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

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“The Announcement of Ping An Insurance (Group) Company of China, Ltd. in relation to the Disclosure of 2022 First Quarterly Report of Ping An Bank”, which is published by Ping An Insurance (Group) Company of China, Ltd. on the website of the Shanghai Stock Exchange, is reproduced herein for your reference.

By order of the Board
Sheng Ruisheng
Joint Company Secretary

Shenzhen, the PRC, April 26, 2022

As at the date of this announcement, the executive directors of the Company are Ma Mingzhe, Xie Yonglin, Tan Sin Yin, Yao Jason Bo and Cai Fangfang; the non-executive directors of the Company are Soopakij Chearavanont, Yang Xiaoping and Huang Wei; the independent non-executive directors of the Company are Ouyang Hui, Ng Sing Yip, Chu Yiyun, Liu Hong, Ng Kong Ping Albert and Jin Li.

**THE ANNOUNCEMENT OF
PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
IN RELATION TO
THE DISCLOSURE OF 2022 FIRST QUARTERLY REPORT OF
PING AN BANK**

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

Ping An Bank Co., Ltd. (hereinafter referred to as "Ping An Bank"), a subsidiary of the Company, has published the "2022 First Quarterly Report of Ping An Bank" on the website of the Shenzhen Stock Exchange (www.szse.cn).

Please also refer to the "2022 First Quarterly Report of Ping An Bank" disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) for the operating performance of Ping An Bank for the first quarter of 2022.

The Board of Directors
Ping An Insurance (Group) Company of China, Ltd.
April 26, 2022

PING AN BANK CO., LTD.

2022 First Quarterly Report

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

27 April 2022

The Ping An Bank Co., Ltd. and all members of the board of directors guarantee the authenticity, accuracy and completeness of the information disclosed, in which there are no false representations, misleading statements or material omissions.

Notes for Important Content

1. The board of directors (hereinafter referred to as the “Board”), the supervisory committee, the directors, the supervisors and the members of senior management of the Ping An Bank Co., Ltd. (hereinafter referred to as the “Bank”) guarantee the authenticity, accuracy and completeness of this Quarterly Report, in which there are no false representations, misleading statements or material omissions, and are severally and jointly liable for its contents.

2. Xie Yonglin (the Bank’s Chairman), Hu Yuefei (the President), Xiang Youzhi (the Vice President and the CFO) and Zhu Peiqing (the head of the Accounting Department) declare that they will guarantee the authenticity, accuracy and completeness of the financial information included in this Quarterly Report.

3. Whether the First Quarterly Reports have been audited.

Yes No

This quarterly consolidated and company financial statements were not audited.

4. Matters on which the auditor gives qualified opinions.

Applicable Not applicable

5. “The Group” in this Report refers to Ping An Bank Co., Ltd. and its wholly-owned subsidiary Ping An Wealth Management Co., Ltd.; “Ping An Bank” and “the Bank” refer to Ping An Bank Co., Ltd.; “Ping An Wealth Management” refers to Ping An Wealth Management Co., Ltd.; and “Ping An Group” refers to Ping An Insurance (Group) Company of China, Ltd.

Section I Key Financial Data

1.1 Key accounting data and financial indicators

Whether the Bank needs to adjust or restate retrospectively the accounting data for previous years

Yes No

(In RMB million)

Item	31 March 2022	31 December 2021	Change at the end of the reporting period from the end of last year
Total assets	5,117,949	4,921,380	4.0%
Shareholders' equity	406,175	395,448	2.7%
Shareholders' equity attributable to ordinary shareholders	336,231	325,504	3.3%
Share capital	19,406	19,406	-
Net asset per share attributable to ordinary shareholders (RMB/share)	17.33	16.77	3.3%

Item	January to March 2022	January to March 2021	Year-on-year increase/decrease
Operating income	46,207	41,788	10.6%
Net profit attributable to shareholders of the Bank	12,850	10,132	26.8%
Net profit attributable to shareholders of the Bank after non-recurring gains/losses	12,873	10,111	27.3%
Net cash flows from operating activities	147,127	(11,553)	Negative amount for the same period of last year
Net cash flows from operating activities per share (RMB/share)	7.58	(0.60)	Negative amount for the same period of last year
Basic/Diluted earnings per share (EPS) (RMB/share)	0.56	0.42	33.3%
Basic/Diluted EPS less non-recurring gains/losses (RMB/share)	0.56	0.42	33.3%
Average return on total assets (un-annualised)	0.26%	0.22%	+0.04 percentage point
Average return on total assets (annualised)	1.02%	0.90%	+0.12 percentage point
Weighted average return on net assets (un-annualised)	3.27%	2.72%	+0.55 percentage point
Weighted average return on net assets (annualised)	14.10%	12.28%	+1.82 percentage points
Weighted average return on net assets less non-recurring gains/losses (un-annualised)	3.28%	2.71%	+0.57 percentage point
Weighted average return on net assets less non-recurring gains/losses (annualised)	14.12%	12.26%	+1.86 percentage points

Note: The return on net assets and EPS indicators are calculated in accordance with the *Compilation Rules for Information*

Disclosure by Companies Offering Securities to the Public No. 9 – Computation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision) (《公開發行證券的公司信息披露編報規則第9號—淨資產收益率和每股收益的計算及披露》(2010年修訂)) and *Accounting Standards for Business Enterprises No. 34 - Earnings per Share* (《企業會計準則第34號——每股收益》)。The Bank issued non-cumulative preference shares of RMB20 billion in private placement on 7 March 2016 and non-fixed term capital bonds (“Perpetual Bond”) of RMB30 billion in February 2020, which are all classified as other equity instruments. In the calculation of the “weighted average return on net assets” and “EPS”, the paid dividends on preference shares of RMB874 million and the interests on perpetual bonds of RMB1,155 million has been deducted from the “Net profit attributable to shareholders of the Bank”.

(In RMB million)

Item	31 March 2022	31 December 2021	31 December 2020	Change at the end of the reporting period from the end of last year
Deposit principals from customers	3,147,618	2,961,819	2,673,118	6.3%
Including: Corporate deposits	2,308,043	2,191,454	1,988,449	5.3%
Personal deposits	839,575	770,365	684,669	9.0%
Total principal of loans and advances to customers	3,154,495	3,063,448	2,666,297	3.0%
Including: Corporate loans	1,241,024	1,153,127	1,061,357	7.6%
General corporate loans	1,043,434	998,474	948,724	4.5%
Discounted bills	197,590	154,653	112,633	27.8%
Personal loans	1,913,471	1,910,321	1,604,940	0.2%

Note: Pursuant to the *Circular on Revising and Issuing 2018 Versions of Financial Statement Templates for Financial Enterprises (Cai Kuai [2018] No. 36)* (《關於修訂印發2018年度金融企業財務報表格式的通知》(財會〔2018〕36號)), interests accrued using the effective interest method are included in the carrying amount of financial instruments, and interests not received or paid as at the balance sheet date are presented in “Other assets” or “Other liabilities”. Unless otherwise stated, “Loans and advances to customers”, “Deposits from customers” and their breakdowns mentioned in this report are all amounts net of interests.

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

Total share capital of the Bank as at the trading day prior to disclosure (in shares)	19,405,918,198
Payment of dividends on preference shares (RMB Yuan)	874,000,000
Payment of interest on perpetual bonds (RMB Yuan)	1,155,000,000
Fully diluted EPS calculated based on the latest share capital (RMB/share, accumulated from January to March)	0.56

Has the share capital ever changed and influenced the amount of the owners’ equity because of newly issued shares, additional issue, allotment, exercising of stock option, or repurchasing, etc. from the end of the reporting period to the disclosure date of the Quarterly Report?

Yes No

1.2 Items and amounts of non-recurring gains/losses

Applicable Not applicable

(In RMB million)

Item	January to March 2022
Net gains or losses on disposal of non-liquidity assets	79
Loss/Gain from contingencies	(65)
Others	(43)
Impact on income tax	6
Total	(23)

Note: The non-recurring gains/losses are calculated in accordance with the definitions in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities –Non-recurring Profit and Loss* (《公開發行證券的公司資訊披露解釋性公告第 1 號——非經常性損益》) issued by China Securities Regulatory Commission (“CSRC”). During the reporting period, the Group had no recurring gains/losses items that are defined or listed as non-recurring gains/losses as per the *Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities –Non-recurring Profit and Loss* (《公開發行證券的公司資訊披露解釋性公告第 1 號——非經常性損益》)

1.3 Regulatory indicators and financial ratios

(Unit: %)

Item	Standard level of indicator	31 March 2022	31 December 2021	31 December 2020
Capital adequacy ratio	≥10.5	13.28	13.34	13.29
Tier 1 capital adequacy ratio	≥8.5	10.54	10.56	10.91
Core tier 1 capital adequacy ratio	≥7.5	8.64	8.60	8.69
Non-performing loan ratio	≤5	1.02	1.02	1.18
Provision coverage ratio	≥130(Note2)	289.10	288.42	201.40
Provision to loan ratio	≥1.8(Note2)	2.94	2.94	2.37
Cost/income ratio (from the beginning of the year to the end of the period)	Not applicable	26.20	28.30	29.11
Deposit-loan spread (from the beginning of the year to the end of the period, annualised/un-annualised) (Note3)	Not applicable	4.05/0.99	4.05	4.21
Net interest spread (NIS) (from the beginning of the year to the end of the period, annualised/un-annualised)	Not applicable	2.76/0.68	2.74	2.78
Net interest margin (NIM) (from the beginning of the year to the end of the period, annualised/un-annualised)	Not applicable	2.80/0.69	2.79	2.88

Notes:

(1) The above indicators represent the performance at the Group level.

(2) In accordance with the *Provisions of Circular on Adjusting the Regulatory Requirements for Loss Provisions for Loans of*

Commercial Banks (Yin Jian Fa [2018] No. 7) (《關於調整商業銀行貸款損失準備監管要求的通知》(銀監發〔2018〕7號)), various joint-stock banks have implemented regulatory policies of differentiated and dynamically adjusted provision.

(3) In the calculation of deposit-loan spread, the standard of “average yield of loans and advances to customers” was adjusted to include discounted bills, and the comparison data was adjusted accordingly by the same standard. Please see “1.6.1 Average daily balance and average yield/cost rate of the major asset and liability items” for details.

1.4 Analysis on items with changes in key accounting data and financial indicators

√Applicable □Not applicable

(In RMB million)

Item	Amount for the period	Amount of change	Rate of change	Analysis on reasons of change
Inter-bank placements	131,340	36,867	39.0%	Mainly due to the increase of loans to overseas interbank
Financial assets held under resale agreements	27,871	21,483	336.3%	Due to stable growth of deposit of Chinese Yuan, the increase of monetary market lending, and the increase in the scale of bonds held under resale agreements
Other equity investments	5,410	2,818	108.7%	Mainly due to the increase of debt-to-equity
Borrowings from the Central Bank	207,891	59,729	40.3%	Due to the increase in the financing funds of selling repurchase bonds to the Central Bank resulted from participation in open market operation of the Central Bank
Tradable financial liabilities	73,630	30,209	69.6%	Mainly due to the increase in the scale of the short selling in security lending
Financial assets sold under repurchase agreements	-	(47,703)	(100.0%)	Due to stable growth of deposit of Chinese Yuan, and the decrease of monetary market borrowing
Investment income	3,878	1,121	40.7%	Mainly due to the increase in investment income from bonds and funds investment and bills discounting businesses
Gains and losses on changes in fair value	690	514	292.0%	Mainly due to the increase in changes in fair value of financial assets held for trading
Exchange gains or losses	661	158	31.4%	Mainly due to joint effect of the increase in the scale of foreign exchange businesses and change in foreign exchange rate
Gains or losses on disposal of assets	78	58	290.0%	Small base period number of RMB20 million for the same period of last year
Impairment losses on other assets	(6)	(8)	(400.0%)	Small base period number of RMB2 million for the same period of last year
Non-operating expenses	170	96	129.7%	Small base period number of RMB74 million for the same period of last year

Note: above accounting data and financial indicators are the items with changes over 30% in the balance sheet and income sheet.

1.5 Management discussion and analysis

The year 2022 is of great significance in the cause of the Communist Party of China (CPC) and the country, as the Party will hold its 20th National Congress. The Bank actively implements the decisions, arrangements and fundamental policies of the CPC Central Committee, continues to provide great supports for private enterprises, small and micro enterprises, manufacturing and technological enterprises, as well as household consumption, actively helps expand domestic demand, supports the policy of “ensuring stability on six key fronts and maintaining security in six key areas”, practises green finance, strongly supports rural revitalization, continuously implements the requirement of routine COVID-19 control, strengthens comprehensive risk management, promotes high-quality economic development with all its strength, and presents outstanding achievements as a gift to the 20th National Congress.

In the first quarter of 2022, adhering to the strategic goal of building a “China’s most outstanding, world-leading smart retail bank”, the Bank upheld the strategic principle of “being technology-driven, pursuing breakthroughs in retail banking and reinventing its corporate banking”, strove to build its three business cards of “a digital bank, an ecosystem and a platform” and continuously upgraded its operating strategies in retail business, corporate business and treasury and interbank business, constantly deepened comprehensive digital operation, reshaped asset-liability management, and all business developments maintained a stable growth trend.

1.5.1 Overall operation maintaining stable

Stable growth of operating income. In the first quarter of 2022, the Group recorded operating income of RMB46,207 million, representing a year-on-year increase of 10.6%; the net profit was RMB12,850 million with a year-on-year increase of 26.8%.

Stable liability cost. In the first quarter of 2022, the Group’s NIM decreased by 7 basis points to 2.80% as compared with the same period of last year, and up by 6 basis points as compared with the fourth quarter last year; the average liability cost was down by 4 basis points to 2.18% as compared with the same period of last year, among which the average cost of deposit-taking was 2.05%, down by 1 basis point as compared with the same period of last year. The Bank actively promoted the reshaping of asset-liability management, continuously enriched liability sources and optimised liability structure. At the assets end, affected by the downturn influence of the market interest rate, it continued to make profit concession to the real economy, as a result, the return on assets declined, and the NIM maintained stable.

Rapid growth of non-interest income. In the first quarter of 2022, the Group recorded a net non-interest income of RMB14,265 million, representing a year-on-year increase of 18.7%, mainly due to the increase in investment income derived from bonds and funds investment and bills discounting businesses; the net non-interest income accounted for 30.87%, up by 2.10 percentage points from the same period of last year.

Steady growth in the scale of assets and liabilities. At the end of March 2022, the Group's total assets amounted to RMB5,117,949 million, up by 4.0% as compared with the end of last year, including the total principal of loans and advances to customers of RMB3,154,495 million, up by 3.0% as compared with the end of last year. The total liabilities were RMB4,711,774 million, with an increase of 4.1% as compared with the end of last year, including the balance of total deposits from customers was RMB3,147,618 million, up by 6.3% as compared with the end of last year, the balance of demand deposits¹ from customers was RMB1,199,929 million, up by 7.1% as compared with the end of last year.

Rational layout of outlets. The Bank continued to build its intelligent outlets and reasonably allocate the layout of its outlets. At the end of March 2022, the Bank had 109 branches (including Hong Kong Branch) and a total of 1,190 outlets (including head office, branches and specialised institutions).

1.5.2 Asset quality remaining steady

In the first quarter of 2022, the overall national economy continued to recover, however, the imbalance issue of regions and industries for economic recovery was still notable, some of enterprises and individuals were facing the repayment pressure, the Bank's management and control on asset quality also was facing challenges. The Bank actively responded to national strategy of serving the real economy, and strongly supported development of private, and small, medium and micro enterprises, and continuously strengthened the efforts in disposal of problematic assets, the overall asset quality maintaining stable.

At the end of March 2022, the Bank's overdue loans accounted for 1.62% with an increase of 0.01 percentage point as compared with the end of last year; of which loans overdue for more than 60 days accounted for 0.93%, up by 0.06 percentage point as compared with the end of last year; loans overdue for more than 90 days accounted for 0.78%, up by 0.04 percentage point as compared with the end of last year; the NPL ratio was 1.02%, maintaining the same level from the end of last year; the ratio of special mention loans was 1.41%, down by 0.01 percentage point as compared with the end of last year; the deviation ratio of loans overdue for more than 60 days and 90 days were 0.91 and 0.76 respectively, with increases of 0.06 and 0.03 as compared with the end of last year.

In the first quarter of 2022, the Bank's provision for impairment losses on loans and advances to customers amounted to RMB12,763 million. At the end of March 2022, the balance of provision for impairment losses on loans was RMB92,686 million, up by 2.8% as compared with the end of last year; the risk compensation capability continuously kept a good level, and the provision coverage was 289.10%, increased by 0.68 percentage point as compared with the end of last year; the provision coverage of loans overdue for more

¹The standard of deposit principals balance and daily average balance was sorted out since 2021 Annual Report, the item such as margin deposits was divided into demand deposits and term deposits by nature, and the comparison data was adjusted accordingly by the same standards. Please see "1.6.3 Average daily balance and cost rate of deposits from customers" for details.

than 60 days was 316.45%, decreased by 21.77 percentage points as compared with the end of last year; the provision coverage of loans overdue for more than 90 days was 377.96%, decreased by 19.44 percentage points as compared with the end of last year.

In the first quarter of 2022, the Bank's accumulated written-off loans amounted to RMB13,033 million; the total of recovered non-performing assets of the Bank was RMB18,128 million, representing a year-on-year increase of 32.4%, which included recovered written-off non-performing loans of RMB5,087 million; 84.0% of recovered amount for non-performing assets was recovered in cash and the rest was recovered in repayment by collaterals.

In the future, the Bank will continuously intensify management and control measures, keep a good risk compensation level, firmly protect the risk base line, and make sure the asset quality is controllable.

1.5.3 Deepening transformation and development in retail business

In the first quarter of 2022, facing the challenges of pressure on macroeconomic growth and repeating of the pandemic, the Bank gave full play to its advantages of comprehensive finance and fintech, continued to implement the "five-in-one" new model with interconnection and organic integration that includes open bank, AI bank, remote bank, offline bank and comprehensive bank, and retail business achieved steady growth.

(1) Continuous upgrading for the operation of three business segments

● Private banking and wealth management

The Bank continued to upgrade its products, teams, professional capability and technological capability, strengthened technological empowerment and professional leading position, devoted itself to build "a warm and world-leading primary bank for wealth management". At the end of March 2022, the assets under management (AUM) (including securities assets) of retail customers amounted to RMB3,360,669 million, up by 5.6% as compared with the end of last year, among which the AUM balance of qualified private banking customers amounted to RMB1,490,069 million, up by 6.0% as compared with the end of last year. In addition, private banking and wealth management customers maintained rapid growth, the number of wealth management customers reached 1,166.5 thousand, representing an increase of 6.1% as compared with the end of last year, among which the qualified customers of private banking² reached 73.2 thousand, representing an increase of 5.0% over the end of last year. In the first quarter of 2022, the Bank's commission income (excluding agency of individual precious metals) from wealth management recorded RMB2,244 million, representing a year-on-year decrease of 6.8% due to the effects of scale reduction of non-standard products and decline of fund sales resulted from fluctuation of securities market, however,

² The standard of qualified customer of private banking is "the average daily assets in any month of recent three months is more than RMB6,000,000"

notable improvement was made, with an increase of 26.4% as compared with the fourth quarter of last year.

With respect to product upgrading, the Bank continued to improve asset optimisation and product screening capabilities, enriched and optimised product categories. Under the sluggish market conditions in the first quarter, the Bank focused on improving customer scale of agency business of publicly offered funds, worked on online platform, and realised fast penetration to the middle and long tail customer groups. At the end of March 2022, the number of position customers of the Bank's agency of non-monetary publicly offered funds increased by 24.4% as compared with the end of last year, the income of agency funds recorded RMB1,086 million in the first quarter, with a year-on-year decrease of 10.1% due to the effect of market factors, however, representing an increase of 35.6% as compared with the fourth quarter of last year, and the income of wealth management agency amounted to RMB218 million, with a year-on-year increase of 23.2%; family trust and insurance trust kept fast growth, with a new growth of RMB23,305 million, representing a year-on-year increase of 74.2%. **With respect to team upgrading**, the Bank continued to enhance the construction of specialised teams, strived to improve the teams' expertise and middle office empowerment, and strengthened its capability of internal development. **With respect to upgrade of professional capability**, leveraging the "five-in-one" model, the Bank holistically implemented the concept of asset allocation service through creating professional and comprehensive asset allocation tools, to improve the wealth's health level of customer. In terms of service upgrade for high-net-value customers, with the advantage of "private banking + investment banking", the Bank's customer management of top private banking linked with corporate business segment, strengthened collaboration with professional subsidiaries within Ping An Group, and rolled out innovative service solutions to meet customisation needs, forming a bulk customer acquisition platform. **With respect to upgrade of technological capability**, the Bank fully upgraded middle office capability for intelligent investment and advisory, precisely explored customers' demands through customer portrait and scenario positioning, accomplished dynamic adjustment to assets allocation recommendations and products relying on model and algorithm, and provided customers with diversified allocation solutions for their products.

The Bank took active steps to plan new business, seized transformative opportunities in life insurance market, enhanced upgrading and team building for bank-insurance business, built a new wealth management team of "high quality, high productivity and high income" with professional insurance knowledge, and provided customers with more comprehensive financial assets' allocation service. In the first quarter of 2022, the Bank's income of insurance agency recorded RMB717 million, with a year-on-year increase of 46.0%. In terms of product system, leveraging comprehensive finance and ecological dominance of Ping An Group, the Bank worked to improve diversity and competitiveness of insurance agency products, and focused on creating product portfolios such as "Lifelong Insurance + Trust",

“Endowment Annuity + Healthcare” and others. In terms of team building, the Bank adhered to build elite teams, at the end of March 2022, the accumulative recruits numbered around 600, gradually bringing capacity contributions. Meanwhile, under supports of comprehensive training system and technology-based middle office capability from the Bank’s whole product lines, new teams’ asset allocation capability was gradually improved, non-insurance operating income accounted for almost 40% of the total operating income from the new teams, becoming a key growing engine for the Bank’s wealth management transformation.

● **Basic retail**

The Bank continued to deeply consolidate basic retail business, creating an operating hub for massive customers. Through implementing the customer-centric business philosophy, it deeply promoted the “five-in-one” new model. In the meanwhile, the Bank continued to promote the linking between credit card and debit card, advanced comprehensive operation and coordinated development, and continuously enhanced omni-channel customers acquisition and full-scenario operation to improve customers’ comprehensive operating capacity. At the end of March 2022, both of the number of retail customers and registered customers of Ping An Pocket Bank APP reached 120,097.5 thousand and 139,597.7 thousand, representing increases of 1.6% and 3.5% as compared with the end of the previous year, respectively, among which the number of monthly active users (MAU) of Pocket Bank APP was 45,503 thousand. **With respect to the improvement of deposit business**, the retail business of the Bank adhered to the operating guideline of “scale growth, structure optimisation, foundation solidity and cost reduction”, and achieved steady growth in deposit business. At the end of March 2022, the balance of personal deposits amounted to RMB839,575 million, up by 9.0% as compared with the end of the previous year; the average daily balance of personal deposits was RMB796,563 million in the first quarter, increased by 17.5% as compared with the same period of last year. **With respect to agency business expansion and development**, the Bank holistically upgraded its product of “Ping An Salary Manager”, achieved online operation for agency business, provided services for the convenience of customers in fighting against the COVID-19, and helped work resumption of enterprises. At the end of March 2022, the AUM balance from customers of agency and batch business amounted to RMB574,296 million, increased by 6.5% as compared with the end of last year, and the balance of deposits from customers of agency and batch business amounted to RMB163,853 million, increased by 13.4% as compared with the end of last year. The driving role of agency business to deposits was continuously enhanced. **With respect to the upgrading of the Ping An Pocket Bank APP**, relying on users’ life cycle and introducing the AB test³ mechanism from leading Internet technology

³ AB Test is a set of technical solutions that bring optimal solutions online through precisely measure customers’ feedback by means of AB

companies, the Bank promoted precise reaching management with differentiated customer groups and scenarios to provide customers with customised service experience. At the end of March of 2022, the number of high-frequency active customers logged in Ping An Pocket Bank APP for 12 consecutive months increased to 15,021.8 thousand, and the intelligent operating performance began to show.

● **Consumer finance**

The Bank continued to intensify its capability of digital operation, online operation and comprehensive service for retail credit products. At the end of March 2022, the Bank's balance of individual loans was RMB1,913,471 million. In terms of specific products, "Xinyidai" and auto finance loans maintained solid growth; new grants for credit card receivables, personal residential mortgage and title deed-secured loans declined due to seasonal fluctuation in consumption and the pandemic of COVID-19, under the Bank's active adjustment on loan business issued through cooperation with Internet platforms, the asset structure and customer groups structure were further optimised.

Credit Card

The Bank continued to deepen operational transformation of credit card business, actively promoted integrated customer acquisition and refined management, to continuously create the ultimate experience of "fast, easy and good" for credit card customers. At the end of March 2022, the number of credit cards in circulation was 70,594.2 thousand; the balance of credit card receivables was RMB606,259 million, slightly down by 2.4% from the end of last year, however, the average daily balance of credit card receivables amounted to RMB617,673 million in the first quarter, increased by 10.1% as compared with the whole of last year. In the meanwhile, the Bank deepened management on existing customers of credit card, driving business high-quality growth. The average daily balance of credit cards in circulation and installments increased by 19.3% in the first quarter as compared with the whole of last year, bringing rapid growth to credit card income. In the face of seasonal fluctuations in consumption and repeating pandemic of COVID-19, the Bank constantly enriched scenarios' development, upgraded market activities and product rights and interests system, and optimised precise customer reaching, so as to meet customers' diversified needs, the transaction volume of credit cards amounted to RMB933,422 million in the first quarter, representing a year-on-year increase of 5.2%.

Xinyidai

By adhering to prudent and sound risk policies, the Bank continuously promoted business products of "Xinyidai", upgraded its online business process and improved customer experience. At the end of March 2022, the balance of "Xinyidai" loans was RMB165,578 million, up by 4.1% as compared with the end of

test, starting from customers' demands.

last year. The new “Xinyidai” loans granted amounted to RMB37,941 million in the first quarter, representing a year-on-year increase of 6.1%.

Personal residential mortgage loans and title deed-secured loans

Through active implementation of the requirements on serving the real economy and vigorous implementation of policy guidance on supporting the financing needs of small and micro enterprises and household consumption upgrade, the Bank strived to promote business optimisation of personal residential mortgage loans and title deed-secured loans and existing customer management. At the end of March 2022, the balance of personal residential mortgage loans and title deed-secured loans of the Bank amounted to RMB669,423 million, up by 2.2% from the end of last year, of which the balance of personal property mortgage loans was RMB282,311 million, up by 1.1% from the end of last year.

Auto finance loans

In the first quarter of 2022, facing with the adverse impact of repeating pandemic on auto finance market, the Bank focused on auto ecosystem, ecological management of car owners, continued to promote AI (Artificial Intelligence) empowerment, and improved customer experience to stabilise industrial leading position of business tracks for second-hand vehicle and new energy vehicle. At the end of March 2022, the balance of the Bank’s auto finance loans was RMB313,637 million, representing an increase of 4.1% from the end of the previous year; the new granted auto finance loans amounted to RMB63,945 million in the first quarter, of which the new granted loans for new energy vehicle were RMB4,755 million, with a year-on-year increase of 48.0%.

Other

In the first quarter of 2022, due to macroeconomic conditions and policy changes, the Bank took active steps to adjust loan businesses that had cooperation with Internet platforms. By enhancing risk control and look-through management on cooperative assets, the Bank increased access requirements and strengthened lending and post-lending management to make sure the cooperative assets meet the Bank’s risk management requirements. At the present, the overall trend is gradually improving, and the asset structure and customer group structure are further optimised. On the premise of ensuring business compliance and controllable risks in the future, the Bank will further explore and develop online loan business.

(2) “Five-in-one” new model driving operation speed up

With customer-centric and data-driven as its core, the “Five-in-one” is a new development model that benefits massive customer groups with top-quality products and services through technological measures. In the first quarter of 2022, the Bank strived to promote fully implementation of “five-in-one” new model, the driving role of business growth was continuously enhanced.

- **Open banking**

Open banking is the scenario layer of the “five-in-one” model, and the flow pool for development of retail business. The Bank constructed open banking ecosystem through platform cooperation with scenarios provider, and made the customer services everywhere, capable of doing anything and caring in any possible ways through full scenario-based operations. In the first quarter of 2022, the retail open banking further upgraded business capability of middle office, on the one hand, it served more industrial channels and Internet platforms through improving underlying product capability and extending industrial application solution, on the other hand, it promoted to construct integrated application solution and operation mechanism of open banking to better meet financial demands from various industrial platforms through intensifying the linkage of corporate business and private business. In the first quarter of 2022, the retail open banking of the Bank continued to promote “stable quantity and improved quality” and acquired 488.9 thousand customers through Internet channel⁴.

- **Portable banking**

“AI+T+Offline” is the core service matrix of “five-in-one” of the Bank, and the operation chain and service network for the development of retail business. The Bank promoted three service channels’ seamless connection and integration including AI platforms such as Pocket Bank APP, professional remote teams and new retail outlets based on customers’ whole life cycle journey, and created “portable banking” to provide the most suitable and accompanying financial services to every customer in an instant, comfortable and ready form with professional and exclusive management by designated personnel. In the first quarter of 2022, for the affected areas by the pandemic, the Bank launched the pandemic emergency plan in a timely manner, and promoted online service of “Banking at home”, to meet customers’ financial service needs by means of mobile, online and remote service modes. At the end of March 2022, the model of “AI + T + Offline” launched more than 2,000 application scenarios, served more than 19 million customers in the first quarter, representing a year-on-year increase of 180.8%. At the end of March 2022, the number of customers in mass wealthy level⁵ increased by 4.9% as compared with the end of last year, and the number of customers in mass ten-thousand level⁶ increased by 5.8% as compared with the end of last year. While the Bank’s customer satisfaction continuously keeping a higher level, in March 2022, the

⁴ The statistics are based on the number of new debit card accounts after excluding those acquired from the comprehensive finance channels of Ping An Group.

⁵ The standard for being a customer in mass wealthy level is “RMB50,000 ≤ the customer’s monthly average daily assets in any month in the past three months < RMB200,000”.

⁶ The standard for being a customer in mass ten-thousand level is “RMB10,000 ≤ the customer’s monthly average daily assets in any month in the past three months < RMB50,000”.

Bank's customer services obtained a Net Promoter Score (NPS)⁷ of 89.2%, while the physical outlets reported a NPS of 95.1%.

AI banking. The Bank fully upgraded its capability of AI platform. With respect to form of interaction, the Bank established virtual human capability, and upgraded voice call to video call to create visual service experience. With respect to interconnection of middle office, it constructed comprehensive operation system across departments, jointly operated in a complementary and collaboratively manner with outlets, and built accompanying services with full contacts and closed-loop based on customers' whole life journey. At the end of March 2022, AI account managers had launched over 1,100 scenarios, the monthly average number of customers served by AI account managers in the first quarter increased by 62.2% over that of 2021, the one-time problem-solving ratio and the proportion of unmanned services of the Bank exceeded 90%.

Remote banking. The Bank continued to build its remote banking with intelligence, integration and human-machine cooperation, actively and timely reached and served customers. In the first quarter of 2022, leveraging service capabilities of AI and big data and accompanying operating capability of enterprise Wechat, the Bank integrated and created mobile service team, and effectively linked to offline teams to form a closed service loop. Meanwhile, the Bank built an exclusive and localised operating team to provide comprehensive finance service in an one-stop, caring and time saving manner.

Offline banking. The Bank continued to scenario-based, socialised and ecological operation for outlets, attached great importance to the construction and upgrading of offline outlets, continuously reinforced technology empowerment, and strived to forge offline outlets to a "warm" main front of comprehensive operation. In the first quarter of 2022, the accumulative private domain traffic of outlet ecosystem exceeded 1,180 thousand and customers newly acquired went beyond 160 thousand.

- **Comprehensive banking**

Comprehensive banking is the capacity layer of the "five-in-one" model, and the driver for the development of retail business. In the first quarter of 2022, the Bank upgraded comprehensive banking in an all-round way, connected customers' life with their financial services, and provided customers with high-quality comprehensive financial and life solutions in the manner of one stop, full package coordinated sequence. The Bank continued to integrate debit card and credit card. At the end of March 2022, dual card rate of new credit card users increased by 18.1 percentage points as compared with the end of last year,

⁷ NPS = (Number of Promoters - Number of Detractors) / Total Number of the Sample Population × 100%. It is an index that measures the probability that a customer will recommend a certain company or service to others. Depending on different survey channels, the index may be divided into NPS for customer services and NPS for physical outlets.

repayment rate using the Bank's debit card increased by 1.4 percentage points as compared with the end of last year. At the same time, the Bank deepened the linkage of private business and corporate business, promoted joint customer management and joint construction of linkage mechanism, and gave a full play to their advantages, to improve customers' comprehensive service experience.

The Bank continued to deepen the innovation and upgrading of the MGM (Member-Get-a-Member) online operation model, and the comprehensive finance's contribution to retail business remained stable. In the first quarter of 2022, the number of new customers attracted through the MGM model represented a net increase of 984.3 thousand, accounting for 52.2% of the overall new retail customers; the number of new wealth management customers represented a net increase of 29.7 thousand, accounting for 44.5% of the overall new wealth management customers; the number of private banking customers represented a net increase of 1.7 thousand, accounting for 48.6% of the overall new private banking customers, and the balance of assets under management (AUM) of retail customers represented a net increase of RMB88,855 million, accounting for 49.9% of the overall asset balance of the new retail customers. New "Xinyidai" granted amounted to RMB16,851 million, accounting for 44.4% of the overall new issuance of "Xinyidai"; new auto finance loans granted amounted to RMB13,086 million, accounting for 20.5% of the overall new issuance of auto finance loans, and the number of credit cards issued reached 573 thousand, accounting for 28.2% of the newly issued cards.

1.5.4 Specialised and strong corporate business

In the first quarter of 2022, continuously deepening strategy for corporate business, the Bank adhered to the customer-centric principle, established a business model of "AUM + LUM + platform⁸" for corporate business and conducted specialised and strong corporate business. In the meanwhile, the Bank continued to put efforts in creating its "five trump cards" in "supply chain finance, bill integration, customer management platform, complex investment and financing and ecological comprehensive expansion". In addition, relying on the advantages of Ping An Group's "Finance + Technology" strength, the Bank accelerated the digital operation assisted by technologies such as artificial intelligence (AI), block chain, and IoT in an extensive and comprehensive way, and fully supported the balanced development of the whole bank's business and implementation of the retail transformation strategy.

In the first quarter of 2022, the corporate business realised steady growth. For customer acquisition and customer group management, at the end of March 2022, the number of corporate customers was 530.4 thousand, representing an increase of 20 thousand as compared with the end of last year, with a growing rate of 3.9%. The enterprise customers served by the Bank's corporate open banking numbered 35,287,

⁸AUM means Assets Under Management of corporate customers, LUM means Lump-sum of financing of corporate customers.

representing an increase of 16.4% as compared with the end of last year. The number of registered corporate users of the Bank's Digital Pocket APP accumulated to 9,799.1 thousand, representing an increase of 20.4% as compared with the end of last year. For corporate deposits management and cost optimisation, at the end of March 2022, the balance of corporate deposits was RMB2,308,043 million, up by 5.3% as compared with the end of last year, among which the balance of corporate demand deposits was RMB937,262 million, up by 6.8% as compared with the end of last year. The average daily balance of corporate deposits was RMB2,291,179 million in the first quarter, representing an increase of 13.5% as compared with the same period of last year, of which the average daily balance of corporate demand deposits was RMB858,203 million, up by 8.2% as compared with the same period of last year and the average cost rate of corporate deposits was 1.95%, down by 3 basis points year on year. For corporate loans, at the end of March 2022, the balance of corporate loans was RMB1,241,024 million, up by 7.6% over the end of the previous year.

Adhering to the two racing tracks for the development of corporate business.

First, as for industrial digitisation, the Bank created the best technology-empowered transaction bank. Through the channels such as “Nebula IoT platform, open banking and Digital Pocket APP”, the Bank holistically upgraded its capability of customers reaching in a diversified and bulk-based manner to realise the transformation from serving platform enterprises to serving platform users. Using digitalisation as an effective means, the Bank centered on accounts, transactions and risk control logics from transaction bank to realise the interconnection of information flow, capital flow, business flow and material flow of industrial chain, connected to platform ecosystem of consumption end, industry end and government service end through digital accounts, developed enterprise digital score and supporting rights and interests' system, and built core capabilities for serving the digital economy.

Customer management platform

The Bank developed the Digital Pocket APP as digital asset management and comprehensive service platform for small, medium and micro enterprise users, and built the digital treasury as comprehensive service platform for middle and large enterprises. With the upgraded and optimised platforms of Digital Pocket APP and digital treasury, focusing on four major types of service providers (Internet platform, software service provider, data operator and supply chain scenario provider) and the “4+1” key node customers of PE/VC, and exploiting the Nebula Open Alliance, the Bank output its capability of “Finance + Technology” through open banking in a modularised and standardised way, and managed a large amount of small, medium and micro customer groups by means of ecologicalization. At the end of March 2022, the monthly active users of Digital Pocket APP reached 620.6 thousand, representing an increase of 7.1% as compared with the end of the previous year; the total customers served by digital treasury management

platform exceeded 1,400, among them the signed group customers exceeded 300, and the corporate customers of group members under management exceeded 1,100.

Internet payment and settlement

The Bank focused on three major customer groups, namely, consumer Internet, industrial Internet and government platform, created the comprehensive operation model of “platform payment and settlement + platform B-end digital financing + platform C-end retail customer attraction”, and supported the operation and development of a large number of B-end small, medium and micro merchants under the platform while supporting the standardised, healthy and sustainable development of the platform economy, so as to achieve bulk customer acquisition and scenario-based operation for platform C-end users. In the first quarter of 2022, the Bank launched 5,522 million transactions relating to Internet payment and settlement business to serve the enterprises on the platforms, representing a year-on-year increase of 125.8%; the transaction volume reached RMB6.46 trillion, presenting a year-on-year increase of 38.3%.

Supply chain finance

The Bank looked deep into supply chain scenarios and ecosystem, and constantly innovated the business models. First, the Bank innovated financing model, and strengthened digital supply chain finance through the “Nebula-IoT Platform” and massive multidimensional data. Second, based on scenarios and customers’ demands, the Bank provided customers with comprehensive financial service of “supply chain +”, and deepened scenario-based supply chain finance. Third, the Bank realised bulk customer acquisition and in-depth customers management through open banking to create ecological supply chain finance. In the first quarter of 2022, the incurred amount of supply chain finance was RMB253,842 million, with a year-on-year increase of 21.4%.

Bill integration

The Bank thoroughly implemented the operational strategy of “bill integration”, continuously optimised online processes, and deeply embedded bill business into supply chain ecosystem. Through the new business model of “Bills + Open banking”, the Bank cooperated with external core enterprise platforms, B2B platform and other ecological platform partners, effectively enhanced the ability to reach and serve supply chain customer groups and small, medium and micro customers, and deepened service to the real economy. Meanwhile, giving full play to its organisational advantages of bill integration in direct discounting and re-discounting, the Bank forged high-efficiency and professional trading capability, and continued to improve comprehensive income of assets with the two-wheel driver of “direct discounting + re-discounting”. In the first quarter of 2022, the Bank provided bills financing services for 11,180 enterprises, including bills discounting financing services for 6,209 enterprises, with a year-on-year

increase of 166.7%; the bank acceptance notes discounting was RMB173,724 million, with a year-on-year increase of 32%; the bills acceptance was RMB251,016 million, with a year-on-year increase of 45.6%.

Cross-border finance

The Bank fully leveraged its advantages in five major cross-border financial service sectors, including onshore, offshore, free-trade zone, NRAs (domestic foreign currency/Renminbi account of overseas institutions) and overseas branches, and provided enterprises with one-stop cross-border financial services at home and abroad and in local and foreign currencies, namely, the investment and financing in overseas operations, cross-border mergers and acquisitions, and privatisation. At the same time, giving a full play to its license advantage of Chinese-funded offshore banks, the Bank supported cross-border financing of domestic enterprises with relatively low cost of offshore capital, and reduced financing costs of domestic enterprises. In addition, relying on the advantage of “Finance + Technology”, the Bank provided various online service functions of payment, settlement and financing for small and medium export enterprises, and fully supported development of the real economy while improving customer experience. At the end of March 2022, the balance of corporate loans denominated in foreign currencies amounted to an equivalent of RMB206,947 million, up by 10.5% as compared with the end of last year.

Second, as for capital market and direct financing, the Bank gave full play to comprehensive financial advantages, and constructed complex investment and financing ecosystem. Keeping in mind of ecological win-win mindset and leveraging diversified products and service portfolio of complex investment and financing, the Bank provided unique capital arrangements for customers with different maturities, natures, risk preferences and yield demands, met customers’ diversified needs in terms of liquidity, deleveraging and cost reduction, and made rapid breakthroughs in the fields of new energy, high-end manufacturing, and specialised and innovative sectors.

Continuously giving play to advantage of complex investment and financing and achieving steady growth of AUM and LUM for customers. Reinforcing the collaboration of investment bank, industry bank and the Group Integrated Financial Development Committee, the Bank seized the direct financing opportunity of capital market, and actively planned debt ecosystem and fund ecosystem, so as to realise deep customer management. In the first quarter of 2022, the Bank’s complex investment and financing scale reached RMB362,610 million, among which, the investment bank financing scale was RMB230,972 million, representing a year-on-year increase of 2.6%; the mergers and acquisitions business drove investment bank growth, with a realised scale of RMB21,729 million, representing a year-on-year increase of 26.8%.

Capability of ecological comprehensive expansion was continuously improving, and advantage of platform-based service was gradually appearing. Fully leveraging its technological innovation capability,

the Bank developed “insurance cloud platform” through scenario-based, digitalised and intelligent operation, to realise innovation and breakthrough in businesses and open up new channel of online customer acquisition. In the first quarter of 2022, the scale of insurance promoted by the Bank amounted to RMB1,130 million, the financing scale of other professional companies of Ping An Group promoted by the Bank amounted to RMB149,239 million, representing a year-on-year increase of 5.5%, and the average daily deposit of new corporate customers from deepening comprehensive financial services cooperation amounted to RMB 172,039 million, of which the average daily balance of demand deposits accounting for 53.2%.

1.5.5 Upgraded interbank capital model

Adhering to the concept of “serving the financial market, serving interbank customers and serving the real economy”, the Bank’s interbank capital business has closely followed national financial development strategy, actively grasped the development opportunities brought by the opening, innovation and interconnection of the capital market, and has continued to improve the capabilities of transaction and sales, deepened the application of fintech, and spared no effort to build the second transaction growth curve. Through comprehensive business collaboration and open management, the Bank has formed its “five golden business cards” business value cycle chain of transaction - risk avoidance - interbank - custody - asset management, and released new growth potential.

(1) Model upgrade focusing on the construction of a new growth model

In the first quarter of 2022, overseas geopolitical conflicts mounted and thus suppressed risk preference in global financial markets, inflation levels in European and American countries continued to made new record highs, and the Federal Reserve opened the interest rate hike cycle as scheduled, making the external environment more complicated and severe. On the domestic front, the COVID-19 has rebounded significantly, the pressure of “stable growth” was relatively high, and the overall sentiment of the bond market showed a sign of caution, maintaining the market range-bound under the interplay of multiple factors. In a complex market environment, the Bank relied on the advanced trading system and investment research and strategy R&D platform, used accurate pricing technology, agile transaction execution capability and efficient real-time risk control capability, and played an active role in improving market liquidity and market pricing efficiency. In the first quarter of 2022, the market share of the volume of the Bank’s major market-making transaction varieties maintained at the top among markets, of which the market share of the volume of bond transaction reached 2.9%.

At the same time, the Bank actively seized the development opportunities brought by the opening, innovation and interconnection of the financial market for FICC (fixed income, foreign exchange and

commodities) business, took the lead in launching the upgrade strategy of FICC business to expand the institutional trading service and corporate risk avoidance service of light capital, and achieved a good start for the second business growth curve.

Institutional trading service

The Bank has integrated channel resources and initially built a collection of online and offline institutional customer service system. Offline, the Bank has accelerated the expansion of financial institutions to customers with its extensive operating network and service capability of comprehensive finance in the interbank business. The Bank deeply explored the customers' needs of small and medium-sized financial institutions, provided comprehensive services including primary sales, secondary market-making, security lending, etc.; online, the Bank built a new FICC electronic trading platform, expanded the electronic trading group of customers, and provided small and medium-sized financial institutions with bilateral quotations of full categories and diversified combinations through the interbank market preferred quotation platform and flagship store, so that prices could reach customers efficiently and directly. In the first quarter of 2022, the number of active institutional trading customers reached 469, and the transaction volume of cash bond sold by institutions was RMB362,661 million.

Corporate risk avoidance service

The Bank gave full play to its expertise in financial market derivative transactions to actively promote the "Ping An Risk Avoidance" business, actively popularised and promote the concept and method of neutral management of foreign exchange risks, and helped customers mitigate the impact of exchange rate fluctuations on enterprises' main business and finance. During the pandemic prevention and control, the online trading platform of "Ping An Risk Avoidance" business provided customers with self-service transaction, quick calculation and other functions, significantly improved the efficiency of business processing and service experience of customers. In March 2022, the Bank, together with the Boston Consulting Group (BCG), issued the *2022 White Paper on Corporate Risk Avoidance Business for Commercial Banks* to jointly create a long-term healthy development of the risk avoidance industry together with all market participants under the guidance of policies. In the first quarter of 2022, the transaction volume of "Ping An Risk Avoidance" foreign exchange and interest rate derivative business was USD10,852 million, representing a year-on-year increase of 76.3%.

(2) Service upgrade focusing on the construction of institutional ecological service

Financial interbank

The Bank's interbank business was fully committed to promoting the coverage of the "Hang-E-Tong+" service model to interbank institutions, assisted product providers to expand sales channels and sales organizations to add product categories to support interbank institutions to better serve their retail and

corporate customers. Meanwhile, the Bank took advantage of its comprehensive financial services and built a public fund cooperation ecosystem, by integrating Ping An Group's resources, the Bank optimised the strategy of public offering fund customers operation and expanded a holistic cooperation scenarios including fund consignment, custody and bond sales. At the end of March 2022, the Bank's "Hang-E-Tong" provided services more than 2,350 customers; in the first quarter of 2022, interbank sales numbered RMB673,990 million, representing a year-on-year increase of 45.9%.

Asset custody

Centering on the needs of customers, the Bank's asset custody business enhanced digital transformation, developed integrated ecosystem of "investment, financing and custody". Aiming to provide ultimate user experience, and constructing active marketing system and deepening internal collaboration, the Bank improved value-added service system, and drove continuous improvement of service and system. At the end of March 2022, the Bank's net custody assets amounted to RMB7.90 trillion, increasing by 3.7% from the prior year-end.

(3) Structural upgrade focusing on the steady transformation of asset management business

Ping An Wealth Management, a wholly-owned subsidiary of the Bank, was officially opened for business in August 2020. The registered capital of Ping An Wealth Management is RMB5000 million, and its principal business activities include issuance of public and private wealth management products, financial advising and consulting service and other asset management related businesses.

In the first quarter of 2022, Ping An Wealth Management focused on customer acquisition, product research and development, investment and research system construction, and all work carried out in an orderly fashion. First, the Bank deeply integrated into its customer acquisition through multiple channels and all-round scenario-based operation model, explored credit card channels through online and offline integration to help the number of retail wealth management customers increase rapidly. Second, the Bank further enriched its product shelves, accelerated the layout of option-included products, and continued to improve the product system. Third, the Bank built a high-quality investment and research system, including intelligent transaction system to effectively improve transaction efficiency, multi-asset allocation management system to integrate investment and research opinions and unify investment strategy, to help build the core competence of investment and research. Fourth, under the situation that the pandemic kept resurging, the Bank fulfilled its social responsibility by investing in special bonds for pandemic control and purchasing corporate direct financing instruments for stabilization of production and supply, etc.

At the end of March 2022, the Group's balance of non-principal-guaranteed WMPs was RMB880,297 million, increased by 0.9% compared with the end of last year, among which, net-value-based products in compliance with requirements in new asset management regulations amounted to RMB849,021 million,

representing an increase of 1.3% as compared with the end of the previous year, and its proportion to non-principal-guaranteed WMPs increased from 96.1% at the end of the previous year to 96.4%.

1.5.6 Technology-driven digital operations

The Bank deeply advanced the principle of “being technology-driven”, and continued to enhance the “five leading technological capabilities” of technical capability, data capability, agility capability, talent capability and innovation capability to provide support for digital operation. In the first quarter of 2022, the Bank’s business development needs represented a year-on-year increase of 59.1%, and the number of versions put in operation represented a year-on-year increase of 15.5%.

(1) Deepening digital operation on all fronts

The Bank empowered management and upgrading of front office, middle office and back office with leading technological capabilities, promoted fully digital operation, and actively practised the improvement of quality and efficiency. In the first quarter of 2022, the Group’s cost/income ratio was 26.2%, representing a year-on-year decrease of 1.92 percentage points.

Service marketing. The Digital Human project is based on deep learning technologies such as Natural Language Processing, computer vision and voice recognition, explored customised designated 2D and 3D virtual figure in the Bank’s scenarios of digital portal and products live broadcast and provided 24-7 accompanying customer services. The Nebula-IoT Operation successfully launched “Ping An No.2” IoT satellite, with more stable communication link, faster communication speed, smaller terminal communication module, which effectively reduced terminal placing and usage costs, and it was useful to expand application scenarios of industrial finance and to strengthen data service capability. The smart navigation transaction system was launched, which improved integral and digital level of front, middle and back office in capital transactions, and comprehensively upgraded the transaction capability and market-making capability of the FICC business. **Risk control.** The intelligent risk control platform continued to upgrade and optimise iterated applications of intelligent approval and intelligent loan granting, achieving 65% of standardised business credit approval in seconds, above 30% of business automatic granting and approval. Leveraging the leading technologies such as IoT, Optical Character Recognition (OCR) and face recognition, it created intelligent post-lending new scenario, launched mobile tools including cloud loan approval meeting and mobile credit approval by relying on intelligent risk control APP, so as to improve timeliness and convenience of the whole process of risk control on credit and loan. **Operation support.** Ping An Wealth Management developed on its own and upgraded digital operation system of wealth management, integrated technologies such as robotic process automation (RPA), big data insight and AI decision making, and promoted automation of wealth management process, intensification of

operation and intelligentized development. **Management empowerment.** The Bank's smart finance platform constantly iterated and upgraded, achieved tailored business development materials library including analysis index combination, business opportunity, industry information and study cases through the customised model of "big data model + users subscription", and constructed a brand new intelligent operation model with integration of operating analysis and marketing through "Winner" APP, e PAi and corporate Wechat. Meanwhile, the "three-merit and five-star" evaluation system further promoted the upgrading from result-management to process-management, in the first quarter, the weekly hits of the "Winner" APP reached over 0.5 million and the rate of its monthly active users was 91%, effectively driving capacity improvement of business teams.

(2) Fighting against the pandemic of COVID-19 with technology empowerment

In the first quarter of 2022, the Bank leveraged technological strength to address the pandemic challenge, took various measures to safeguard business operation, and strengthened financial defense against the pandemic.

External service support. For retail customer service, the Bank supported banking at home by mobile and online services modes such as AI voice service, Cloud Counter, corporate Wechat and AI account manager, providing customers with warm financial services at any time. For corporate customer service, it provided small enterprises with non-touch services-"Online Application, Smart Approval" through characteristic channels including Pocket APP, mini program, AI smart call-out, and effectively met financing demands of small and micro enterprises.

Internal operation guarantee. The Bank's Cloud desk, a self-developed technology, fully met remote access demands for business system, employee could work remotely by using the tools such as Cloud desk, intelligent human resource and Happy Ping An APP, the user peak value of remote access in the first quarter was 15.2 times that of the fourth quarter in 2021. Meanwhile, the Bank collected anti-pandemic information timely through the functions of its smart administration system such as real-time update, one-key summary, realised fully and precisely grasping pandemic information, timely formulated prevention and control measures against the pandemic, and worked on both prevention and operation.

1.5.7 Active performance of social responsibilities

(1) Support serving the real economy

The Bank firmly implemented the responsibility of finance serving the real economy, actively supported high-quality development of private enterprises and small, medium and micro enterprises, and continuously increased support for manufacturing industry through financial innovation and technology empowerment to constantly improve financial services' quality and efficiency.

Continuing to improve the level of inclusive financial services to strengthen the capacity of digital inclusive services. The Bank relied on technologies such as AI, biological recognition, big data, blockchain and cloud computing, to comprehensively promote the new digital upgrading of “new Microcredit”, continued to optimize inclusive products such as “Xinyidai”, and further carried out innovation of business model, service process and smart service. The Bank constantly optimized and innovated products, and utilised digital technology capabilities, to effectively support development of private enterprises and small, medium and micro enterprises, and help them address their financing difficulties, including lack of access to financial resources and high financing costs. Meanwhile, seriously carrying out the requirements from the four ministries, the Bank actively responded to the two proposes of “fee reduction and profit concession”, helped market entities including small and micro enterprises and individual business owners reduce their pressure, and firmly fulfilled the responsibility of financial service serving the real economy and customer-centric principal to effectively implement the policy of fee reduction and continuously improve the level of inclusive financial services.

In the first quarter of 2022, newly issued loans for private enterprise customers accounted for above 70% of newly issued corporate loans for all customers; at the end of March 2022, the balance of loans to private enterprises increased by 4.3% over the end of last year, accounting for 73.1% of the balance of corporate loans; in the first quarter of the year, the Bank’s loans to small and micro enterprises with single account credit of RMB10 million and below excluding bills financing (“inclusive loans to small and micro enterprises”) was RMB99,308 million, representing a year-on-year increase of 6.6%, and the weighted average interest rate of newly issued inclusive loans declined as compared with the whole of last year in order to better support development of real economy and small and micro enterprises; as of the end of March, the total customers of the inclusive loans to small and micro enterprises was 917.9 thousand, the balance of loans was RMB405,070 million, increased by 6.0% as compared with last year, and the NPL ratio was within a reasonable range. At the end of March 2022, the Bank’s total on-balance sheet and off-balance sheet credit facilities amounted to RMB4,932,785 million, with an increase of 5.4% over the end of last year.

Continuing to promote finance innovation and technology empowerment to achieve breakthroughs in the service model of manufacturing enterprises. The Bank looked deep into the industrial chain of manufacturing, explored the financial needs of ecological customer group scenarios, and constantly innovated iterative financing products and models to meet the customers’ demand on scenario-based, diversified and personalized supply chain finance and help resolve the lack of financing and high costs of financing facing small, medium and micro customers groups; in addition, it deeply implemented integrated management for bills, united external core enterprise platform, B2B platform and other channels through

“Bills + Open banking” new business model, enhanced our ability to reach and serve strategic customer groups and small, medium and micro customer groups, and provided online and low-cost bill discounting financing services for manufacturing enterprises to fuel their high-quality development; furthermore, it created customer operation platform, made Digital Pocket as its operational portal for bulk customer acquisition and served small, medium and micro customer groups through diversified operation in designated regions and completed customer benefits system, and openly exploited, in modularised and standardised manner, its financial and technology capabilities and embedded such capabilities in scenarios through using open banking as a link, to establish an all-round and integrated customer operation platform through ecological operation on small, medium and micro customer groups and strategic customer groups. At the end of March 2022, the growth of the balance of medium and long-term loans to manufacturing of the Bank increased by 8.3%. It was 5.3 percentage points higher than the increase of the total amount of loans issued and principal advanced.

(2) Facilitating rural revitalisation with finance

The Bank earnestly acted upon the spirit of the Central Government, regarded advancing common prosperity as the starting points and focus of financial work, and continued to make efforts in financial services for rural revitalisation and financial support.

In the first quarter of 2022, the Bank’s invested funds of RMB2,590 million for supporting rural revitalisation, with a total investment of RMB38,766 million, it issued 21,584 rural revitalisation debit cards, with a total debit card of 45,075, benefiting 28.3 thousand rural people and 978.3 thousand rural people in total.

In terms of financial services, the Bank has reached strategic cooperation with an agricultural leading central enterprise and issued rural revitalisation loans of RMB800 million to support national food security strategy; it implemented the Bank’s first rural revitalisation government guided fund custody project, with a total of RMB10 billion and initial funds of RMB2 billion, to further support rural revitalisation and East-West cooperation strategy. **In terms of science and technology helping agriculture**, the Bank continuously upgraded the service functions of “digital villages” applet, built a Digital Pocket Rural Revitalisation zone, carried out online activities of AI digital collections and digital cliff village, attracted customers to villages by means of public welfare, consumption helping agriculture, training, cultural tourism, and served agricultural industrial chain customers. **In terms of rural talent cultivation**, in February 2022, Ping An Group has held the launching ceremony of the “Volunteer Activities for the Country People” — insurance, finance, medical and health activities in Ruyuan County of Shaoguan City, Guangdong Province. The Bank has reached cooperation with Shaoguan City to cultivate rural bellwether of becoming rich in the traditional Chinese medicine industry, implemented the first training project,

carried out visits to traditional Chinese medicine enterprises, industrial investment, financial literacy cultivation of leading cadres and other work, and assisted rural revitalisation with financial services.

(3) Actively practicing green finance

The Bank deeply implemented the national strategy to achieve carbon neutrality, actively laid out green financial industry, strongly supported major projects of green industry such as clean energy, energy conservation and environmental protection, clean production, ecological environment, green infrastructure upgrading and green services, and comprehensively promoted the green and sustainable development of the real economy. At the end of March 2022, the balance of domestic green financial businesses of the Bank and Ping An Wealth Management Co., Ltd amounted to RMB133,612 million, representing an increase of 17.5% as compared with the end of last year; the Bank's green credit balance was RMB88,317 million, up by 27.7% from the end of 2021.

The Bank continued to improve the structure, system and process of green finance, provided a series of resource support including credit policies, special quota, incentives and subsidies, and completed green finance service system. The Bank seriously carried out carbon emission reduction support tools of central bank and actively publicized preferential policies for carbon emission reduction to customers; in addition, it further upgraded green financial service activity of “Seven Steps into Poetry-Green into Gold”, carried out special actions for green credit, formulated key customer service policies, developed comprehensive financial service schemes and adaptive products, and continued to increase the intensity of green financial businesses; furthermore, it further deepened the research on green finance policy and industry, released the first white paper on green finance of China's banking, which systematically explains industries related to green finance from the perspective of banking for the first time, focuses on the industrial transformation in the new low-carbon era, the industrial trend under the strategy to achieve carbon neutrality, the green finance system and forward-looking outlook, and publicizes the concept of green finance to the whole society to promote development of green finance.

In March 2022, the Bank won the “Green Bank Outstanding Progress Award” awarded by China Banking Association due to its outstanding contribution to the green finance helping low-carbon transformation of the real economy.

(4) Strengthening consumer rights and interests protection

The Bank adhered to the concept of “consumer protection for the people” and deeply integrated the culture of consumer rights and interests protection into the corporate culture. In terms of educational publicity, the Bank launched the first consumer protection publicity micro-film that focuses on the difficulties of the elderly people in using intelligent technology to help elderly people bridge the “digital gap”, conducted donation activities of financial books, namely “Financial Knowledge Drift”, and continued to promote the

literacy of financial consumers. In terms of customer experience, the Bank adhered to the customer-centric principle, continued to improve customer satisfaction, actively carried out customer satisfaction research and built improved customer experience management system. In the aspect of technology empowerment, the Bank quickly responded to customer questions, provided “warm” services and promoted the application of short message and phone number forgery detection platform to facilitate customers’ self-service inquiry and identify authenticity. In the first quarter of 2022, the number of users visiting the platform increased by 26.1% year-on-year. In terms of dispute resolution, the Bank actively practiced the efforts in the diversified resolution of financial disputes that are professional, efficient, convenient and beneficial to the people, and actively built a joint force for dispute resolution, to effectively protect the legitimate rights and interests of consumers.

1.6 Interest income and expense

1.6.1 Average daily balance and average yield/cost rate of the major asset and liability items

(In RMB million)

Item	January to March 2022			January to March 2021		
	Average daily balance	Interest income/ expenses	Average yield/ cost rate	Average daily balance	Interest income/ expenses	Average yield/ cost rate
Assets						
Loans and advances to customers (including discounted bills)	3,089,518	46,442	6.10%	2,718,374	42,273	6.31%
Bond investment	814,346	5,651	2.81%	771,203	5,486	2.88%
Balances with the Central bank	245,421	892	1.47%	239,742	881	1.49%
Interbank capital business	477,091	3,346	2.84%	472,481	3,434	2.95%
Total interest-earning assets	4,626,376	56,331	4.94%	4,201,800	52,074	5.03%
Liabilities						
Deposits due to customers	3,087,742	15,596	2.05%	2,697,291	13,672	2.06%
Debt securities issued	796,786	5,561	2.83%	633,723	4,599	2.94%
Including: Interbank certificates of deposits	686,804	4,607	2.72%	511,321	3,491	2.77%
Interbank business and others	645,789	3,232	2.03%	738,949	4,037	2.22%
Total interest-bearing liabilities	4,530,317	24,389	2.18%	4,069,963	22,308	2.22%
Net interest income		31,942			29,766	
Deposit-loan spread			4.05%			4.25%
Net interest spread			2.76%			2.81%
Net interest margin			2.80%			2.87%

(In RMB million)

Item	January to March 2022			October to December 2021		
	Average daily balance	Interest income/expenses	Average yield/cost rate	Average daily balance	Interest income/expenses	Average yield/cost rate
Assets						
Loans and advances to customers (including discounted bills)	3,089,518	46,442	6.10%	2,988,637	44,901	5.96%
Bond investment	814,346	5,651	2.81%	760,987	5,714	2.98%
Balances with the Central bank	245,421	892	1.47%	241,157	907	1.49%
Interbank capital business	477,091	3,346	2.84%	461,041	3,327	2.86%
Total interest-earning assets	4,626,376	56,331	4.94%	4,451,822	54,849	4.89%
Liabilities						
Deposits due to customers	3,087,742	15,596	2.05%	2,915,770	14,905	2.03%
Debt securities issued	796,786	5,561	2.83%	837,642	6,075	2.88%
Including: Interbank certificates of deposits	686,804	4,607	2.72%	710,604	4,933	2.75%
Interbank business and others	645,789	3,232	2.03%	618,647	3,094	1.98%
Total interest-bearing liabilities	4,530,317	24,389	2.18%	4,372,059	24,074	2.18%
Net interest income		31,942			30,775	
Deposit-loan spread			4.05%			3.93%
Net interest spread			2.76%			2.71%
Net interest margin			2.80%			2.74%

1.6.2 Average daily balance and yield of loans and advances to customers

(In RMB million)

Item	January to March 2022			January to March 2021		
	Average daily balance	Interest income	Average yield	Average daily balance	Interest income	Average yield
Corporate loans	1,018,028	9,835	3.92%	978,465	9,879	4.09%
Discounted bills	171,014	1,022	2.42%	104,303	730	2.84%
Personal loans	1,900,476	35,585	7.59%	1,635,606	31,664	7.85%
Loans and advances to customers (including discounted bills)	3,089,518	46,442	6.10%	2,718,374	42,273	6.31%

Item	January to March 2022			October to December 2021		
	Average daily balance	Interest income	Average yield	Average daily balance	Interest income	Average yield
Corporate loans	1,018,028	9,835	3.92%	1,001,905	9,854	3.90%
Discounted bills	171,014	1,022	2.42%	129,012	836	2.57%
Personal loans	1,900,476	35,585	7.59%	1,857,720	34,211	7.31%
Loans and advances to customers (including discounted bills)	3,089,518	46,442	6.10%	2,988,637	44,901	5.96%

In the first quarter of 2022, the Bank's average yield of loans and advances to customers was 6.10%, representing a year-on-year decrease of 21 basis points. The average yield of corporate loans was 3.92%, representing a year-on-year decrease of 17 basis points, mainly due to the decline of LPR (Loan Prime Rate) driving to the decrease in loan interest, meanwhile, the Bank actively decreased loan interest, strongly supported the real economy, and as a result, the yield of corporate loans dropped accordingly; The average yield of personal loans was 7.59%, representing a year-on-year decrease of 26 basis points. The Bank vigorously granted credit and loans to low-risk businesses and high-quality customer groups, improved the proportion of high-quality assets, focused on managing high-quality customer groups, enhanced the policy support for major fields such as inclusive finance and consumption, and implemented the policy orientation of financial institutions serving the real economy. The yield of personal loans dropped slightly due to market changes and structure adjustments.

1.6.3 Average daily balance and cost rate of deposits from customers

(In RMB million)

Item	January to March 2022			January to March 2021		
	Average daily balance	Interest expenses	Average cost rate	Average daily balance	Interest expenses	Average cost rate
Corporate deposits	2,291,179	11,021	1.95%	2,019,365	9,846	1.98%
Including: Demand deposits	858,203	1,423	0.67%	793,269	1,189	0.61%
Term deposits	1,432,976	9,598	2.72%	1,226,096	8,657	2.86%
Including: Treasury deposits and agreement deposits	127,636	1,107	3.52%	111,354	1,027	3.74%
Personal deposits	796,563	4,575	2.33%	677,926	3,826	2.29%
Including: Demand deposits	233,126	168	0.29%	226,874	165	0.29%
Term deposits	563,437	4,407	3.17%	451,052	3,661	3.29%
Deposits due to customers	3,087,742	15,596	2.05%	2,697,291	13,672	2.06%

Item	January to March 2022			October to December 2021		
	Average daily balance	Interest expenses	Average cost rate	Average daily balance	Interest expenses	Average cost rate
Corporate deposits	2,291,179	11,021	1.95%	2,176,544	10,579	1.93%
Including: Demand deposits	858,203	1,423	0.67%	854,938	1,455	0.68%
Term deposits	1,432,976	9,598	2.72%	1,321,606	9,124	2.74%
Including: Treasury deposits and agreement deposits	127,636	1,107	3.52%	149,463	1,335	3.54%
Personal deposits	796,563	4,575	2.33%	739,226	4,326	2.32%
Including: Demand deposits	233,126	168	0.29%	221,834	163	0.29%
Term deposits	563,437	4,407	3.17%	517,392	4,163	3.19%
Deposits due to customers	3,087,742	15,596	2.05%	2,915,770	14,905	2.03%

Leveraging the advantage of “Finance + Technology”, the Bank continued to promote the transformation of corporate business and retail business, reshaped the structure of assets and liabilities, and enhanced management to balance deposit “volume-price” relationship. In the first quarter of 2022, the average cost rate of deposits obtained by the Group was 2.05%, representing a decrease of 1 basis point compared with the same period of last year; the average cost rate of corporate deposits was 1.95%, representing a decrease of 3 basis points compared with the same period of last year; the average daily balance of corporate demand deposits was RMB858,203 million, representing an increase of 8.2% compared with the same period of last year; the average cost rate of individual deposits of 2.33%, representing a year-on-year increase of 4 basis points compared with the same period of last year; and the average daily balance of individual demand deposit was RMB233,126 million, representing an increase of 2.8% compared with the same period of last year. The Bank continued to increase AUM, bring individual deposits growth.

1.7 Risk management on real estate industry

The Group attached great importance to risk prevention and quality control of credit granting in the real estate industry. At the end of March 2022, the aggregate balance of credit risk-bearing businesses of the Group amounted to RMB345,469 million including actual and contingent credits and loans, proprietary bond investments, and proprietary non-standard investments, with an increase of RMB4,380 million as compared with the end of last year; the aggregate balance of non-credit risk bearing businesses of the Group amounted to RMB119,865 million including wealth management capital contribution, entrust loans, trusts and funds management and consignment for cooperative institutions, lead underwriting of debt financing instruments, with a decrease of RMB821 million as compared with the end of last year.

Including:

(1) Credit risk-bearing business involving real estate mainly included the real estate loans to corporates, with the balance of RMB292,820 million, representing an increase of RMB3,897 million as compared with the end of last year. Among them, the real estate development loans totaled RMB116,248 million, accounting for 3.7% of the Bank's total principals of loans and advances to customers, and down by 0.1 percentage point as compared with the end of last year, of which all mortgages had been effectively implemented, with an average mortgage rate of 45.9%, and 96% of loans were distributed in the urban areas of first and second tier cities, the Greater Bay Area and the Yangtze River Delta region; the operating property loans, mergers and acquisitions loans and others totaled RMB176,572 million, mainly including mature property mortgages, with an average mortgage rate of 45.1%, and 98% of loans were distributed in the urban areas of first and second tier cities, the Greater Bay Area and the Yangtze River Delta region. At the end of March of 2022, the Bank's NPL ratio of corporate real estate was 0.45%, which was lower than its corporate NPL ratio of 0.28 percentage point.

(2) Non-credit risk bearing business involving real estate included trusts and funds management and consignment for cooperative institutions, with a total of RMB61,046 million, representing a decrease of RMB7,859 million as compared with the end of last year, among which the product size of underlying assets corresponding to specific projects and the assets with high-quality pledge of stock rights reached RMB50,504 million, and 94% of which were distributed in the urban areas of first and second tier cities, the Greater Bay Area and the Yangtze River Delta region. The other business included high level private placement bonds and asset securitization products.

Since the end of 2021, under the guidance of positive circulation and sound development in the real estate industry and delivery guaranteed housing policy, the overall policy environment of the real estate industry has been eased. Next, following the fundamental policy of "houses are for living, not for speculation", the Group will continue to implement the regulatory requirements, effectively conduct a balanced and orderly allocation of real estate loans, focus on supporting the development and operation of government-subsidized housing and rental housing and the acquisition of real estate projects complying with policy orientation, selectively support the development of ordinary commercial housing with real demands supported, and actively participate in the underwriting and investment in mergers and acquisitions bond of real estate enterprises. At the same time, it will continue to strengthen risk management and control of real estate loans, insist on the same weighting of loans and management. Further, it will emphasize the "well-managed project" based on sticking to the "well-selected project", and upgrade the requirement of capital enclosed management and online tools for post-loan management to achieve holistic monitoring of customer management, project progress, assets status and capital flow.

1.8 Asset quality

1.8.1 Five-tier classification of loans and advances to customers

(In RMB million)

Item	31 March 2022		31 December 2021		Change at the end of the reporting period from the end of last year
	Balance	Percentage	Balance	Percentage	
Normal loans	3,078,026	97.57%	2,988,759	97.56%	3.0%
Special mentioned loans	44,409	1.41%	43,414	1.42%	2.3%
Non-performing loans	32,060	1.02%	31,275	1.02%	2.5%
Including: Substandard	21,018	0.67%	17,971	0.59%	17.0%
Doubtful	6,460	0.20%	7,390	0.24%	(12.6%)
Loss	4,582	0.15%	5,914	0.19%	(22.5%)
Total principal of loans and advances to customers	3,154,495	100.00%	3,063,448	100.00%	3.0%
Impairment provision for loans and advances to customers	(92,686)		(90,202)		2.8%
Including: Impairment provision for loans and advances to customers measured at amortised cost	(91,326)		(89,256)		2.3%
Impairment provision for loans and advances to customers designated at fair value and changes included into other comprehensive income	(1,360)		(946)		43.8%
Non-performing loan ratio	1.02%		1.02%		-
Deviation ratio of loans overdue for more than 90 days (Note 1)	0.76		0.73		+0.03
Deviation ratio of loans overdue for more than 60 days (Note 2)	0.91		0.85		+0.06
Provision coverage ratio	289.10%		288.42%		+0.68 percentage point
Provision coverage ratio for loans overdue for more than 90 days	377.96%		397.40%		-19.44 percentage points
Provision coverage ratio for loans overdue for more than 60 days	316.45%		338.22%		-21.77 percentage points
Provision to loan ratio	2.94%		2.94%		-

Notes:

(1) Deviation ratio of loans overdue for more than 90 days=Balance of loans overdue for more than 90 days/Balance of non-performing loans.

(2) Deviation ratio of loans overdue for more than 60 days = Balance of loans overdue for more than 60 days/Balance of non-performing loans

1.8.2 Structural distribution and quality of loans and advances to customers as per products

(In RMB million)

Item	31 March 2022		31 December 2021		Increase/decrease in non-performing ratio
	Balance	NPL ratio	Balance	NPL ratio	
Corporate loans	1,241,024	0.73%	1,153,127	0.71%	+0.02 percentage point

Including: General corporate loans	1,043,434	0.87%	998,474	0.82%	+0.05 percentage point
Discounted bills	197,590	-	154,653	-	-
Personal loans	1,913,471	1.20%	1,910,321	1.21%	-0.01 percentage point
Including: Personal residential mortgage loans and title deed-secured loans (Note 1)	669,423	0.33%	654,870	0.34%	-0.01 percentage point
Xinyidai	165,578	0.95%	158,981	1.01%	-0.06 percentage point
Auto finance loans	313,637	1.28%	301,229	1.26%	+0.02 percentage point
Credit card receivables	606,259	2.08%	621,448	2.11%	-0.03 percentage point
Others (Note 2)	158,574	1.65%	173,793	1.40%	+0.25 percentage point
Total principal of loans and advances to customers	3,154,495	1.02%	3,063,448	1.02%	-

Notes:

- (1) “Personal residential mortgage loans and title deed-secured loans” included the balance of “property mortgage” of RMB282,311 million at the end of March 2022 (RMB279,376 million at the end of 2021).
- (2) “Others” included personal operating loans, small consumer loans and other guaranteed or pledged loans.

As at the end of March 2022, the NPL ratio of the Bank’s corporate loans was 0.73%, up by 0.02 percentage point from the end of last year. The Bank continued to improve and optimise risk policies, and implement classified policies for customers in key areas, it also continued to optimise and improve post-lending required actions, focused on essential risk management and control of customers more effectively and agilely, strengthened pre-loan issue management, further enhanced risk mitigation for customers in key areas, and strengthened the recovery and disposal of problematic assets. Credit indicators of corporate maintained overall stable.

As at the end of March 2022, the NPL ratio of the Bank’s personal loans was 1.20%, down by 0.01 percentage point from the end of last year. The asset quality of core products maintained steady. Since the beginning of 2022, the pandemic of COVID-19 has resurged repeatedly in China, which had an impact on the employment and income of retail customers. Since the second half of 2021, the Bank has increased inspection frequency on pre-lending policies, and strictly controlled customer access, strengthened the disposal of non-performing loans while expanding collection and recovery channels. In the meanwhile, the Bank continued to implement differential risk management policies, iteratively optimised risk control model, improved customer group structure, so as to effectively increase its ability to withstand risks. In addition, the Bank continued to implement regulatory requirements, based on precise customer’s risk portraits, it provided high-quality small and micro enterprises (“SMEs”) with favorable loan pricing to serve the real economy in a better way and reduce the financing costs of individual business owners and SME owners.

1.8.3 Overdue loans

(In RMB million)

Item	31 March 2022		31 December 2021	
	Balance	% of total loans	Balance	% of total loans
Loans with principal and interest overdue for no more than 90 days	26,491	0.84%	26,651	0.87%
Loans with principal and interest overdue for more than 90 days	24,523	0.78%	22,698	0.74%

At the end of March 2022, the Bank's balance of loans overdue accounted for 1.62%, with an increase of 0.01 percentage point as compared with the end of last year. The balance of loans overdue for no more than 90 days (including loans with principal paid and interest overdue for no more than 90 days) was RMB26,491 million, accounting for 0.84% of total principal of loans and advances to customers, with a decrease of 0.03 percentage point over the end of last year; the balance of loans overdue for more than 90 days (including loans with principal paid and interest overdue for more than 90 days) was RMB24,523 million, accounting for 0.78% of total principal of loans and advances to customers, with an increase of 0.04 percentage point over the end of last year; the balance of loans overdue for more than 60 days (including loans with principal paid and interest overdue for more than 60 days) was RMB29,289 million, accounting for 0.93% of total principal of loans and advances to customers, with an increase of 0.06 percentage point over the end of last year. In respect of overdue loans, the Bank took multiple targeted management and control actions, and developed recovery and restructuring conversion plans based on the actual conditions of customers. The Bank actively communicated with each related party to actively promote risk management and dissolving. Currently, the overall risks were controllable.

1.9 Capital adequacy ratio, leverage ratio and liquidity coverage ratio

1.9.1 Capital adequacy ratio

(In RMB million)

Item	31 March 2022		31 December 2021	
	The Group	The Bank	The Group	The Bank
Net core tier 1 capital	317,772	310,051	306,549	299,103
Other tier 1 capital	69,944	69,944	69,944	69,944
Net tier 1 capital	387,716	379,995	376,493	369,047
Tier 2 capital	100,485	100,449	99,351	99,316
Net capital	488,201	480,444	475,844	468,363
Total risk-weighted assets	3,676,942	3,671,659	3,566,465	3,561,379
Credit risk-weighted assets	3,280,089	3,277,152	3,188,577	3,185,755
On-balance-sheet risk-weighted assets	2,836,472	2,833,535	2,741,966	2,739,144

Off-balance-sheet risk-weighted assets	429,128	429,128	431,405	431,405
Risk-weighted assets of counterparty credit risk exposure	14,489	14,489	15,206	15,206
Market risk-weighted assets	109,385	108,921	90,420	90,038
Operational risk-weighted assets	287,468	285,586	287,468	285,586
Core tier 1 capital adequacy ratio	8.64%	8.44%	8.60%	8.40%
Tier 1 capital adequacy ratio	10.54%	10.35%	10.56%	10.36%
Capital adequacy ratio	13.28%	13.09%	13.34%	13.15%

At the end of March 2022, the Group's capital adequacy ratio of all tiers met regulatory requirements, and the core tier 1 capital adequacy ratio increased by 0.04 percentage point as compared with the end of last year. The Bank improved refinement level on capital management while continuously supporting the real economy. For next stage, the Bank will continue to deepen capital management reform, improve capital efficiency, and maintain capital adequacy ratio steady.

1.9.2 Leverage ratio

(In RMB million)

Item	31 March 2022	31 December 2021	30 September 2021	30 June 2021
Leverage ratio	6.30%	6.33%	6.39%	6.40%
Net tier 1 capital	387,716	376,493	367,247	355,338
Balance of on-and off-balance sheet assets after adjustment	6,153,921	5,945,674	5,747,892	5,553,344

Note: The above data represents the performance at the Group level. At the end of the reporting period, the decrease in leverage ratio of the Group from the end of 2021 was mainly due to the growth rate of the balance of on- and off-balance sheet assets after adjustment was slightly higher than that of net tier 1 capital.

1.9.3 Liquidity coverage ratio

(In RMB million)

Item	31 March 2022	31 December 2021
Liquidity coverage ratio	113.61%	103.52%
Qualified current assets	537,265	512,421
Net cash outflow	472,893	495,013

Note: The above data represents the performance at the Group level. The Group discloses information on liquidity coverage ratio according to the *Measures for the Disclosure of Information on Liquidity Coverage Ratio of Commercial Banks* (《商業銀行流動性覆蓋率資訊披露辦法》) issued by the China Banking and Insurance Regulatory Commission (CBIRC).

Section II Shareholders Information

2.1 Number of ordinary shareholders and of preference shareholders with restored voting rights, and the shareholdings of the top 10 shareholders

(Unit: Share)

Total number of ordinary shareholders as at the end of the reporting period		508,679	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)	-		
Shareholdings of the top ten ordinary shareholders						
Name of shareholder	Nature of shareholder	Share holding (%)	Number of shares	Number of selling – restricted shares held	Pledged, tagged or frozen	
					Status of shares	Number of shares
Ping An Insurance (Group) Company of China, Ltd.-the Group -proprietary fund	Domestic legal entity	49.56	9,618,540,236	-	-	-
Hong Kong Securities Clearing Company Limited	Overseas legal entity	8.40	1,630,005,420	-	-	-
Ping An Life Insurance Company of China, Ltd. - proprietary fund	Domestic legal entity	6.11	1,186,100,488	-	-	-
Ping An Life Insurance Company of China, Ltd.- traditional - ordinary insurance products	Domestic legal entity	2.27	440,478,714	-	-	-
China Securities Finance Corporation Limited	Domestic legal entity	2.21	429,232,688	-	-	-
Bank of China Limited - E Fund Selected Blue-chip Mixed Securities Investment Fund	Domestic legal entity	0.67	130,000,000	-	-	-
China Electronics Investment Shenzhen Company	Domestic legal entity	0.32	62,523,366	-	-	-
CITIC Securities - China CITIC Bank - CITIC Securities Premier Growth Two-Year Holding Mixed Collective Asset Management Plan	Domestic legal entity	0.32	61,892,884	-	-	-
Bank of Communications Co., Ltd. - E Fund Shanghai Stock Exchange 50-Index Enhanced Securities Investment Fund	Domestic legal entity	0.32	61,143,542	-	-	-
New China Life Insurance Company Ltd.- dividend - dividends for individual - 018L - FH002Shen	Domestic legal entity	0.29	57,168,708	-	-	-

Shareholdings of the top ten shareholders not subject to restrictions			
Name of shareholder	Number of selling-unrestricted shares held	Type of shares	
		Type of shares	Number of shares
Ping An Insurance (Group) Company of China, Ltd.-the Group -proprietary fund	9,618,540,236	RMB ordinary shares	9,618,540,236
Hong Kong Securities Clearing Company Limited	1,630,005,420	RMB ordinary shares	1,630,005,420
Ping An Life Insurance Company of China, Ltd. - proprietary fund	1,186,100,488	RMB ordinary shares	1,186,100,488
Ping An Life Insurance Company of China, Ltd. - traditional - ordinary insurance products	440,478,714	RMB ordinary shares	440,478,714
China Securities Finance Corporation Limited	429,232,688	RMB ordinary shares	429,232,688
Bank of China Limited - E Fund Selected Blue-chip Mixed Securities Investment Fund	130,000,000	RMB ordinary shares	130,000,000
China Electronics Investment Shenzhen Company	62,523,366	RMB ordinary shares	62,523,366
CITIC Securities - China CITIC Bank - CITIC Securities Premier Growth Two-Year Holding Mixed Collective Asset Management Plan	61,892,884	RMB ordinary shares	61,892,884
Bank of Communications Co., Ltd. - E Fund Shanghai Stock Exchange 50-Index Enhanced Securities Investment Fund	61,143,542	RMB ordinary shares	61,143,542
New China Life Insurance Company Ltd.- dividend - dividends for individual - 018L - FH002Shen	57,168,708	RMB ordinary shares	57,168,708
Explanation of the related party relationship or acting-in-concert relationship among the above shareholders	<p>1. Ping An Life Insurance Company of China, Ltd. is a majority-owned subsidiary of and person acting in concert with Ping An Insurance (Group) Company of China, Ltd. “Ping An Insurance (Group) Company of China, Ltd. – the Group – proprietary fund”, “Ping An Life Insurance Company of China, Ltd. – proprietary fund” and “Ping An Life Insurance Company of China, Ltd. – traditional – ordinary insurance product” are related.</p> <p>2. The Bank is not aware of any related-party relationship or parties acting in concert among other shareholders.</p>		
Description of the top ten ordinary shareholders who engage in securities margin trading business (if any)	Not applicable		

Whether any of the top ten ordinary shareholders and the top ten selling-unrestricted ordinary shareholders has executed any agreed repurchase during the reporting period

Yes No

2.2 Total number of preference shareholders, and the shareholdings of the top ten preference shareholders

(Unit: Share)

Total number of preference shareholders as at the end of the reporting period	15			Total number of preference shares with restored voting rights (if any)	-	
Shareholdings of the top ten preference shareholders						
Name of shareholder	Nature of shareholder	Shareholding (%)	Number of shares	Number of selling – restricted shares held	Pledged, tagged or frozen	
					Status of shares	Number of shares
Ping An Life Insurance Company of China, Ltd. - dividend - dividends for individual insurance	Domestic legal entity	29.00	58,000,000	-	-	-
Ping An Life Insurance Company of China, Ltd. - universal - individual universal insurance	Domestic legal entity	19.34	38,670,000	-	-	-
Ping An Property & Casualty Insurance Company of China, Ltd. - traditional - ordinary insurance products	Domestic legal entity	9.67	19,330,000	-	-	-
Bank of Communications Schroder Asset Management - Bank of Communications - Bank of Communications Schroder Asset Management Zhuoyuan No. 1 Collective Asset Management Plan	Domestic legal entity	8.95	17,905,000	-	-	-
TruValue Asset Management - Hua Xia Bank - CJHX Taize No. 6 Collective Asset Management Plan	Domestic legal entity	6.45	12,905,000	-	-	-
Hwabao Trust Co., Ltd. - Hwabao Trust - Baofu Investment No. 1 Collective Capital Trust Plan	Domestic legal entity	4.52	9,040,000	-	-	-
Bank of China Limited Shanghai Branch	Domestic legal entity	4.47	8,930,000	-	-	-
Jiangsu International Trust Corporation Limited - Jiangsu Trust - Hexiang Tianli No.1 Collective Capital Trust Plan	Domestic legal entity	3.66	7,325,000	-	-	-
Postal Savings Bank of China Co., Ltd.	Domestic legal entity	2.98	5,950,000	-	-	-

CITIC Securities - Postal Saving Bank - CITIC Securities Star No. 28 Collective Asset Management Plan	Domestic legal entity	2.98	5,950,000	-	-	-
Explanation of the related party relationship or acting-in-concert relationship among the above shareholders	<p>1. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. are controlled subsidiaries of and person acting in concert with the Ping An Insurance (Group) Company of China, Ltd. “Ping An Life Insurance Company of China, Ltd. – dividend – individual dividend”, “Ping An Life Insurance Company of China, Ltd. – universal – individual universal” and “Ping An Property & Casualty Insurance Company of China, Ltd. – traditional – ordinary insurance products” are related parties.</p> <p>2. The Bank is not aware of any related-party relationship or parties acting in concert among other shareholders.</p>					

Section III Other Significant Matters

Applicable Not applicable

Section IV Financial Statements

4.1 Financial statements

1. Consolidated and company balance sheet (unaudited)
2. Consolidated and company income statement (unaudited)
3. Consolidated and company cash flow statement (unaudited)

PING AN BANK CO., LTD.
CONSOLIDATED BALANCE SHEET
31 March 2022

Assets	In RMB million	
	31 March 2022	31 December 2021
Cash and balances with the Central bank	354,541	312,033
Deposits with banks and other financial institutions	71,279	78,215
Precious metals	14,276	17,820
Inter-bank placements	131,340	94,473
Derivative financial assets	30,842	30,238
Financial assets held under resale agreements	27,871	6,388
Loans and advances to customers	3,073,982	2,984,753
Financial investments:		
Financial assets held for trading	399,245	389,703
Investment on debts	730,932	738,166
Other debt investments	167,442	152,428
Other equity investments	5,410	2,592
Investment properties	516	558
Fixed assets	11,566	11,974
Right-of-use assets	6,511	6,771
Intangible assets	5,644	5,801
Goodwill	7,568	7,568
Deferred income tax assets	38,041	39,735
Other assets	40,943	42,164
Total assets	5,117,949	4,921,380
Liabilities and shareholders' equity		
Liabilities		
Borrowings from the Central Bank	207,891	148,162
Deposits from banks and other financial institutions	345,324	345,131
Placements from banks and other financial institutions	35,852	32,394
Tradable financial liabilities	73,630	43,421
Derivative financial liabilities	30,706	31,092
Financial assets sold under repurchase agreements	-	47,703
Deposits due to customers	3,179,933	2,990,518
Salaries and welfare payable	14,730	18,095
Taxes payable	12,908	11,685
Debt securities issued	770,219	823,934
Lease liabilities	6,812	6,968
Provisions	4,188	3,944
Other liabilities	29,581	22,885
Total liabilities	4,711,774	4,525,932
Shareholders' equity		
Share capital	19,406	19,406
Other equity instruments	69,944	69,944
Including: Preference shares	19,953	19,953
Perpetual bonds	49,991	49,991
Capital reserve	80,816	80,816
Other comprehensive income	1,691	1,785
Surplus reserve	10,781	10,781
General reserve	58,733	58,339
Retained earnings	164,804	154,377
Total shareholders' equity	406,175	395,448
Total Liabilities and shareholders' equity	5,117,949	4,921,380

Legal Representative	_____ Xie Yonglin	President	_____ Hu Yuefei	Vice President and CFO	_____ Xiang Youzhi	Head of accounting department	_____ Zhu Peiqing
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PING AN BANK CO., LTD.
BALANCE SHEET
31 March 2022

	In RMB million	
Assets	31 March 2022	31 December 2021
Cash and balances with the Central bank	354,541	312,033
Deposits with banks and other financial institutions	71,189	77,890
Precious metals	14,276	17,820
Inter-bank placements	131,340	94,473
Derivative financial assets	30,842	30,238
Financial assets held under resale agreements	27,871	6,388
Loans and advances to customers	3,073,982	2,984,753
Financial investments:		
Financial assets held for trading	396,436	386,946
Investment on debts	729,895	737,139
Other debt investments	165,346	151,426
Other equity investments	5,410	2,592
Long-term equity investments	5,000	5,000
Investment properties	516	558
Fixed assets	11,540	11,947
Right-of-use assets	6,483	6,743
Intangible assets	5,644	5,801
Goodwill	7,568	7,568
Deferred income tax assets	38,016	39,719
Other assets	40,776	42,039
Total assets	5,116,671	4,921,073
Liabilities and shareholders' equity		
Liabilities		
Borrowings from the Central Bank	207,891	148,162
Deposits from banks and other financial institutions	346,150	346,225
Placements from banks and other financial institutions	35,852	32,394
Tradable financial liabilities	73,630	43,421
Derivative financial liabilities	30,706	31,092
Financial assets sold under repurchase agreements	-	47,703
Deposits due to customers	3,179,936	2,990,522
Salaries and welfare payable	14,593	17,866
Taxes payable	12,799	11,418
Debt securities issued	770,219	823,934
Lease liabilities	6,786	6,943
Provisions	4,188	3,944
Other liabilities	29,767	23,782
Total liabilities	4,712,517	4,527,406
Shareholders' equity		
Share capital	19,406	19,406
Other equity instruments	69,944	69,944
Including: Preference shares	19,953	19,953
Perpetual bonds	49,991	49,991
Capital reserve	80,816	80,816
Other comprehensive income	1,690	1,784
Surplus reserve	10,781	10,781
General reserve	57,083	57,083
Retained earnings	164,434	153,853
Total shareholders' equity	404,154	393,667
Total Liabilities and shareholders' equity	5,116,671	4,921,073

Legal Representative	Xie Yonglin	President	Hu Yuefei	Vice President and CFO	Xiang Youzhi	Head of accounting department	Zhu Peiqing
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PING AN BANK CO., LTD.
CONSOLIDATED INCOME STATEMENT
January to March 2022

Item	In RMB million	
	January to March 2022	January to March 2021
I. Operating income	46,207	41,788
Net interest income	31,942	29,766
Interest income	56,331	52,074
Interest expenses	24,389	22,308
Net fee and commission income	8,887	8,481
Fee and commission income	10,736	10,733
Fee and commission expenses	1,849	2,252
Investment income	3,878	2,757
Including: Gains from derecognition of financial assets measured at amortised cost	68	84
Gains and losses on changes in fair value	690	176
Exchange gains or losses	661	503
Other operating income	23	24
Gains or losses on disposal of assets	78	20
Other income	48	61
II. Operating expenses	12,544	12,162
Taxes and surcharges	438	412
Operating and administrative expenses	12,106	11,750
III. Operating profit before impairment losses	33,663	29,626
Impairment losses on credit	17,329	16,695
Impairment losses on other assets	(6)	2
IV. Operating profit	16,340	12,929
Add: Non-operating income	14	19
Less: Non-operating expenses	170	74
V. Profit before tax	16,184	12,874
Less: Income tax Expenses	3,334	2,742
VI. Net profit	12,850	10,132
Net profit from continued operations	12,850	10,132
Net profit from discontinued operations	-	-
VII. Other comprehensive income, net of tax	(94)	383
(I) Not to be reclassified into profit or loss in subsequent periods	(51)	4
Changes in fair value of other equity investments	(51)	4
(II) To be reclassified into profit or loss in subsequent periods	(43)	379
1. Changes in fair value of financial assets designated at fair value and changes included into other comprehensive income	(653)	35
2. Provision for credit losses on financial assets designated at fair value and changes included into other comprehensive income	609	396
3. Cash flow hedging reserve	-	(53)
4. Exchange differences on translation of foreign currency financial statements	1	1
VIII. Total comprehensive income	12,756	10,515
IX. Earnings per share		
(I) Basic earnings per share (EPS) (RMB/share)	0.56	0.42
(II) Diluted earnings per share (EPS) (RMB/share)	0.56	0.42

Legal Representative	President	Vice President and CFO	Head of accounting department
Xie Yonglin	Hu Yuefei	Xiang Youzhi	Zhu Peiqing

PING AN BANK CO., LTD.
INCOME STATEMENT
January to March 2022

Item	In RMB million	
	January to March 2022	January to March 2021
I. Operating income	45,806	41,124
Net interest income	31,908	29,751
Interest income	56,305	52,061
Interest expenses	24,397	22,310
Net fee and commission income	8,511	7,854
Fee and commission income	10,577	10,705
Fee and commission expenses	2,066	2,851
Investment income	3,851	2,734
Including: Gains from derecognition of financial assets measured at amortised cost	68	84
Gains and losses on changes in fair value	727	177
Exchange gains or losses	661	503
Other operating income	23	24
Gains or losses on disposal of assets	78	20
Other income	47	61
II. Operating expenses	12,443	12,060
Taxes and surcharges	435	408
Operating and administrative expenses	12,008	11,652
III. Operating profit before impairment losses	33,363	29,064
Impairment losses on credit	17,330	16,694
Impairment losses on other assets	(6)	2
IV. Operating profit	16,039	12,368
Add: Non-operating income	14	19
Less: Non-operating expenses	170	74
V. Profit before tax	15,883	12,313
Less: Income tax Expenses	3,273	2,633
VI. Net profit	12,610	9,680
Net profit from continued operations	12,610	9,680
Net profit from discontinued operations	-	-
VII. Other comprehensive income, net of tax	(94)	387
(I) Not to be reclassified into profit or loss in subsequent periods	(51)	4
Changes in fair value of other equity investments	(51)	4
(II) To be reclassified into profit or loss in subsequent periods	(43)	383
1. Changes in fair value of financial assets designated at fair value and changes included into other comprehensive income	(652)	39
2. Provision for credit losses on financial assets designated at fair value and changes included into other comprehensive income	608	396
3. Cash flow hedging reserve	-	(53)
4. Exchange differences on translation of foreign currency financial statements	1	1
VIII. Total comprehensive income	12,516	10,067

Legal Representative _____	President _____	Vice President and CFO _____	Head of accounting department _____
Xie Yonglin	Hu Yuefei	Xiang Youzhi	Zhu Peiqing

PING AN BANK CO., LTD.
CASH FLOW STATEMENT
January to March 2022

Item	In RMB million	
	January to March 2022	January to March 2021
I. Cash flows from operating activities		
Net increase in borrowings from the Central bank	59,701	-
Net increase in customer deposits and deposits from banks and other financial institutions	186,549	75,400
Net decrease in inter-bank placements	-	7,009
Net increase in placements from banks and other financial institutions	3,442	-
Net decrease in financial assets held under resale agreements	249	10
Net decrease in financial assets held for trading	-	26,700
Cash received from interest and fee and commission income	62,218	57,596
Cash received relating to other operating activities	47,146	33,619
Sub-total of cash inflows	359,305	200,334
Net increase in amounts due from the Central Bank and deposits with banks and other financial institutions	10,108	15,103
Net decrease in borrowings from the Central bank	-	120
Net increase in loans and advances to customers	107,036	121,222
Net increase in inter-bank placements	8,374	-
Net decrease in placements from banks and other financial institutions	-	16,777
Net increase in financial assets held for trading	4,901	-
Net decrease in financial assets sold under repurchase agreements	47,591	17,825
Cash payments for interest and fee and commission expenses	17,585	17,823
Cash paid to and on behalf of employees	8,955	8,535
Payments of taxes and surcharges	3,508	2,637
Cash paid relating to other operating activities	4,981	12,672
Sub-total of cash outflows	213,039	212,714
Net cash flows from/(used in) operating activities	146,266	(12,380)
II. Cash flows from investing activities:		
Cash received from investments upon disposal/maturity	131,168	89,125
Cash received from returns on investments	8,838	7,800
Cash received from disposal of property and equipment and other long-term assets	79	15
Sub-total of cash inflows	140,085	96,940
Cash payments for investments	143,752	106,256
Cash paid to acquire property and equipment, intangible assets and other long-term assets	200	3,532
Sub-total of cash outflows	143,952	109,788
Net cash flows used in investing activities	(3,867)	(12,848)
III. Cash flows from financing activities:		
Cash received from debt securities issued	223,444	257,625
Sub-total of cash inflows	223,444	257,625
Cash payments for principal of debt securities	281,719	225,268
Cash payments for interest of debt securities	1,001	83
Cash payments for dividend and profit appropriation	2,029	2,029
Cash payments for lease liabilities	640	654
Cash paid relating to other financing activities	-	95
Sub-total of cash outflows	285,389	228,129
Net cash flows (used in)/from financing activities	(61,945)	29,496
IV. Effect of foreign exchange rate changes on cash and cash equivalents	(477)	17
V. Net increase in cash and cash equivalents	79,977	4,285
Add: Cash and cash equivalents at the beginning of the year	224,895	278,184
VI. Cash and cash equivalents at the end of the period	304,872	282,469

Legal Representative

Xie Yonglin

President

Hu Yuefei

Vice President and CFO

Xiang Youzhi

Head of accounting department

Zhu Peiqing

4.2 Auditor's report

Whether the First Quarterly Reports have been audited.

Yes No

These first quarterly consolidated and company reports have not been audited.

Board of Directors of Ping An Bank Co., Ltd.

27 April 2022