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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 2023

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 2023 (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
28 April 2023

As at the date of this announcement, the Executive Directors of the Company are Mr. Wang Zhiheng and Mr. Qu Liang; the Non-executive Directors are Mr. Wang Jiang, 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 2023

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 7th Meeting of the Ninth Session of the Board of Directors of the Bank was convened via written resolution on 28 April 2023, at which the *First Quarterly Report of 2023* was considered and approved. 14 out of 14 Directors exercised their voting rights.
- 1.3 Mr. Wang Jiang, Chairman, Mr. Wang Zhiheng, President, and Mr. Sun Xinhong, General Manager of Finance and Accounting Department of the Bank, 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: CEB BANK (光大銀行)	Stock code	A shares: 601818
	H shares: CEB BANK (中國光大銀行)		H shares: 6818
Stock exchange for listing of shares	A shares: Shanghai Stock Exchange (SSE)		
	H shares: The Stock Exchange of Hong Kong Limited (SEHK)		
Contact	Mr. Zhang Xuyang, Secretary to the Board of Directors	Mr. Zeng Wenxue, Securities Affairs Representative	
Investor hotline	86-10-63636388		
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China Everbright Bank (CEB), 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 SEHK in December 2013 (stock code: 6818).

2.2 Strategy Implementation

During the reporting period, regarding increasing customer value as the strategic basis, the Bank engaged in the main development tasks of implementing responsible finance and advancing digital operation, accelerated digital transformation, and expanded key business areas with a focus on three North Star Metrics – FPA (Finance Product Aggregate) for corporate banking, AUM (Assets Under Management) for retail banking, and GMV (Gross Merchandise Volume) for interbank businesses, promoting high-quality and sustainable development and contributing Everbright's strengths to Chinese modernization.

First, the Bank proactively supported the real economy and enhanced sustainability of development.

Adhering to the original purpose of finance, the Bank firmly implemented the major decisions and plans as laid out in the Report to the 20th CPC National Congress – “in pursuing economic growth, we must continue to focus on the real economy”. It continued to increase targeted support to key economic areas and weak links, proactively took incentive and restrictive measures such as devising separate credit plans for key areas, making preferential policies for differentiated internal funds transfer pricing, and strengthening balanced scorecard evaluation. The total volume of credit increased by 3.96% over the prior year-end. By responding to the complex and fast-changing external environment, the Bank, rooted in the real economy, improved profitability steadily, realizing a net profit of RMB12,454 million, up 5.23% year on year.

Second, the Bank promoted business structural adjustment and strengthened wealth management features.

In corporate banking, the Bank accelerated the integrated transformation of “commercial banking + investment banking + asset management + transaction banking”, launched the FPA product toolkit to provide customers with various full-life-cycle financing products, and accelerated integrated operation, structural optimization and value deepening. In retail banking, the Bank actively advanced the “dual-curve” new development model. It deeply engaged in the “first curve” by giving play to the advantages of outlets and professional customer managers to boost offline operation capacity. It also expanded the “second curve” to establish a more intensive, scenario-based and platform-based business model, strengthened coordination between corporate banking and retail banking, and accelerated service transformation and upgrading. In financial market business, the Bank enhanced the building of customer ecosystem, sped up the development of the “Integrated Digital Service Platform for Interbank Institutions”, and built digital channels for interbank customers covering sales, agency service, market-making and matchmaking, to expand the interbank customer ecosystem, improve asset allocation suitability and achieve win-win outcomes for multiple parties.

Third, the Bank improved risk governance system and heightened risk resistibility.

In adherence to a sound and prudent risk management policy, the Bank improved its risk management system and strengthened the ability to deal with various risks. It established the “1+4” credit and investment policy system integrating investment orientation, industry, region, product and portfolio, intensified industry research management to form an industry research system featuring empowerment through sharing, and strengthened effective understanding and early-warning of industrial cycles and economic cycles. The Bank intensified customer concentration management, put in place penetrated risk monitoring and mandatory risk response for large-value credit customers, stepped up disposal and recovery of non-performing assets, and refined the responsibility identification and accountability system for non-performing assets. Meanwhile, the Bank advanced the building of the “Sunshine Pre-warning Model Factory” project and upgraded the risk pre-warning system to help improve risk management efficiency.

Fourth, the Bank continued to facilitate technology empowerment and accelerated digital transformation. It actively facilitated the in-depth integration between business and technology and pushed for the implementation of new strategic plans for IT development. The Bank made all-out efforts to build the digital service brand of Sunshine Inclusive Finance version 2.0, and promoted the upgrading of the CEB Transaction Banking “Easy” series product and service system to version 2.0. Meanwhile, it continued to increase service items and expand service coverage of the Cloud Fee Payment platform, integrate financial services into more production and daily-life scenarios, and build an open digital ecosystem.

III. KEY FINANCIAL DATA

3.1 Key Accounting Data and Financial Indicators

Unit: RMB million, %

Item	January-March 2023	January-March 2022	Change
Operating income	38,162	38,810	(1.67)
Net profit	12,454	11,835	5.23
Net profit attributable to shareholders of the Bank	12,378	11,750	5.34
Basic earnings per share ¹ (unit: RMB)	0.19	0.19	–
Diluted earnings per share ² (unit: RMB)	0.18	0.17	5.88
Return on weighted average equity ³ (%)	10.45	10.53	-0.08 percentage point
Net cash flow from operating activities	(16,543)	(217,555)	(92.40)
Item	31 March 2023	31 December 2022	Change
Total assets	6,694,710	6,300,510	6.26
Total equity attributable to shareholders of the Bank	536,164	507,883	5.57
Net assets per share attributable to ordinary shareholders of the Bank ⁴ (unit: RMB)	7.30	7.46	(2.14)

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 distributed 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 potential dilutive ordinary shares on net profit attributable to ordinary shareholders of the Bank)/(weighted average number of ordinary shares outstanding + weighted average number of potential dilutive 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. It was presented in annualized form.
4. Net assets per share attributable to ordinary shareholders of the Bank = (total equity attributable to shareholders of the Bank – preference shares of other equity instruments and non-fixed-term capital bonds)/total number of ordinary shares as at the end of the reporting period.

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 2023		31 December 2022	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Net common equity tier-1 capital	427,638	403,070	399,396	375,825
Net tier-1 capital	532,701	507,969	504,459	480,724
Net capital	622,977	593,993	593,218	564,700
Risk-weighted assets	4,704,476	4,568,423	4,579,772	4,442,084
Common equity tier-1 CAR	9.09	8.82	8.72	8.46
Tier-1 CAR	11.32	11.12	11.01	10.82
CAR	13.24	13.00	12.95	12.71

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 2023	31 December 2022	30 September 2022	30 June 2022
Leverage ratio	6.90	6.81	6.73	6.63
Net tier-1 capital	532,701	504,459	498,955	487,814
Adjusted balance of on- and off-balance-sheet assets	7,725,161	7,402,349	7,412,046	7,361,094

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 2023	31 December 2022	30 September 2022	30 June 2022
Liquidity coverage ratio	120.72	130.24	112.05	114.99
High quality liquid assets	865,139	972,725	962,265	876,134
Net cash outflow in the next 30 days	716,673	746,886	858,788	761,891

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 from January to March 2023 and the net assets as at 31 March 2023 calculated by the Group in accordance with PRC GAAP and IFRS respectively.

3.5 Changes in Key Accounting Data and Financial Indicators and the Reasons

Unit: RMB million, %

Item	From January to March 2023	From January to March 2022	Increase/ Decrease	Major reasons for change
Net cash flow from operating activities	(16,543)	(217,555)	(92.40)	Mainly due to the active increase in both interbank borrowing and customer deposit taking during the reporting period

During the reporting period, apart from the above-mentioned indicator, no other key accounting data and financial indicators of the Group changed by more than 30% as compared with the end of the previous year or the same period of the previous year.

3.6 Operation Analysis

During the reporting period, staying true to the general principle of pursuing progress while ensuring stability, the Group stepped up efforts to serve the real economy, took various measures to support economic and social development, focused on three North Star Metrics to promote high-quality development of “a first-class wealth management bank”, registering a steady start.

As at the end of the reporting period, total assets of the Group posted RMB6,694,710 million, representing an increase of 6.26% over the end of the previous year. Among them, total loans and advances stood at RMB3,713,733 million, representing an increase of 3.96% over the end of the previous year. Total liabilities registered RMB6,156,341 million, representing an increase of 6.32% over the end of the previous year. Among them, the balance of deposits was RMB4,123,082 million, representing an increase of 5.26% over the end of the previous year.

During the reporting period, the Group realized a net profit of RMB12,454 million, representing a year-on-year increase of 5.23%. Its operating income registered RMB38,162 million, representing a year-on-year decrease of 1.67%, among which, net interest income reached RMB27,403 million, representing a year-on-year decrease of 1.83%. Net fee and commission income posted RMB7,311 million, representing a year-on-year decrease of 4.99%. Return on weighted average equity was 10.45%, representing a year-on-year decrease of 0.08 percentage point.

During the reporting period, the Group incurred operating expenses of RMB9,999 million, representing a year-on-year decrease of 3.04%. The impairment charges for credit losses stood at RMB12,809 million, representing a year-on-year decrease of 8.31%.

As at the end of the reporting period, the balance of non-performing loans (NPL) of the Group amounted to RMB46,423 million, representing an increase of RMB1,749 million over the end of the previous year. The NPL ratio was 1.25%, on par with that as at the end of the previous year. The provision coverage ratio was 188.16%, representing an increase of 0.23 percentage point over the end of the previous year.

As at the end of the reporting period, the Group’s CAR reached 13.24%, tier-1 CAR stood at 11.32%, and common equity tier-1 CAR was 9.09%, all of which met regulatory requirements. As at the end of the reporting period, the Group’s leverage ratio was 6.90%, representing an increase of 0.09 percentage point over the end of the previous year.

3.7 Performance of Business Segments

3.7.1 Corporate banking

The Bank continued to intensify support for major national strategic regions such as the Beijing-Tianjin-Hebei region, the Yangtze Economic Belt (including the Yangtze River Delta), the Guangdong-Hong Kong-Macao Greater Bay Area, the Yellow River Basin and the Hainan Free Trade Port, bolstered the development of key areas such as advanced manufacturing, green finance, private enterprises, inclusive finance and rural revitalization, integrated into the overall development of the country, and improved the service quality and efficiency for the real economy. Adhering to the customer-centered business philosophy and following the principle of “value stratification, demand grouping and service tiering”, the Bank persisted in stratified, tiered and grouped operation, refined the whitelist mechanism for credit granting, established channels for customer acquisition in batches, pushed for synergy of the payroll agency business, strengthened the ability to acquire customers online, and consolidated customer base. With FPA as a North Star Metric, the Bank deepened coordination within China Everbright Group (CEG), accelerated strategic transformation towards a combination of commercial banking, investment banking, asset management and transaction banking, fostered new competitive edges through the integration of commercial banking and investment banking, and promoted wealth management transformation. The Bank launched the FPA product toolkit to provide customers with various full-life-cycle financing products and built a product matrix comprised of six major products including basic credit, investment banking, transaction banking, inclusive finance, wealth management and ecosystem finance to provide corporate customers with one-stop services. The Bank pushed for the development of the next-generation CRM system (version 2.0), upgraded corporate online banking and corporate mobile banking, built the digital service brand of Sunshine Inclusive Finance, promoted the upgrading of the CEB Transaction Banking “Easy” series product and service system to version 2.0, advanced in-depth integration between technology and business, and strengthened digital operation capability.

3.7.2 Retail banking

The Bank continued to give play to the Retail Customer Management Committee to ensure that relevant mechanisms and systems fully play their roles, and adopted a retail customer management strategy featuring “stratified and grouped management, data-driven operation, channel coordination and conversion from transaction to contribution”. Both the number of retail customers and the AUM increased steadily. On the liability side of the balance sheet, the Bank followed the orientation of high-quality development, actively expanded scenarios related to social security and people’s well-being, strengthened coordination between corporate banking and retail banking to promote payroll agency business, and stepped up channel coordination to expand quick payment business by linking CEB cards to third parties. Meanwhile, the Bank strengthened “debit card + credit card” linkage to improve customer acquisition and activation capabilities of both debit card and credit card businesses and took multiple measures to boost growth in retail deposits and optimize business structure. On the asset side of the balance sheet, the Bank continued to promote business transformation, deepened intensive operation and standardization building, supported the development of inclusive finance, and cultivated hit “Sunshine” retail loan products, with the scale of retail loans growing continuously and the asset quality remaining stable. With AUM as a North Star Metric, the Bank accelerated wealth management transformation, enriched the contents of inclusive wealth management, expanded the product spectrum, improved the value of retail banking channels and injected new vitality into retail banking. The Cloud Fee Payment platform continued to focus on people’s livelihood services and inclusive finance, with continuously increasing service items, expanding output channels and widening service coverage. The platform maintained its leading edges as China’s largest open-ended and convenient fee payment platform.

3.7.3 Financial market business

In financial market business, the Bank strictly implemented regulatory requirements, adhered to the original purpose of finance, proactively served national strategies, persisted in serving the development of the real economy. The Bank strengthened the ability to research on macro economy, firmly seized market opportunities, and continuously improved the operation, investment and trading capabilities of financial market business. The Bank stepped up business coordination between the Head Office and branches, deepened empowerment through synergy, and improved the Bank's comprehensive capability to generate profits. The Bank accelerated the development of the "Integrated Digital Service Platform for Interbank Institutions", sped up transformation of interbank operation, continued to boost steady growth in GMV, and pushed for quality and efficiency improvement of interbank business. In custody business, the Bank gave play to its big platform, fully integrated into the comprehensive operation ecosystem of the Bank, built the wealth management value chain, and actively collaborated with relevant business segments. As a result, the three major North Star Metrics including FPA, AUM and GMV grew effectively. Closely following investors' preference and conforming to the trends of market interest rates, the Bank increased supply of wealth management products with low fluctuations periodically, strengthened the planning for featured products, and kept enriching the contents of the "Colorful Sunshine" product spectrum.

The Bank forged systematic investment capabilities covering production, research and investment, created a synergy between investment and research by utilizing platform advantages, strengthened investment research and analysis, intensified multi-asset, multi-strategy allocation, and responded to market changes flexibly. The Bank continued to strengthen investment and financing services for new infrastructure and areas aimed to improve people's well-being, stepped up investment in publicly-offered REITs, and served the investment and financing needs of enterprises in the real economy.

IV. SHAREHOLDER INFORMATION AS AT THE END OF THE REPORTING PERIOD

4.1 Total Number of Ordinary Shareholders and Top Ten Shareholders

Unit: Shareholder, Share, %

Total number of shareholders as at the end of the reporting period		206,553 shareholders for A shares, 833 shareholders for H shares			
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	24,227,813,441	41.00	–
		H Shares	1,782,965,000	3.02	–
Hong Kong Securities Clearing Company Nominees Limited	Overseas legal person	H Shares	5,239,308,370	8.87	Unknown
Overseas Chinese Town Holdings Company	State-owned legal person	H Shares	4,200,000,000	7.11	–
China Huarong Asset Management Co., Ltd.	State-owned legal person	A Shares	4,184,682,388	7.08	–
China Everbright Limited	Overseas legal person	A Shares	1,572,735,868	2.66	–
China Life Reinsurance Company Ltd.	State-owned legal person	H Shares	1,530,397,000	2.59	–
China Securities Finance Corporation Limited	State-owned legal person	A Shares	989,377,094	1.67	–
China Reinsurance (Group) Corporation	State-owned legal person	A Shares	413,094,619	0.70	–
		H Shares	376,393,000	0.64	–
Hong Kong Securities Clearing Company Limited	Overseas legal person	A Shares	779,936,795	1.32	–
Shenergy (Group) Co., Ltd.	State-owned legal person	A Shares	766,002,403	1.30	–

Notes:

1. As at the end of the reporting period, all ordinary shares of the Bank were not subject to restrictions on sales.
2. As at the end of the reporting period, 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 5,239,308,370 H shares. Among them, 1,605,286,000, 282,684,000 and 172,965,000 H shares of the Bank were held by Ocean Fortune Investment Limited, China Life Reinsurance Company Ltd. and China Everbright Group Ltd., respectively. The number of remaining H shares of the Bank held under it was 3,178,373,370 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. Save for the above, the Bank was not aware of any related party relationship or concerted actions among the above shareholders.
4. Hong Kong Securities Clearing Company Limited held the 779,936,795 A shares of the Bank designated by and on behalf of others as the nominee, including shares under the Shanghai Stock Connect held by Hong Kong and overseas investors.
5. As at the end of the reporting period, the top 10 shareholders of the Bank did not participate in any securities margin trading or refinancing, and none of the Bank's preference shareholders had their voting rights restored.

4.2 Total Number of Preference Shareholders and Top Ten Shareholders

4.2.1 Everbright P1 (Code: 360013)

Unit: Shareholder, Share, %

Total number of shareholders as at the end of the reporting period		22			
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	25,200,000	12.60	–	–
BOC International (China) Co., Ltd.	Others	15,510,000	7.76	–	–
Bosera Asset Management Co., Limited	Others	15,500,000	7.75	–	–
BOCOM Schroders Asset Management Co., Ltd.	Others	15,500,000	7.75	–	–
Jiangsu International Trust Corporation Limited	Others	11,640,000	5.82	–	–
TruValue Asset Management Co., Ltd.	Others	10,224,000	5.11	–	–
Ping An Life Insurance Company of China, Ltd.	Others	10,000,000	5.00	–	–
Ping An Property & Casualty Insurance Company of China, Ltd.	Others	10,000,000	5.00	–	–
China Merchants Wealth Asset Management Co., Ltd.	Others	7,786,000	3.89	–	–

Note: Everbright Securities Asset Management Co., Ltd. is a related party of China Everbright Group Ltd. and China Everbright Limited. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. are related parties. Save for the above, the Bank was not aware of any related party relationship or concerted actions among the above preference shareholders, 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 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
AVIC Trust Co., Ltd.	Others	12,470,000	12.47	–	–
Ping An Wealth Management Co., Ltd.	Others	11,590,000	11.59	–	–
China Everbright Group Ltd.	State-owned legal person	10,000,000	10.00	–	–
China Life Insurance Company Limited	Others	8,180,000	8.18	–	–
Postal Savings Bank of China Co., Ltd.	Others	7,200,000	7.20	–	–
BOCOM Schroders 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	–	–
Guotai Junan Securities Co., Ltd.	Others	4,000,000	4.00	–	–

Note: China Everbright Group Ltd. is the controlling shareholder of the Bank. China Everbright Limited is a subsidiary indirectly controlled by China Everbright Group Ltd. Save for the above, the Bank was not aware of any related party relationship or concerted actions among the above preference shareholders, 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 as at the end of the reporting period		24			
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	–	–
New China Life Insurance Company Limited	Others	27,270,000	7.79	–	–
BOCOM Schroders Asset Management Co., Ltd.	Others	27,270,000	7.79	–	–
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 Securities Co., Ltd.	Others	17,560,000	5.02	–	–
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	–	–
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 for the above, the Bank was not aware of any related party relationship or concerted actions among the above preference shareholders, as well as between the above preference shareholders and the top ten ordinary shareholders.

4.2.4 None of the Bank's preference shares had their voting rights restored.

V. OTHER SIGNIFICANT EVENTS

5.1 Delisting of convertible bonds upon maturity

The RMB30 billion A-share convertible bonds issued by the Bank in March 2017 were delisted upon maturity on 17 March 2023. A cumulative amount of RMB22,731 million was converted to 6,596,456,061 shares, and RMB7,633 million was redeemed upon maturity. The proceeds from Everbright Convertible Bonds were used for the Bank's business development. This conversion upon maturity supplemented the Bank's common equity tier-1 capital, enhancing the capital strength of the Bank.

5.2 Change in substantial shareholder

In March 2023, China Huarong Asset Management Co., Ltd. (China Huarong) converted the 140,186,860 convertible bonds it held at the Bank into ordinary A shares of the Bank through conversion of convertible bonds. The number of shares converted was 4,184,682,388. Before this conversion, China Huarong did not hold any ordinary share of the Bank. After this conversion, China Huarong held 4,184,682,388 ordinary shares of the Bank, accounting for 7.08% of the total number of ordinary shares of the Bank, and became a substantial shareholder of the Bank.

5.3 Business opening of CEB Macao Branch

In July 2022, the application for the establishment of CEB Macao Branch was approved by the government of the Macao SAR. In March 2023, CEB Macao Branch was opened for business.

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**
28 April 2023

China Everbright Bank Company Limited
Consolidated Statement of Profit or Loss
For the three months ended 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2023</u>	<u>2022</u>
Interest income	62,177	58,666
Interest expense	<u>(34,774)</u>	<u>(30,753)</u>
Net interest income	<u>27,403</u>	<u>27,913</u>
Fee and commission income	8,017	8,478
Fee and commission expense	<u>(706)</u>	<u>(783)</u>
Net fee and commission income	<u>7,311</u>	<u>7,695</u>
Net trading gains	772	579
Dividend income	1	1
Net gains arising from investment securities	2,293	2,175
Net gains on derecognition of financial assets measured at amortised cost	3	545
Net foreign exchange gains/(losses)	31	(350)
Other net operating income	<u>348</u>	<u>252</u>
Operating income	38,162	38,810
Operating expenses	(9,999)	(10,313)
Credit impairment losses	(12,809)	(13,970)
Other impairment losses	<u>7</u>	<u>(4)</u>
Operating profit	15,361	14,523
Gains/(Losses) on investment of joint ventures	<u>15</u>	<u>(24)</u>
Profit before tax	15,376	14,499
Income tax	<u>(2,922)</u>	<u>(2,664)</u>
Net profit	<u>12,454</u>	<u>11,835</u>
Net profit attributable to:		
Equity shareholders of the Bank	12,378	11,750
Non-controlling interests	<u>76</u>	<u>85</u>
	<u>12,454</u>	<u>11,835</u>
Earnings per share		
Basic earnings per share (in RMB/share)	0.19	0.19
Diluted earnings per share (in RMB/share)	<u>0.18</u>	<u>0.17</u>

China Everbright Bank Company Limited
Consolidated Statement of Comprehensive Income
For the three months ended 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	2023	2022
Net profit	12,454	11,835
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss:		
- Equity instruments at fair value through other comprehensive income		
- Net change in fair value	1	-
Subtotal	1	-
Items that will be reclassified to profit or loss:		
- Debt instruments at fair value through other comprehensive income		
- Net change in fair value	755	(3,485)
- Changes in allowance for expected credit losses	(32)	205
- Reclassified to the profit or loss upon disposal	173	416
- Related income tax effect	(216)	660
- Exchange differences on translation of financial statements	(29)	(23)
Subtotal	651	(2,227)
Other comprehensive income, net of tax	652	(2,227)
Total comprehensive income	13,106	9,608
Total comprehensive income attributable to:		
Equity shareholders of the Bank	13,031	9,524
Non-controlling interests	75	84
	13,106	9,608

China Everbright Bank Company Limited
Consolidated Statement of Financial Position
As at 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2023</u>	31 December <u>2022</u>
Assets		
Cash and deposits with the central bank	340,965	356,426
Deposits with banks and other financial institutions	29,220	32,073
Precious metals	9,815	7,187
Placements with banks and other financial institutions	140,017	129,979
Derivative financial assets	10,223	15,730
Financial assets held under resale agreements	123,799	28
Loans and advances to customers	3,637,603	3,499,351
Finance lease receivables	108,750	108,012
Financial investments	2,139,313	2,046,612
- Financial assets at fair value through profit or loss	455,104	403,617
- Debt instruments at fair value through other comprehensive income	454,140	449,596
- Equity instruments at fair value through other comprehensive income	1,127	1,126
- Financial investments measured at amortised cost	1,228,942	1,192,273
Investment in joint ventures	178	165
Property and equipment	25,558	26,174
Right-of-use assets	9,775	10,281
Goodwill	1,281	1,281
Deferred tax assets	33,199	32,703
Other assets	85,014	34,508
Total assets	<u><u>6,694,710</u></u>	<u><u>6,300,510</u></u>

China Everbright Bank Company Limited
Consolidated Statement of Financial Position (Continued)
As at 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2023</u>	31 December <u>2022</u>
Liabilities and equity		
Liabilities		
Due to the central bank	98,818	63,386
Deposits from banks and other financial institutions	571,601	540,668
Placements from banks and other financial institutions	181,914	188,601
Financial liabilities at fair value through profit or loss	-	27
Derivative financial liabilities	9,280	14,261
Financial assets sold under repurchase agreements	162,278	92,980
Deposits from customers	4,123,082	3,917,168
Accrued staff costs	16,950	19,006
Taxes payable	12,619	11,141
Lease liabilities	9,572	10,151
Debt securities issued	920,854	875,971
Other liabilities	49,373	57,137
Total liabilities	<u>6,156,341</u>	<u>5,790,497</u>

China Everbright Bank Company Limited
Consolidated Statement of Financial Position (Continued)
As at 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March <u>2023</u>	31 December <u>2022</u>
Liabilities and equity (Continued)		
Equity		
Share capital	59,086	54,032
Other equity instruments	104,899	109,062
of which: Preference shares	64,906	64,906
Perpetual bonds	39,993	39,993
Capital reserve	74,473	58,434
Other comprehensive income	63	(590)
Surplus reserve	26,245	26,245
General reserve	81,478	81,401
Retained earnings	189,920	179,299
Total equity attributable to equity shareholders of the Bank	536,164	507,883
Non-controlling interests	2,205	2,130
Total equity	538,369	510,013
Total liabilities and equity	6,694,710	6,300,510

Approved and authorised for issue by the board of directors on 28 April 2023.

Wang Jiang
Chairman,
Non-executive Director

Wang Zhiheng
President,
Executive Director

Sun Xinhong
General Manager of
Finance and Accounting Department

China Everbright Bank Company Limited
Consolidated Cash Flow Statement
For the three months ended 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Profit before tax	15,376	14,499
<i>Adjustments for:</i>		
Credit impairment losses	12,809	13,970
Other impairment losses	(7)	4
Depreciation and amortisation	1,625	1,533
Unwinding of discount	(176)	(175)
Dividend income	(1)	(1)
Unrealised foreign exchange losses	89	31
Interest income from investment securities and net gains on disposal	(14,982)	(15,102)
Net gains on derecognition of financial assets measured at amortised cost	(3)	(545)
(Gains)/Losses on investments of joint ventures	(15)	24
Net gains on disposal of trading securities	(399)	(829)
Revaluation (gains)/losses on financial instruments at fair value through profit	(1,297)	194
Interest expense on debt securities issued	5,705	5,606
Interest expense on lease liabilities	99	109
Net losses on disposal of property and equipment	6	3
	18,829	19,321
 <i>Changes in operating assets</i>		
Net decrease/(increase) in deposits with the central bank, banks and other financial institutions	336	(11,480)
Net increase in placements with banks and other financial institutions	(21,318)	(4,814)
Net increase in financial assets held for trading	(9,758)	(88,026)
Net increase in loans and advances to customers	(151,618)	(159,583)
Net increase in financial assets held under resale agreements	(123,738)	(120,339)
Net increase in other operating assets	(48,920)	(20,460)
	(355,016)	(404,702)

China Everbright Bank Company Limited
Consolidated Cash Flow Statement (Continued)
For the three months ended 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2023</u>	<u>2022</u>
Cash flows from operating activities (Continued):		
<i>Changes in operating liabilities</i>		
Net increase/(decrease) in deposits from banks and other financial institutions	30,589	(57,879)
Net (decrease)/increase in placements from banks and other financial institutions	(6,955)	11,434
Net increase in financial assets sold under repurchase agreements	69,294	55,082
Net increase/(decrease) in amounts due to the central bank	34,944	(7,520)
Net increase in deposits from customers	205,833	164,792
Income tax paid	(2,155)	(1,715)
Net (decrease)/increase in other operating liabilities	(11,906)	3,632
	319,644	167,826
Net cash used in operating activities	(16,543)	(217,555)
Cash flows from investing activities:		
Proceeds from disposal and redemption of investments	145,172	276,476
Investment income received	16,382	17,438
Proceeds from disposal of property and equipment and other long-term assets	49	133
Payments on acquisition of investments	(228,398)	(278,562)
Payments on acquisition of property and equipment, intangible assets and other long-term assets	(762)	(972)
Net cash (used in)/from investing activities	(67,557)	14,513

China Everbright Bank Company Limited
Consolidated Cash Flow Statement (Continued)
For the three months ended 31 March 2023
(Expressed in millions of Renminbi, unless otherwise stated)

	For the three months ended 31 March	
	<u>2023</u>	<u>2022</u>
Cash flows from financing activities:		
Proceeds from insurance of debts	294,495	307,880
Repayments of debts issued	(231,208)	(140,153)
Interest paid on debt securities issued	(7,179)	(7,690)
Other net cash flows from financing activities	(858)	(882)
Net cash from financing activities	55,250	159,155
Effect of foreign exchange rate changes on cash and cash equivalents	(492)	(645)
Net decrease in cash and cash equivalents	(29,342)	(44,532)
Cash and cash equivalents as at 1 January	136,664	222,583
Cash and cash equivalents as at 31 March	107,322	178,051
Interest received	48,631	46,184
Interest paid (excluding interest expense on debts securities issued)	(27,877)	(21,702)