reinsurance (Group) Corporation, China Life Reinsurance Company Ltd. and China Everbright Group Ltd. respectively. The number of remaining H shares of the Bank held under it was 3,178,629,380 H shares.
3. The Bank was aware that as at the end of the reporting period, China Everbright Limited is a subsidiary indirectly controlled by China Everbright Group Ltd.. China Life Reinsurance Company Ltd. is a wholly-owned subsidiary of China Reinsurance (Group) Corporation. COSCO Shipping (Shanghai) Investment Management Co., Ltd. and Ocean Fortune Investment Limited are both subsidiaries indirectly controlled by China COSCO Shipping Corporation Limited. Save for the above, the Bank was not aware of any related party relationship or concerted actions among the above shareholders.
4. During the reporting period, the top 10 shareholders of the Bank did not participate in any margin trading or short selling, and the Bank had no preference shareholders with voting rights restored.

4.2 Total Number of Preference Shareholders and Top Ten Preference Shareholders as at the end of the Reporting Period

4.2.1 Everbright P1 (Code: 360013)

Unit: Shareholder, Share, %

Total number of shareholders as at the end of the reporting period		20			
Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding	Number of shares subject to restrictions on sales	Number of shares pledged/ marked/ frozen
Hwabao Trust Co., Ltd.	Others	32,400,000	16.20	–	–
Everbright Securities Asset Management Co., Ltd.	Others	26,700,000	13.35	–	–
Bosera Asset Management Co., Limited	Others	15,500,000	7.75	–	–
BOCOM Schrodgers Asset Management Co., Ltd.	Others	15,500,000	7.75	–	–
BOC International (China) Co., Ltd.	Others	15,500,000	7.75	–	–
CITIC Securities Co., Ltd.	Others	15,320,000	7.67	–	–
Jiangsu International Trust Corporation Limited	Others	11,640,000	5.82	–	–
Ping An Property & Casualty Insurance Company of China, Ltd.	Others	10,000,000	5.00	–	–
Ping An Life Insurance Company of China, Ltd.	Others	10,000,000	5.00	–	–
Bank of Communications Schroder Fund Management Co., Ltd.	Others	9,950,000	4.98	–	–

Note: Everbright Securities Asset Management Co., Ltd. and the Bank's controlling shareholder China Everbright Group Ltd. are related parties. BOCOM Schrodgers Asset Management Co., Ltd. and Bank of Communications Schroder Fund Management Co., Ltd. are related parties. Ping An Property & Casualty Insurance Company of China, Ltd. and Ping An Life Insurance Company of China, Ltd. are related parties. Save for the above, the Bank is not aware of any related party relationship or concerted actions among the above holders of preference shares, as well as between the above preference shareholders and the top ten ordinary shareholders.

4.2.2 Everbright P2 (Code: 360022)

Unit: Shareholder, Share, %

Total number of shareholders of as at the end of the reporting period		20			
Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding	Number of shares subject to restrictions on sales	Number of shares pledged/ marked/ frozen
TruValue Asset Management Co., Ltd.	Others	13,270,000	13.27	–	–
Ping An Wealth Management Co., Ltd.	Others	12,190,000	12.19	–	–
China Everbright Group Ltd.	State-owned legal person	10,000,000	10.00	–	–
China Life Insurance Company Limited	Others	8,180,000	8.18	–	–
CITIC Securities Co., Ltd.	Others	7,450,000	7.45	–	–
Postal Savings Bank of China Co., Ltd.	Others	7,200,000	7.20	–	–
BOCOM Schrodgers Asset Management Co., Ltd.	Others	6,540,000	6.54	–	–
Jiangsu International Trust Corporation Limited	Others	5,800,000	5.80	–	–
Bosera Asset Management Co., Limited	Others	5,210,000	5.21	–	–
BOC International (China) Co., Ltd.	Others	4,570,000	4.57	–	–

Note: China Everbright Group Ltd. is the controlling shareholder of the Bank. Save for the above, the Bank is not aware of any related party relationship or concerted actions among the above holders of preference shares, as well as between the above preference shareholders and the top ten ordinary shareholders.

4.2.3 Everbright P3 (Code 360034)

Unit: Shareholder, Share, %

Total number of shareholders of as at the end of the reporting period		25			
Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding	Number of shares subject to restrictions on sales	Number of shares pledged/ marked/ frozen
Ping An Life Insurance Company of China, Ltd.	Others	84,110,000	24.04	–	–
China Life Insurance Company Limited	Others	47,720,000	13.63	–	–
Bank of Communications Schroder Fund Management Co., Ltd.	Others	27,270,000	7.79	–	–
New China Life Insurance Company Limited	Others	27,270,000	7.79	–	–
CITIC Securities Co., Ltd.	Others	22,630,000	6.47	–	–
CCB Trust Co., Ltd.	Others	20,810,000	5.95	–	–
Ping An Property & Casualty Insurance Company of China, Ltd.	Others	18,180,000	5.19	–	–
CITIC-Prudential Life Insurance Company Limited	Others	15,000,000	4.28	–	–
Postal Savings Bank of China Co., Ltd.	Others	13,630,000	3.89	–	–
Bank of Beijing Co., Ltd.	Others	9,090,000	2.60	–	–
Guotai Junan Securities Asset Management Co., Ltd.	Others	9,090,000	2.60	–	–
Taiping Life Insurance Co., Ltd.	Others	9,090,000	2.60	–	–
BOC International (China) Co., Ltd.	Others	9,090,000	2.60	–	–

Note: Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. are related parties. CITIC Securities Co., Ltd. and CITIC-Prudential Life Insurance Company Limited are related parties. Save as disclosed above, the Bank is not aware of any related party relationship or concerted actions among the above holders of preference shares, as well as between the above preference shareholders and the top ten ordinary shareholders.

4.2.4 The Bank had no preference shares with voting rights restored.

V. OTHER EVENTS

5.1 Issuance of Tier-2 Capital Bonds

On 29 June 2021, the 2020 Annual General Meeting of the Bank reviewed and approved the *Proposal on Issuance of Tier-2 Capital Bonds*, and planned to issue tier-2 capital bonds of no more than RMB60 billion or equivalent in foreign currencies. As at the end of the reporting period, this matter was in progress.

5.2 Progress in Establishment of CEB Macao Branch

On 12 November 2020, the Bank's application for establishing CEB Macao Branch was approved by the China Banking and Insurance Regulatory Commission. As at the end of the reporting period, preparations for the establishment were in progress.

VI. QUARTERLY FINANCIAL STATEMENTS

The consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of financial position, and the consolidated cash flow statement (prepared under IFRS) are attached below.

**The Board of Directors of
China Everbright Bank Company Limited**
27 April 2022

China Everbright Bank Company Limited
Consolidated Statement of Profit and Loss
For the three months ended 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2022</u>	<u>2021</u> (Restated)
Interest income	58,666	55,977
Interest expense	(30,753)	(28,101)
Net interest income	<u>27,913</u>	<u>27,876</u>
Fee and commission income	8,478	8,467
Fee and commission expense	(783)	(612)
Net fee and commission income	<u>7,695</u>	<u>7,855</u>
Net trading gains	579	450
Dividend income	1	-
Net gains arising from investment securities	2,175	2,140
Net gains on derecognition of financial assets measured at amortised cost	545	214
Net foreign exchange (losses)/gains	(350)	11
Other net operating income	252	252
Operating income	38,810	38,798
Operating expenses	(10,313)	(10,268)
Credit impairment losses	(13,970)	(13,957)
Other impairment losses	(4)	31
Operating profit	14,523	14,604
Losses on investment of joint ventures	(24)	(28)
Profit before tax	14,499	14,576
Income tax	(2,664)	(3,003)
Net profit	<u>11,835</u>	<u>11,573</u>
Net profit attributable to:		
Equity shareholders of the Bank	11,750	11,522
Non-controlling interests	85	51
	<u>11,835</u>	<u>11,573</u>
Earnings per share		
Basic earnings per share (in RMB/share)	0.19	0.18
Diluted earnings per share (in RMB/share)	<u>0.17</u>	<u>0.17</u>

China Everbright Bank Company Limited
Consolidated Statement of Comprehensive Income
For the three months ended 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2022</u>	<u>2021</u> (Restated)
Net profit	11,835	11,573
Other comprehensive income, net of tax:		
Items that will be reclassified to profit or loss:		
- Debt instruments at fair value through other comprehensive income		
- Net change in fair value	(3,485)	(628)
- Changes in allowance for expected credit losses	205	164
- Reclassified to the profit or loss upon disposal	416	(13)
- Related income tax effect	660	99
- Exchange differences on translation of financial statements	(23)	(1)
Subtotal	(2,227)	(379)
Other comprehensive income, net of tax	(2,227)	(379)
Total comprehensive income	9,608	11,194
Total comprehensive income attributable to:		
Equity shareholders of the Bank	9,524	11,143
Non-controlling interests	84	51
	9,608	11,194

China Everbright Bank Company Limited
Consolidated Statement of Financial Position
As at 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2022</u>	31 December <u>2021</u>
Assets		
Cash and deposits with the central bank	339,732	378,263
Deposits with banks and other financial institutions	39,138	51,189
Precious metals	7,433	6,426
Placements with banks and other financial institutions	160,680	138,349
Derivative financial assets	12,513	13,705
Financial assets held under resale agreements	151,501	31,164
Loans and advances to customers	3,382,733	3,239,396
Finance lease receivables	108,333	109,053
Financial investments	1,922,234	1,836,016
- Financial assets at fair value through profit or loss	461,315	383,666
- Debt instruments at fair value through other comprehensive income	370,888	325,695
- Equity instruments at fair value through other comprehensive income	1,125	1,125
- Financial investments measured at amortised cost	1,088,906	1,125,530
Investment in joint ventures	230	256
Property, plant and equipment	25,204	25,155
Right-of-use assets	10,727	10,953
Goodwill	1,281	1,281
Deferred tax assets	21,481	19,895
Other assets	64,011	40,968
Total assets	<u>6,247,231</u>	<u>5,902,069</u>

China Everbright Bank Company Limited
Consolidated Statement of Financial Position (continued)
As at 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2022</u>	31 December <u>2021</u>
Liabilities and equity		
Liabilities		
Due to the central bank	94,144	101,180
Deposits from banks and other financial institutions	468,024	526,259
Placements from banks and other financial institutions	191,048	179,626
Financial liabilities at fair value through profit or loss	40	67
Derivative financial liabilities	12,272	13,337
Financial assets sold under repurchase agreements	135,694	80,600
Deposits from customers	3,843,925	3,675,743
Accrued staff costs	15,872	16,777
Taxes payable	8,683	6,535
Lease liabilities	10,422	10,736
Debts securities issued	929,175	763,532
Other liabilities	45,657	43,311
Total liabilities	<u>5,754,956</u>	<u>5,417,703</u>

China Everbright Bank Company Limited
Consolidated Statement of Financial Position (continued)
As at 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2022</u>	31 December <u>2021</u>
Liabilities and equity (Continued)		
Equity		
Share capital	54,032	54,032
Other equity instrument	109,062	109,062
of which: Preference shares	64,906	64,906
Perpetual bonds	39,993	39,993
Capital reserve	58,434	58,434
Other comprehensive income	926	3,152
Surplus reserve	26,245	26,245
General reserve	76,394	75,596
Retained earnings	165,240	155,968
	490,333	482,489
Total equity attributable to equity shareholders of the Bank	490,333	482,489
Non-controlling interests	1,942	1,877
	492,275	484,366
Total equity	492,275	484,366
Total liabilities and equity	6,247,231	5,902,069

Approved and authorized for issue by the board of directors on 27 April 2022.

Fu Wanjun
President,
Executive Director

Qu Liang
Executive Vice President,
Executive Director

Zhao Ling
Executive Vice President
in charge of Finance

Sun Xinhong
General Manager of
Financial Accounting Department

China Everbright Bank Company Limited
Consolidated Cash Flow Statement
For the three months ended 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2022</u>	<u>2021</u> (Restated)
Cash flows from operating activities		
Profit before tax	14,499	14,576
<i>Adjustments for:</i>		
Credit impairment losses	13,970	13,957
Other impairment losses	4	(31)
Depreciation and amortization	1,533	1,403
Unwinding of discount	(175)	(172)
Dividend income	(1)	-
Unrealised foreign exchange losses/(gains)	31	(32)
Net gains on investment securities	(15,102)	(14,201)
Net gains on derecognition of financial assets measured at amortised cost	(545)	(214)
Losses on investments of joint ventures	24	28
Net gains on disposal of trading securities	(829)	(243)
Revaluation losses/(gains) on financial instruments at fair value through profit or loss	194	(1,098)
Interest expense on debt securities issued	5,606	3,376
Interest expense on lease liabilities	109	115
Net losses on disposal of property, plant and equipment	3	4
	<u>19,321</u>	<u>17,468</u>
<i>Changes in operating assets:</i>		
Net increase in deposits with the central bank, banks and other financial institutions	(11,480)	(1,888)
Net increase in placements with banks and other financial institutions	(4,814)	(1,926)
Net increase in financial assets held for trading	(88,026)	(41,304)
Net increase in loans and advances to customers	(159,583)	(161,601)
Net (increase)/decrease in financial assets held under resale agreements	(120,339)	15,265
Net increase in other operating assets	(20,460)	(10,224)
	<u>(404,702)</u>	<u>(201,678)</u>

China Everbright Bank Company Limited
Consolidated Cash Flow Statement
For the three months ended 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2022</u>	<u>2021</u> (Restated)
Cash flows from operating activities (Continued)		
<i>Changes in operating liabilities:</i>		
Net decrease in deposits from banks and other financial institutions	(57,879)	(25,533)
Net increase in placements from banks and other financial institutions	11,434	21,118
Net increase in financial assets sold under repurchase agreements	55,082	24,269
Net decrease in amount due to the central bank	(7,520)	(12,657)
Net increase in deposits from customers	164,792	106,412
Income tax paid	(1,715)	(1,073)
Net increase/(decrease) in other operating liabilities	3,632	(534)
	167,826	112,002
Net cash flows from operating activities	(217,555)	(72,208)
Cash flows from investing activities		
Proceeds from disposal and redemption of investments	276,476	212,584
Investment income received	17,438	15,564
Proceeds from disposal of property, plant and equipment and other long-term assets	133	141
Payments on acquisition of investments	(278,562)	(257,394)
Payments on acquisition of property, plant and equipment, intangible assets and other long-term assets	(972)	(637)
Net cash flows from investing activities	14,513	(29,742)

China Everbright Bank Company Limited
Consolidated Cash Flow Statement
For the three months ended 31 March 2022
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2022</u>	<u>2021</u> (Restated)
Cash flows from financing activities		
Net proceeds from issue of debt securities	307,880	155,194
Repayments of debts issued	(140,153)	(62,767)
Interest paid on debt securities issued	(7,690)	(4,309)
Other net cash flows from financing activities	(882)	(870)
Net cash flows from financing activities	159,155	87,248
Effect of foreign exchange rate changes on cash and cash equivalents	(645)	(116)
Net decrease in cash and cash equivalents	(44,532)	(14,818)
Cash and cash equivalents as at 1 January	222,583	145,076
Cash and cash equivalents as at 31 March	178,051	130,258
Interest received	46,184	43,135
Interest paid (excluding interest expense on debts securities issued)	(21,702)	(24,567)