

# Bank of Tianjin Co., LTD.\*

(A joint stock company incorporated in the People's Republic of China with limited liability)  
(Stock code: 1578)



## 2019 Interim Report

\* *Bank of Tianjin Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

# Contents

Definitions	2
Company Profile	4
Summary of Accounting Data and Financial Indicators	6
Management Discussion and Analysis	10
Changes in Share Capital and Information on Shareholders	62
Directors, Supervisors, Senior Management and Employees	67
Important Events	74
Report on Review of Condensed Consolidated Financial Statements	80
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	81
Condensed Consolidated Statement of Financial Position	83
Condensed Consolidated Statement of Changes in Equity	85
Condensed Consolidated Statement of Cash Flows	86
Notes to Condensed Consolidated Financial Statements	88
Unaudited Supplementary Financial Information	142
List of Branches	148

## Definitions

In this interim report, unless the context otherwise requires, the following items shall have the meanings set out below:

“Articles of Association”	the articles of association of the Bank as may be amended, supplemented or otherwise modified from time to time
“Bank”, “our Bank”, “we” or “us”	Bank of Tianjin Co., Ltd. (天津銀行股份有限公司), a joint stock company incorporated on 6 November 1996 in Tianjin, China with limited liability in accordance with PRC laws, and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches
“Board” or “Board of Directors”	the board of Directors of the Bank
“Board of Supervisors”	the board of Supervisors of the Bank
“CBIRC”	the China Banking and Insurance Regulatory Commission
“CBIRC Tianjin Office”	Tianjin Regulatory Bureau of China Banking and Insurance Regulatory Commission
“China” or “PRC”	the People’s Republic of China, excluding for the purposes of this interim report Hong Kong, Taiwan and Macau
“Director(s)”	the director(s) of the Bank
“Domestic Shares”	ordinary shares issued by our Bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi
“Foreign Shares”	ordinary shares issued by our Bank, with a nominal value of RMB1.00 each, which are subscribed for in a currency other than Renminbi, or the consideration for which is the injection of assets and are held by persons other than PRC nationals or PRC corporate entities, and are not listed on any stock exchange
“H Shares”	ordinary shares issued by our Bank, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## Definitions

"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"PBoC" or "Central Bank"	The People's Bank of China (中國人民銀行)
"Reporting Period"	the six months ended 30 June 2019
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	the shareholder(s) of the Bank
"Share(s)"	our ordinary shares in the share capital with a nominal value of RMB1.00 each
"Supervisor(s)"	the supervisor(s) of the Bank

## Company Profile

Legal Chinese Name	天津銀行股份有限公司
Abbreviation in Chinese	天津銀行
Legal English Name	Bank of Tianjin Co., Ltd.
Abbreviation in English	Bank of Tianjin
Legal Representative	LI Zongtang
Authorized Representatives	ZHANG Furong, NGAI Wai Fung
Board Secretary	ZHANG Furong
Joint Company Secretaries	ZHANG Furong, NGAI Wai Fung
Registered Address and Headquarter Address	No. 15 Youyi Road, Hexi District, Tianjin, China
Principal Place of Business in Hong Kong	40/F, Sunlight Tower, 248 Queen's Road East, Wanchai, Hong Kong
Telephone	86-22-2840 5262
Facsimile	86-22-2840 5518
Email	bangongshi@bankoftianjin.com
Website	www.bankoftianjin.com
Website of Hong Kong Stock Exchange for Publishing H Share Interim Report	www.hkexnews.hk
Date of Initial Registration	6 November 1996
Business License No. of Corporation	120000000007636
Uniform Social Credit Code	911200001030702984
Finance Permit Institution Number	B0108H212000001

## Company Profile

<b>Listing Place of H Shares</b>	The Stock Exchange of Hong Kong Limited
<b>Stock Name</b>	Bank of Tianjin
<b>Stock Code</b>	1578
<b>H Share Registrar</b>	Computershare Hong Kong Investor Services Limited Rooms 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
<b>Legal Advisor as to PRC Laws</b>	GRANDALL LAW FIRM (TIANJIN)
<b>Legal Advisor as to Hong Kong Laws</b>	Paul Hastings 21-22/F, Bank of China Tower 1 Garden Road Hong Kong
<b>Auditor</b>	Domestic Auditor: Deloitte Touche Tohmatsu Certified Public Accountants LLP 30/F, Bund Center No. 222 East Yanan Road Shanghai, PRC  International Auditor: Deloitte Touche Tohmatsu 35/F One Pacific Place 88 Queensway Hong Kong

## Summary of Accounting Data and Financial Indicators

	For the six months ended 30 June		Rate of change (%)
	2019	2018	
	(Amounts in thousands of RMB unless otherwise stated)		
<b>OPERATING RESULTS</b>			
Interest income	15,953,879	12,703,261	25.6
Interest expense	(9,487,780)	(10,737,324)	(11.6)
<b>NET INTEREST INCOME</b>	<b>6,466,099</b>	1,965,937	228.9
Investment income	824,219	2,776,471	(70.3)
Fee and commission income	1,064,950	951,523	11.9
Fee and commission expense	(14,869)	(47,719)	(68.8)
<b>NET FEE AND COMMISSION INCOME</b>	<b>1,050,081</b>	903,804	16.2
Net trading gains	358,873	294,359	21.9
Net gains arising from derecognition of financial assets measured at amortized cost	83,826	36,202	131.6
Other income, gains or losses	72,230	(15,874)	555.0
<b>OPERATING INCOME</b>	<b>8,855,328</b>	5,960,899	48.6
Operating expenses	(1,921,770)	(1,572,750)	22.2
Impairment losses under expected credit loss (ECL) model, net of reversals	(3,038,529)	(748,950)	305.7
Share of results of associates	8,051	(2,634)	405.7
<b>PROFIT BEFORE TAX</b>	<b>3,903,080</b>	3,636,565	7.3
Income tax expense	(759,842)	(771,572)	(1.5)
<b>PROFIT FOR THE PERIOD</b>	<b>3,143,238</b>	2,864,993	9.7
Profit for the period attributable to:			
<b>Equity holders of the Bank</b>	<b>3,113,189</b>	2,840,472	9.6
<b>Non-controlling interests</b>	<b>30,049</b>	24,521	22.5
	<b>3,143,238</b>	2,864,993	9.7
<b>Earnings per share attributable to equity holders of the Bank (Expressed in RMB Yuan per share)</b>			
– Basic	0.51	0.47	8.5



## Summary of Accounting Data and Financial Indicators

	As of 30 June 2019	As of 31 December 2018	Rate of change (%)
(Amounts in thousands of RMB unless otherwise stated)			
<b>MAJOR INDICATORS OF ASSETS/LIABILITIES</b>			
<b>Total assets</b>	<b>665,853,950</b>	659,339,903	1.0
Of which: loans and advances to customers	<b>301,659,709</b>	276,943,278	8.9
<b>Total liabilities</b>	<b>616,162,054</b>	611,619,166	0.7
Of which: due to customers	<b>358,550,255</b>	342,877,165	4.6
Share capital	<b>6,070,552</b>	6,070,552	–
Equity attributable to equity holders of the Bank	<b>48,940,599</b>	46,999,489	4.1
<b>Total equity</b>	<b>49,691,896</b>	47,720,737	4.1
<b>For the six months ended 30 June</b>			
	<b>2019</b>	2018	<b>Change</b>
<b>PROFITABILITY INDICATORS (%)</b>			
Return on average total assets <sup>(1)</sup>	<b>0.95</b>	0.84	<b>0.11</b>
Return on average equity <sup>(2)</sup>	<b>12.91</b>	12.62	<b>0.29</b>
Net interest spread <sup>(3)</sup>	<b>1.86</b>	1.12	<b>0.74</b>
Net interest margin <sup>(4)</sup>	<b>2.18</b>	1.44	<b>0.74</b>
Net fee and commission income to operating income	<b>11.86</b>	15.16	<b>(3.30)</b>
Cost-to-income ratio <sup>(5)</sup>	<b>20.54</b>	25.37	<b>(4.83)</b>

## Summary of Accounting Data and Financial Indicators

	As of 30 June 2019	As of 31 December 2018	Change
<b>ASSET QUALITY INDICATORS (%)</b>			
Non-performing loan ratio <sup>(6)</sup>	1.73	1.65	0.08
Allowance coverage ratio <sup>(7)</sup>	259.71	250.37	9.34
Allowance to gross loan ratio <sup>(8)</sup>	4.50	4.13	0.37
	As of 30 June 2019	As of 31 December 2018	Change
<b>CAPITAL ADEQUACY RATIO INDICATORS (%)</b>			
<i>Calculated based on Capital Administrative Measures</i>			
Core tier-one capital adequacy ratio <sup>(9)</sup>	10.05	9.83	0.22
Tier-one capital adequacy ratio <sup>(10)</sup>	10.06	9.84	0.22
Capital adequacy ratio <sup>(11)</sup>	14.69	14.53	0.16
Total equity to total assets	7.46	7.24	0.22
<b>OTHER INDICATORS (%)</b>			
Loan-to-deposit ratio <sup>(12)</sup>	89.32	85.59	3.73
Liquidity ratio <sup>(13)</sup>	41.88	50.29	(8.41)
Percentage of loans to the single largest customer <sup>(14)</sup>	8.49	5.02	3.47
Percentage of loans to the top ten customers <sup>(15)</sup>	39.83	29.47	10.36

## Summary of Accounting Data and Financial Indicators

*Notes:*

- (1) Calculated by dividing net profit for the period by average balance of total assets at the beginning and the end of the period.
- (2) Calculated by dividing net profit for the period by average balance of total equity at the beginning and the end of the period.
- (3) Calculated as the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities.
- (4) Calculated by dividing net interest income by the daily average balance of total interest-earning assets.
- (5) Calculated by dividing total operating expenses (excluding sundry taxes) by total operating income.
- (6) Calculated by dividing total non-performing loans by gross loans (excluding interest).
- (7) Calculated by dividing total allowance for impairment on loans to customers by total non-performing loans.
- (8) Calculated by dividing total allowance for impairment on loans to customers by gross loans to customers.
- (9) Calculated by dividing core tier-one capital, net of core tier-one capital deductions, by risk-weighted assets.
- (10) Calculated by dividing tier-one capital, net of tier-one capital deductions, by risk-weighted assets.
- (11) Calculated by dividing total capital, net of capital deductions, by risk-weighted assets.
- (12) Loan-deposit ratios of as of 31 December 2018 and 30 June 2019 were calculated according to the Notice on Adjusting the Calculation of Loan-to-Deposit Ratio for Commercial Banks 《中國銀監會關於調整商業銀行存貸比計算口徑的通知》 issued by CBRC.
- (13) Liquidity ratio is calculated in accordance with the formula promulgated by the China Banking and Insurance Regulatory Commission.
- (14) Calculated by dividing total loans to the single largest customer by net capital.
- (15) Calculated by dividing total loans to the top ten customers by net capital.

## Management Discussion and Analysis

### I ENVIRONMENT AND PROSPECTS

In the first half of 2019, amidst a general slowdown of the global economy, our domestic economic growth was overall stable and managed to continuously maintain a progressive trend. That was a situation better than other major powers worldwide. Our major macroeconomic indicators stayed at an appropriate range. In particular, the supply-side structural reform was further advanced, the “Reform and Opening Up” policy was deepened, consumption served as a pillar of our national economic growth, and new economic drivers accelerated their momentum. Our economic landscape demonstrated a situation of a high employment rate and a continuous improvement in living standards in the country. The stability, coordination and sustainability of our economic development were strengthened.

For the second half of 2019, in response to a greater downward pressure in economic growth, we shall continue to take the supply-side structural reform as the backbone of our economy with unwavering emphasis of an innovation-driven and higher-quality development. While having a firm idea in macro-approach, we ought to be flexible in micro-measures and make no compromise in helping the poor in the community. A more aggressive fiscal policy will target to reduction in taxes and levies as well as expansion in government expenditures while a relatively loosen monetary policy will address the financing problems of private, small and micro enterprises and inject vitality into the economic development. As a regional commercial bank, while based on the regional economic development, we will closely abide by the State’s policy, “improve the real economy, keep financial risks at bay and deepen the financial reform”, in order to provide diversified and differentiated financial services for the synergistic development of the Beijing-Tianjin-Hebei region and actively promote the transformation and paradigm shift in the development of the region. We will continue to uphold the “dual track” strategy of transformation and innovation, consolidate our core competitiveness with an aim to comprehensively enhance the economic efficiency and overall strength of Bank of Tianjin.

## Management Discussion and Analysis

### II CORPORATE STRATEGIES

During the first half of 2019, we further realized our six core visions, to be a “mainstream bank in Beijing-Tianjin-Hebei region, dual-track bank, value-driven bank, bank proud of compliance and integrity, bank offering superior experience, bank that cares for employees”. Under the dual track strategy of “transformation + innovation”, we continued to proactively adjust our asset and liability structure with corporate banking, personal banking, and financial market business as trio-engines which jointly boosted our development as shown in indicators of various aspects. In particular, our corporate banking adhered to “Four Tailor-made Approaches” by strictly following changes in macro policies and regulatory requirements and actively optimizing and adjusting our business structure as well as strengthening our support to the synergistic development of Beijing-Tianjin-Hebei region’s major projects and emerging industries of our country; our personal banking prioritized technology empowerment and actively promoted boundless connections for a complete implementation of intelligent transformation and establishment of a new model which enables us to acquire customers in massive number and employ precision marketing tactics so as to effectively facilitate ultra-conventional development of this business segment; and our financial market business continued to insist on the return to our origins, put great efforts in building it as “centres for asset management, initiative debt transactions and innovation products as well as a channel between other banks and clients”, and bolster development of the unique FICC (Fixed income, Currency & Commodity) business set within financial markets which includes bonds, foreign exchange, commodities, and derivatives in order to improve profitability while complying with regulations. Meanwhile, our Bank abided by the strategic framework, “ten major projects (2.0)”, making progress in comprehensive risk management, pricing management, asset allocation management as well as furthering our delicate management. For our business foundation, we continued our efforts in team building, brand promotion, improvement in corporate culture with emphasis on the Communist Party’s leadership, performance appraisals, information technology-driven and disposals of banks of non-performing loans. Because of our persistence in quality and efficiency, we recorded better operation results than before.

For the first half of 2019, our Bank recorded operating income of RMB8.86 billion, 48.6% higher than the same period last year; profit before provision of RMB6.94 billion, 58.3% higher than the same period in 2018; and net profit of RMB3.14 billion, 9.7% higher than the same period in 2018, demonstrating a general upgrade in profitability. Our return on average total assets was 0.95% and return on average equity was 12.91%, representing 0.11 and 0.29 percentage point higher than the first half of 2018, respectively. Allowance coverage ratio amounted to 259.71%, 9.34 percentage points higher than as at the end of 2018. Capital adequacy ratio was 14.69%, 0.16 percentage point higher than as at the end of 2018. Tier-one capital adequacy ratio was 10.06%, 0.22 percentage point higher than as at the end of 2018. Core tier-one capital adequacy ratio was 10.05%, 0.22 percentage point higher than as at the end of 2018. All other major regulatory indicators also showed improvement, indicating the Bank’s transformation and innovative measures in recent years continued to be effective.

## Management Discussion and Analysis

During the first half of 2019, the Bank continued to proactively adjust and optimize our asset and liability structure with gradual expansion in size while maintaining its quality. As at 30 June 2019, the Bank had proactively increased our investment in assets as well as expanded our sources of financing and total assets and total liabilities increased by 1.0% and 0.7% as compared to the end of 2018. As our focus turned back to real instead of virtual assets, our support to real economy further strengthened. The average balance of loans and advances to customers increased by 21.9% as compared to the first half of 2018. We continued to squeeze and reduce our investment assets. The average balance of our investment securities and other financial assets decreased by 11.8% as compared to the first half of 2018. Among which, the average balance of investment in assets, such as trust beneficiary rights, wealth management products, and asset management plans, decreased by 26.5% as compared to the first half of 2018. In terms of liabilities, the Bank significantly reduced financial assets sold under repurchase agreements, financial liabilities held for trading, placements from banks and deposits from banks and other financial institutions, the average balance of these liabilities decreased by 21.0% as compared to the first half of 2018. Meanwhile, the average balances of amount due to customers, debt securities issued, and borrowings from central bank all recorded growth year-on-year. Our ratio of interbank borrowings to total liabilities (measured in accordance with the standards of the PBoC and CBIRC, excluding subsidiaries) decreased from 30.09% as at the end of 2018 to 29.89% as at 30 June 2019.

The Bank continued to strengthen our pricing management while actively adjusting our asset and liability structure. For the first half of 2019, average yield of our loans and advances to customers reached 6.45%, representing an increase of 140 basis points as compared to the same period in 2018, and average yield of our debt securities investment increased by 94 basis points as compared to the same period in 2018. Net interest margin increased by 74 basis points from 1.44% in the first half of 2018 to 2.18% in the first half of 2019. Net interest spread increased by 74 basis points from 1.12% in the first half of 2018 to 1.86% in the first half of 2019. Net interest margin and net interest spread demonstrated a “double increment”.

In the second half of 2019, the Bank will continue to adhere to the new development concept of “putting quality first and giving priority to performance and efficiency”, maintain strategic focus and patience, fully promote dual-track strategy of “transformation + innovation” and “Ten Major Projects (2.0)”, integrate the synergistic development strategy of Beijing-Tianjin-Hebei region, strive to enhance support for real economy, and financial risk control capability and the ability to maintain stable and healthy growth.

## Management Discussion and Analysis

### III ANALYSIS OF THE INCOME STATEMENT

	For the six months ended 30 June		Rate of change (%)
	2019	2018	
	<i>(Amounts in thousands of RMB, unless otherwise stated)</i>		
Interest income	15,953,879	12,703,261	25.6
Interest expense	(9,487,780)	(10,737,324)	(11.6)
<b>NET INTEREST INCOME</b>	<b>6,466,099</b>	<b>1,965,937</b>	<b>228.9</b>
Investment income	824,219	2,776,471	(70.3)
Fee and commission income	1,064,950	951,523	11.9
Fee and commission expense	(14,869)	(47,719)	(68.8)
<b>NET FEE AND COMMISSION INCOME</b>	<b>1,050,081</b>	<b>903,804</b>	<b>16.2</b>
Net trading gains	358,873	294,359	21.9
Net gains arising from derecognition of financial assets measured at amortized cost	83,826	36,202	131.6
Other income, gains or losses	72,230	(15,874)	555.0
<b>OPERATING INCOME</b>	<b>8,855,328</b>	<b>5,960,899</b>	<b>48.6</b>
Operating expenses	(1,921,770)	(1,572,750)	22.2
Impairment losses under ECL model, net of reversals	(3,038,529)	(748,950)	305.7
Share of results of associates	8,051	(2,634)	405.7
<b>PROFIT BEFORE TAX</b>	<b>3,903,080</b>	<b>3,636,565</b>	<b>7.3</b>
Income tax expense	(759,842)	(771,572)	(1.5)
<b>PROFIT FOR THE PERIOD</b>	<b>3,143,238</b>	<b>2,864,993</b>	<b>9.7</b>

## Management Discussion and Analysis

For the six months ended 30 June 2019, the Bank's profit before tax increased by 7.3% from RMB3,636.6 million for the six months ended 30 June 2018 to RMB3,903.1 million and the profit for the same period increased by 9.7% from RMB2,865.0 million for the six months ended 30 June 2018 to RMB3,143.2 million.

### 1 Net Interest Income<sup>(1)</sup>, Net Interest Spread and Net Interest Margin

For the six months ended 30 June 2019, our net interest income amounted to RMB6,466.1 million and net interest income of financial instruments measured at fair value through profit or loss ("FVTPL"), the figure under the item "investment income", amounted to RMB824.2 million. The sum of two was RMB7,290.3 million, a growth of 53.7% as compared to the figure as at 30 June 2018 measured in the same standard. Our net interest spread increased from 1.12% for the six months ended 30 June 2018 to 1.86% for the six months ended 30 June 2019, primarily due to the fact that the average yield of our interest-earning assets increased by 0.36 percentage point to 5.04%, and the average cost of our interest-bearing liabilities decreased by 0.38 percentage point to 3.18%. Our net interest margin increased from 1.44% for the six months ended 30 June 2018 to 2.18% for the six months ended 30 June 2019, because our net interest income<sup>(1)</sup> increased by 53.7% for the six months ended 30 June 2019, while the average balance of our interest-earning assets increased by 0.7% for the six months ended 30 June 2019.

(1) includes net investment income from financial instruments at FVTPL, i.e., the figure under the item "investment income".



## Management Discussion and Analysis

The following tables set forth, for the six months ended 30 June 2018 and 2019, the average balance of our interest-earning assets and interest-bearing liabilities, interest income and expense from these assets and liabilities, and the average yield of these interest-earning assets and the average cost of these interest-bearing liabilities.

	For the six months ended 30 June					
	2019			2018		
	Average balance	Interest income/expense <sup>(7)</sup>	Average yield/cost (%)	Average balance	Interest income/expense <sup>(7)</sup>	Average yield/cost (%)
<i>(Amounts in millions of RMB, except percentages)</i>						
<b>Interest-earning assets</b>						
Loans and advances to customers	300,996.7	9,703.3	6.45	246,965.6	6,240.4	5.05
Investment securities and other financial assets, including	289,881.7	6,237.3	4.30	328,651.8	8,239.0	5.01
— Trust beneficiary rights, funds, wealth management products and asset management plans	143,526.9	3,114.2	4.34	195,205.5	6,017.4	6.17
— Debt securities investment	146,354.8	3,123.1	4.27	133,446.3	2,221.6	3.33
Amounts due from banks and other financial institutions <sup>(1)</sup>	22,774.4	463.0	4.07	24,285.2	459.8	3.79
Deposits with banks and other financial institutions	6,946.8	46.2	1.33	7,030.0	127.2	3.62
Balances with central bank	45,776.4	332.0	1.45	54,745.2	413.3	1.51
<b>Total interest-earning assets (include assets at FVTPL)</b>	666,376.0	16,781.8	5.04	661,677.8	15,479.7	4.68
Allowance for impairment losses	(13,954.2)			(10,879.9)		
Non-interest earning assets <sup>(2)</sup>	17,987.9			13,197.7		
<b>Total assets</b>	670,409.7	16,781.8	5.01	663,995.6	15,479.7	4.66

## Management Discussion and Analysis

	For the six months ended 30 June					
	2019			2018		
	Average balance	Interest income/ expense <sup>(7)</sup>	Average yield/ cost (%)	Average balance	Interest income/ expense <sup>(7)</sup>	Average yield/ cost (%)
	<i>(Amounts in millions of RMB, except percentages)</i>					
<b>Interest-bearing liabilities</b>						
Due to customers	339,012.4	5,076.0	2.99	332,010.7	4,935.2	2.97
Deposits from banks and other financial institutions	31,158.8	482.7	3.10	63,645.3	1,493.0	4.69
Amounts due to banks and other financial institutions <sup>(3)</sup>	62,180.1	786.6	2.53	54,540.3	826.2	3.03
Debt securities issued	150,199.2	2,890.7	3.85	141,956.1	3,317.5	4.67
Lease liabilities	1,055.5	23.3	4.41	-	-	-
Borrowings from central bank	14,022.7	232.2	3.31	10,337.5	165.4	3.20
<b>Total interest-bearing liabilities (include liabilities at FVTPL)</b>	<b>597,628.7</b>	<b>9,491.5</b>	<b>3.18</b>	<b>602,489.9</b>	<b>10,737.3</b>	<b>3.56</b>
Non-interest-bearing liabilities <sup>(4)</sup>	21,594.8			31,038.3		
<b>Total liabilities</b>	<b>619,223.5</b>	<b>9,491.5</b>	<b>3.07</b>	<b>633,528.2</b>	<b>10,737.3</b>	<b>3.39</b>
<b>Net interest income</b>		<b>7,290.3</b>			<b>4,742.4</b>	
<b>Net interest spread <sup>(5)</sup></b>			<b>1.86</b>			<b>1.12</b>
<b>Net interest margin <sup>(6)</sup></b>			<b>2.18</b>			<b>1.44</b>

Notes:

- (1) Consists of financial assets held under resale agreements and placements with banks and other financial institutions.
- (2) Consists of cash, interest receivables, property and equipment, intangible assets, other receivables, repossessed assets, deferred tax assets, derivative financial assets, and interests in associates.
- (3) Consists of financial assets sold under repurchase agreements, financial liabilities held for trading and placements from banks and other financial institutions.
- (4) Consists of interest payables, taxes payable, other payables, provision, salaries and benefits payables, dividends payable and derivative financial liabilities.
- (5) Calculated as the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities.
- (6) Calculated by dividing net interest income by the daily average balance of total interest-earning assets.
- (7) Includes net investment income from financial instruments at FVTPL, i.e., the figure under the item "investment income".

## Management Discussion and Analysis

### 2 Interest Income

For the six months ended 30 June 2019, our interest income (includes interest income at FVTPL) increased by 8.4% to RMB16,781.8 million from RMB15,479.7 million for the six months ended 30 June 2018, which was primarily attributable to the increases in the average balance of our loans and advances to customers, resulting in a 0.7% increase in average balance of interest-earning assets from RMB661,677.8 million for the six months ended 30 June 2018 to RMB666,376.0 million for the six months ended 30 June 2019, and the average yield of our interest-earning assets increased by 36 basis points from 4.68% for the six months ended 30 June 2018 to 5.04% for the six months ended 30 June 2019.

#### *Interest income from loans and advances to customers*

For the six months ended 30 June 2019, interest income from loans and advances to customers increased by 55.5% from RMB6,240.4 million for the six months ended 30 June 2018 to RMB9,703.3 million for the six months ended 30 June 2019, primarily due to a 21.9% increase in average balance of loans and advances to customers from RMB246,965.6 million for the six months ended 30 June 2018 to RMB300,996.7 million for the six months ended 30 June 2019, and the average yield of our loans and advances to customers increased by 140 basis points from 5.05% for the six months ended 30 June 2018 to 6.45% for the six months ended 30 June 2019. The increase in average balance of our loans and advances to customers primarily reflected the Bank's remarkable outcome achieved from the active adjustment in the asset structure to support the real economy. The increase of the average yield of our loans and advances to customers was primarily due to our continuously upholding the principle of "putting quality first and giving priority to performance" during the first half of 2019, leading to an increase of the average interest rate of loans year-on-year with the remarkable outcome from the asset structure adjustment.

#### *Interest income from trust beneficiary rights, funds, wealth management products and asset management plans*

For the six months ended 30 June 2019, interest income from trust beneficiary rights, funds, wealth management products and asset management plans decreased by 48.2% from RMB6,017.4 million for the six months ended 30 June 2018 to RMB3,114.2 million for the six months ended 30 June 2019, primarily due to the fact that the average balance of our trust beneficiary rights, funds, wealth management products and asset management plans decreased by 26.5% from RMB195,205.5 million for the six months ended 30 June 2018 to RMB143,526.9 million for the six months ended 30 June 2019, and the average yield of our trust beneficiary rights, funds, wealth management products and asset management plans decreased by 183 basis points from 6.17% for the six months ended 30 June 2018 to 4.34% for the six months ended 30 June 2019. The decrease in average balance of trust beneficiary rights, funds, wealth management products and asset management plans was primarily due to our Bank's active adjustment in the asset structure and reduction in the corresponding scale of assets. The decrease in average yield of trust beneficiary rights, funds, wealth management products and asset management plans was primarily due to a decline in market interest level.

## Management Discussion and Analysis

### *Interest income from debt securities investment*

Interest income from debt securities investment increased by 40.6% from RMB2,221.6 million for the six months ended 30 June 2018 to RMB3,123.1 million for the six months ended 30 June 2019, principally due to the fact that the average balance of our debt securities investment increased by 9.7% from RMB133,446.3 million for the six months ended 30 June 2018 to RMB146,354.8 million for the six months ended 30 June 2019, and the average yield of our debt securities investment increased by 94 basis points from 3.33% for the six months ended 30 June 2018 to 4.27% for the six months ended 30 June 2019. The increase in the average balance of our debt securities investment was primarily due to our increase in allocation to debt securities for they are highly liquid. The main reason for the increase in the average yield of our debt securities investment was that our Bank further enhanced the research on market judgement and strategy, adjusted the types and structure of investment products in accordance to the market trend and obtained higher revenue.

### *Interest income from amounts due from banks and other financial institutions*

Interest income from amounts due from banks and other financial institutions increased by 0.7% from RMB459.8 million for the six months ended 30 June 2018 to RMB463.0 million for the six months ended 30 June 2019, primarily due to the relatively stable performance that the average yield of our amounts due from banks and other financial institutions increased by 28 basis points from 3.79% for the six months ended 30 June 2018 to 4.07% for the six months ended 30 June 2019.

### *Interest income from deposits with banks and other financial institutions*

Interest income from deposits with banks and other financial institutions decreased by 63.7% from RMB127.2 million for the six months ended 30 June 2018 to RMB46.2 million for the six months ended 30 June 2019, primarily due to a 1.2% decrease in the average balance of deposits with banks and other financial institutions from RMB7,030.0 million for the six months ended 30 June 2018 to RMB6,946.8 million for the six months ended 30 June 2019, and the decrease in the average yield of deposits with banks and other financial institutions by 229 basis points from 3.62% for the six months ended 30 June 2018 to 1.33% for the six months ended 30 June 2019. The average balance of our deposits with banks and other financial institutions remained broadly stable. The decrease in the average yield of our deposits with banks and other financial institutions was primarily due to the decline in market interest level.

### *Interest income from balances with central bank*

Interest income from balances with central bank decreased by 19.7% from RMB413.3 million for the six months ended 30 June 2018 to RMB332.0 million for the six months ended 30 June 2019, primarily due to a 16.4% decrease in the average balance of our balances with central bank from RMB54,745.2 million for the six months ended 30 June 2018 to RMB45,776.4 million for the six months ended 30 June 2019.

## Management Discussion and Analysis

### 3 Interest Expense

Our interest expense, including interest expense measured at FVTPL, decreased by 11.6% from RMB10,737.3 million for the six months ended 30 June 2018 to RMB9,491.5 million for the six months ended 30 June 2019, primarily due to a decrease of 38 basis points in the average cost of our interest-bearing liabilities from 3.56% for the six months ended 30 June 2018 to 3.18% for the six months ended 30 June 2019, and a decrease of 0.8% in the average balance of the interest-bearing liabilities from RMB602,489.9 million for the six months ended 30 June 2018 to RMB597,628.7 million for the six months ended 30 June 2019. The decrease in the average cost of our interest-bearing liabilities was primarily due to a decrease in the average cost of our deposits from banks and other financial institutions, amounts due to banks and other financial institutions, and debt securities issued. The decrease in the average balance of our interest-bearing liabilities was primarily due to a decrease of the average balance of deposits from banks and other financial institutions.

#### *Interest expense on amounts due to customers*

Our interest expense on deposits from customers increased by 2.9% from RMB4,935.2 million for the six months ended 30 June 2018 to RMB5,076.0 million for the six months ended 30 June 2019, primarily due to an increase of 2 basis points in the average cost of deposits from customers from 2.97% for the six months ended 30 June 2018 to 2.99% for the six months ended 30 June 2019, and a 2.1% increase in the average balance of the total deposits from customers from RMB332,010.7 million for the six months ended 30 June 2018 to RMB339,012.4 million for the six months ended 30 June 2019. The average balance and average cost of the deposits from customers both remained relatively stable.

#### *Interest expense on deposits from banks and other financial institutions*

Our interest expense on deposits from banks and other financial institutions decreased by 67.7% from RMB1,493.0 million for the six months ended 30 June 2018 to RMB482.7 million for the six months ended 30 June 2019, primarily due to a 51.0% decrease in the average balance of the our deposits from banks and other financial institutions from RMB63,645.3 million for the six months ended 30 June 2018 to RMB31,158.8 million for the six months ended 30 June 2019, and a decrease of 159 basis points in the cost of deposits from banks and other financial institutions from 4.69% for the six months ended 30 June 2018 to 3.10% for the six months ended 30 June 2019. The decrease in the average balance of our deposits from banks and other financial institutions primarily reflected active adjustment of the liability structure and reduction of the scale of deposits from banks and other financial institutions by our Bank. The decrease in the average cost of our deposits from banks and other financial institutions was primarily due to the decline in market interest level.

## Management Discussion and Analysis

### *Interest expense on amounts due to banks and other financial institutions*

Our interest expense on amounts due to banks and other financial institutions decreased by 4.8% from RMB826.2 million for the six months ended 30 June 2018 to RMB786.6 million for the six months ended 30 June 2019, primarily due to a decrease of 50 basis points in the average cost of our amounts due to banks and other financial institutions from 3.03% for the six months ended 30 June 2018 to 2.53% for the six months ended 30 June 2019, but partially offset by a 14.0% increase in the average balance of amounts due to banks and other financial institutions from RMB54,540.3 million for the six months ended 30 June 2018 to RMB62,180.1 million for the six months ended 30 June 2019. The decrease in the average cost of our amounts due to banks and other financial institutions was primarily due to the decline in market interest level.

### *Interest expense on debt securities issued*

Our interest expense on debt securities issued decreased by 12.9% from RMB3,317.5 million for the six months ended 30 June 2018 to RMB2,890.7 million for the six months ended 30 June 2019, primarily due to a 82 basis points decrease in the average cost of our debt securities issued from 4.67% for the six months ended 30 June 2018 to 3.85% for the six months ended 30 June 2019. The decrease in the average cost of our debt securities issued was primarily due to the decline in market interest level.

### *Interest expense on lease liabilities*

For the six months ended 30 June 2019, interest expense on lease liabilities of the Bank amounted to RMB23.3 million. The average balance of the lease liabilities was RMB1,055.5 million and the average cost of lease liabilities was 4.41%.

### *Interest expense on borrowings from central bank*

Our interest expense on borrowings from central bank increased by 40.4% from RMB165.4 million for the six months ended 30 June 2018 to RMB232.2 million for the six months ended 30 June 2019, primarily due to a 35.6% increase in the average balance of borrowings from central bank from RMB10,337.5 million for the six months ended 30 June 2018 to RMB14,022.7 million for the six months ended 30 June 2019. The average cost of our borrowings from central bank increased by 11 basis points from 3.20% for the six months ended 30 June 2018 to 3.31% for the six months ended 30 June 2019. The increase in the average balance of our borrowings from central bank was primarily due to a general increase of our borrowings from central bank. The increase in the average cost of our borrowings from central bank was primarily due to an increase in interest rates of borrowings from central bank.

## Management Discussion and Analysis

### 4 Investment Income

The Bank adopted the IFRS 9 since 1 January 2018. Certain financial assets measured at amortized cost under the original standard was reclassified to financial assets measured at fair value through profit or loss under the new standard, interest income arising from the corresponding assets was also reclassified from interest income to investment income for accounting purpose.

Investment income represent gains from investment in financial instruments measured at fair value through profit or loss, mainly including debt securities investment, funds, trust beneficiary rights, wealth management products and asset management plans measured at fair value through profit or loss. Investment income for the six months ended 30 June 2019 was RMB824.2 million, representing a decrease of 70.3% from the investment income of RMB2,776.5 million for the six months ended 30 June 2018, mainly due to a decrease of the average daily investment measured at fair value through profit or loss.

### 5 Net Fee and Commission Income

The following table sets forth the principal components of our net fee and commission income for the six months ended 30 June 2018 and 2019.

	For the six months ended 30 June			
	2019	2018	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Fee and commission income</b>				
Settlement and clearing fees	96.8	91.1	5.7	6.3
Wealth management service fees	621.6	526.3	95.3	18.1
Acceptance and guarantee commitment fees	41.9	36.5	5.4	14.8
Agency commissions and fiduciary services fees	184.3	158.7	25.6	16.1
Bank card fees	30.0	18.3	11.7	63.9
Consultancy fees	89.0	118.0	(29.0)	(24.6)
Others	1.4	2.6	(1.2)	(46.2)
<b>Subtotal</b>	<b>1,065.0</b>	<b>951.5</b>	<b>113.5</b>	<b>11.9</b>
Fee and commission expense	(14.9)	(47.7)	32.8	(68.8)
<b>Net Fee and Commission Income</b>	<b>1,050.1</b>	<b>903.8</b>	<b>146.3</b>	<b>16.2</b>

Our net fee and commission income increased by 16.2% from RMB903.8 million for the six months ended 30 June 2018 to RMB1,050.1 million for the six months ended 30 June 2019. The increase was primarily due to an increase of wealth management service fees of our Bank.

## Management Discussion and Analysis

### 6 Net Trading Gains

Net trading gains arise from the realised and unrealized profit and loss of financial assets measured at fair value through profit or loss and the net disposal gain of debt instruments measured at fair value through other comprehensive income. Our net trading gains amounted to RMB358.9 million for the six months ended 30 June 2019, while the Bank recorded a net trading gain of RMB294.4 million for the six months ended 30 June 2018. The main reason was because we exerted more efforts in debt security trading and boosted gains in these transactions.

### 7 Operating Expenses

The following table sets forth, for the six months ended 30 June 2018 and 2019, the principal components of our operating expenses.

	For the six months ended 30 June			
	2019	2018	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Operating expenses</b>				
Staff costs	1,212.6	935.1	277.5	29.7
Sundry taxes	102.5	60.3	42.2	70.0
Other general and administrative expenses	152.3	140.7	11.6	8.2
Office expenses	112.0	101.1	10.9	10.8
Rental and property management expenses	86.1	212.6	(126.5)	(59.5)
Depreciation and amortization	256.3	123.0	133.3	108.4
<b>Total operating expenses</b>	<b>1,921.8</b>	<b>1,572.8</b>	<b>349.0</b>	<b>22.2</b>
<b>Cost-to-income ratio <sup>(1)</sup></b>	<b>20.5%</b>	<b>25.4%</b>	<b>–</b>	<b>(4.9)</b>

Notes:

(1) Calculated by dividing total operating expenses, excluding sundry taxes, by total operating income.

Our operating expenses increased by 22.2% from RMB1,572.8 million for the six months ended 30 June 2018 to RMB1,921.8 million for the six months ended 30 June 2019. The increase was primarily due to an increase of staff costs. For the six months ended 30 June 2018 and 2019, our cost-to-income ratio (excluding sundry taxes) was 25.4% and 20.5%, respectively.



## Management Discussion and Analysis

### Staff costs

Staff costs are the largest component of our operating expenses, which amounted to RMB1,212.6 million for the six months ended 30 June 2019, representing an increase of 29.7% from RMB935.1 million for the six months ended 30 June 2018. The following table sets forth the major components of staff costs for the periods indicated.

	For the six months ended 30 June			
	2019	2018	Change in amount	Rate of change (%)
	<i>(Amounts in millions of RMB, except percentages)</i>			
Salaries, bonuses and allowances	928.2	661.6	266.6	40.3
Social insurance	132.8	129.5	3.3	2.5
Housing funds	59.4	56.9	2.5	4.4
Staff welfare	23.1	24.8	(1.7)	(6.9)
Labor union fees and staff education expenses	17.9	17.0	0.9	5.3
Contribution to annuity schemes	51.2	45.3	5.9	13.0
<b>Total</b>	<b>1,212.6</b>	<b>935.1</b>	<b>277.5</b>	<b>29.7</b>

### Sundry taxes

Sundry taxes amounted to RMB102.5 million for the six months ended 30 June 2019, representing an increase of 70.0% from RMB60.3 million for the six months ended 30 June 2018. The increase in sundry taxes was primarily due to an increase in the value-added tax payable for the period as compared to last year, leading to an increase in sundry taxes.

### Office expenses and rental and property management expenses

The office expenses and rental and property management expenses amounted to RMB198.1 million for the six months ended 30 June 2019, representing a decrease of 36.9% from RMB313.7 million for the six months ended 30 June 2018.

### Other general and administrative expenses

Our other general and administrative expenses amounted to RMB152.3 million for the six months ended 30 June 2019, representing an increase of 8.2% from RMB140.7 million for the six months ended 30 June 2018.

### Depreciation and amortization

Depreciation and amortization, including right-of-use assets, amounted to RMB256.3 million for the six months ended 30 June 2019, representing an increase of 108.4% from RMB123.0 million for the six months ended 30 June 2018.

## Management Discussion and Analysis

### 8 Impairment Losses Under ECL model, net of reversals

The following table sets forth the principal components of our impairment losses under ECL model for the periods indicated.

	For the six months ended 30 June			
	2019	2018	Change in amount	Rate of change (%)
	<i>(Amounts in millions of RMB, except percentages)</i>			
Loans and advances to customers	3,031.9	1,449.0	1,582.9	109.2
Credit commitments	8.9	(125.1)	134.0	(107.1)
Debt instruments measured at amortized cost	(79.5)	(578.4)	498.9	(86.3)
Debt instruments measured at fair value through other comprehensive income	74.6	7.0	67.6	965.7
Deposits with banks and other financial institutions	2.4	(0.8)	3.2	(400.0)
Placements with banks and other financial institutions	(0.0)	(2.2)	2.2	(100.0)
Financial assets held under resale agreements	0.1	(0.6)	0.7	(116.7)
Other assets	0.1	–	0.1	–
<b>Total</b>	<b>3,038.5</b>	<b>748.9</b>	<b>2,289.6</b>	<b>305.7</b>

Our impairment losses under ECL model for the six months ended 30 June 2019 were RMB3,038.5 million, representing an increase of 305.7% from RMB748.9 million for the six months ended 30 June 2018, which was primarily due to an overall increase of our loans and advances to customers.

## Management Discussion and Analysis

### 9 Income Tax Expenses

The following table sets forth the principal components of our income tax expenses for the periods indicated.

	For the six months ended 30 June			
	2019	2018	Change in amount	Rate of change (%)
	<i>(Amounts in millions of RMB, except percentages)</i>			
Profit before tax	3,903.1	3,636.6	266.5	7.3
Tax calculated at applicable statutory tax rate of 25%	975.8	909.2	66.6	7.3
Underprovision of tax in prior years	9.1	12.0	(2.9)	(24.2)
Tax effect of expense not deductible for tax purposes	(12.3)	0.4	(12.7)	(3,175.0)
Tax effect of income not taxable for tax purposes <sup>(1)</sup>	(212.8)	(150.0)	(62.8)	41.9
Income tax expenses	759.8	771.6	(11.8)	(1.5)

Note:

- (1) The income not taxable for tax purposes mainly represents interest income arising from government bonds and fund dividends. This kind of interest income is tax free under the PRC tax regulations.

Our income tax expenses for the six months ended 30 June 2019 were RMB759.8 million, representing a decrease of 1.5% from RMB771.6 million for the six months ended 30 June 2018. The decrease was mainly due to an increase in income not taxable for tax purposes.

## Management Discussion and Analysis

### IV ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

#### 1 Assets

The following table sets forth, as of the dates indicated, the components of our total assets.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>ASSETS</b>				
Gross loans and advances to customers	315,789.9	47.4	288,789.0	43.8
Allowance for impairment losses	(14,130.2)	(2.1)	(11,845.7)	(1.8)
Loans and advances to customers, net	301,659.7	45.3	276,943.3	42.0
Investment securities and other financial assets, net	281,821.5	42.3	294,971.2	44.7
Financial assets held under resale agreements	7,001.2	1.1	2,556.0	0.4
Cash and balances with central bank	45,909.2	6.9	62,313.4	9.5
Deposits with banks and other financial institutions	7,061.5	1.1	4,063.5	0.6
Placements with banks and other financial institutions	12,399.7	1.9	11,187.0	1.7
Derivative financial assets	276.0	0.0	70.3	0.0
Other assets <sup>(1)</sup>	9,725.2	1.4	7,235.2	1.1
<b>TOTAL ASSETS</b>	<b>665,854.0</b>	<b>100.0</b>	<b>659,339.9</b>	<b>100.0</b>

Note:

- (1) Consist primarily of property and equipment, right-of-use assets, deferred tax assets, interests in associates, prepaid expenses, intangible assets, land use rights and other receivables.

As of 30 June 2019, our total assets amounted to RMB665,854.0 million, representing an increase of 1.0% from RMB659,339.9 million for the year ended 31 December 2018. The increase was primarily due to an increase of our loans and advances to customers.

## Management Discussion and Analysis

### Loans and advances to customers

The following table sets forth, as of the dates indicated, a breakdown of our loans by business line.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Corporate loans	171,486.5	54.3	171,739.2	59.5
Personal loans	132,825.9	42.1	106,010.4	36.7
Finance lease receivables	6,310.5	2.0	8,774.3	3.0
Discounted bills	5,167.0	1.6	2,265.1	0.8
<b>Total</b>	<b>315,789.9</b>	<b>100.0</b>	<b>288,789.0</b>	<b>100.0</b>

### Corporate loans

Our corporate loans amounted to RMB171,486.5 million as of 30 June 2019, representing a decrease of 0.1% compared to RMB171,739.2 million as of 31 December 2018.

The following table sets forth a breakdown of our corporate loans by contract maturity as of the dates indicated.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Short-term loans (one year or less)	68,599.2	40.0	57,224.7	33.3
Medium and long-term loans (over one year)	102,887.3	60.0	114,514.5	66.7
<b>Total corporate loans</b>	<b>171,486.5</b>	<b>100.0</b>	<b>171,739.2</b>	<b>100.0</b>

Short-term loans as a percentage of our corporate loan portfolio increased from 33.3% as of 31 December 2018 to 40.0% as of 30 June 2019 and our medium- and long-term loans as a percentage of our corporate loan portfolio decreased from 66.7% as of 31 December 2018 to 60.0% as of 30 June 2019. The changes in the above percentages of our corporate loan portfolio were mainly because our Bank proactively optimized our credit business structure.

## Management Discussion and Analysis

The following table sets forth, as of the dates indicated, the distribution of our corporate loans by product type.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Working capital loans	96,477.3	56.2	102,802.7	59.9
Fixed assets loans	57,942.2	33.8	57,428.8	33.4
Trade finance	11,422.1	6.7	4,880.5	2.8
Others <sup>(1)</sup>	5,644.9	3.3	6,627.2	3.9
<b>Total corporate loans</b>	<b>171,486.5</b>	<b>100.0</b>	<b>171,739.2</b>	<b>100.0</b>

Note:

(1) Consist primarily of advances under bank acceptance and letters of credit issued by the Bank and corporate overdrafts.

Our working capital loans amounted to RMB96,477.3 million as of 30 June 2019, representing a decrease of 6.2% compared to RMB102,802.7 million as of 31 December 2018. The decrease was mainly because our Bank proactively optimized our credit business structure.

Our fixed assets loans amounted to RMB57,942.2 million as of 30 June 2019, 0.9% higher than RMB57,428.8 million as of 31 December 2018, and they were broadly stable.

Our trade finance amounted to RMB11,422.1 million as of 30 June 2019, representing an increase of 134.0% compared to RMB4,880.5 million as of 31 December 2018. The increase was mainly because our Bank exerted more efforts in trade finance business in response to the market situation.

Our other corporate loans amounted to RMB6,627.2 million and RMB5,644.9 million as of 31 December 2018 and 30 June 2019, respectively.

## Management Discussion and Analysis

### Personal loans

Our personal loans amounted to RMB132,825.9 million as of 30 June 2019, representing an increase of 25.3% as compared to RMB106,010.4 million as of 31 December 2018. This increase was mainly attributable to stable growth of personal consumption loans.

The following table sets forth a breakdown of our personal loans by product type as of the dates indicated.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Personal consumption loans	101,169.6	76.2	77,896.2	73.6
Residential mortgage loans	22,298.8	16.8	22,928.9	21.6
Personal business loans	8,421.1	6.3	4,496.6	4.2
Credit card overdrafts	936.4	0.7	688.7	0.6
<b>Total personal loans</b>	<b>132,825.9</b>	<b>100.0</b>	<b>106,010.4</b>	<b>100.0</b>

Our personal consumption loans amounted to RMB101,169.6 million as of 30 June 2019, representing an increase of 29.9% compared to RMB77,896.2 million as of 31 December 2018. The increase primarily due to our proactive response to market changes. We engaged Internet financial technology platforms and e-commerce platforms in cooperation for provision of loan facilitation services, syndicated loans in relevant consumption scenarios, acquiring a great number of customers from these platforms. With independent risk control and review mechanism, our vigorous efforts in the development of personal online consumption loan services achieved encouraging results.

Our residential mortgage loans amounted to RMB22,298.8 million as of 30 June 2019, representing a decrease of 2.7% compared to RMB22,928.9 million as of 31 December 2018. The decrease in our residential mortgage loans was primarily due to slowing down demand for our residential loans since the implementation of regulatory policies on the property market which brought a more rational demand for housing and gradually stabilized transactions of properties.

## Management Discussion and Analysis

Our personal business loans amounted to RMB8,421.1 million as of 30 June 2019, representing an increase of 87.3% compared to RMB4,496.6 million as of 31 December 2018. The increase in our personal business loans was primarily due to our effective implementation dual-track strategy of “transformation + innovation”. By combining our online and offline business, we actively launched and developed online loan products such as e-loans for taxpayers (“銀稅e貸”) and e-loans for supermarkets (“商超e貸”) targeting individuals and broadened our pools for potential customers online while strengthening our independent risk control and review mechanism. As such, our business scale and client base in this sector realized significant growth.

Our credit card overdrafts amounted to RMB688.7 million and RMB936.4 million as of 31 December 2018 and 30 June 2019.

### *Finance lease receivables*

As of 30 June 2019, we recorded a decrease of 28.1% in our finance lease receivables from RMB8,774.3 million as of 31 December 2018 to RMB6,310.5 million, which was primarily due to the business restructuring adopted by Bank of Tianjin Financial Leasing Co., Ltd., our consolidated subsidiary, in the first half of 2019, which reduced investment in financial leasing business.

### *Discounted bills*

Our discounted bills increased by 128.1% from RMB2,265.1 million as of 31 December 2018 to RMB5,167.0 million as of 30 June 2019, primarily due to the proactive adjustment in our asset portfolio which increased allocation in this business area.

### *Investment securities and other financial assets*

As of 30 June 2019, the balance of our investment securities and other financial assets amounted to RMB281,821.5 million, representing a decrease of 4.5% compared to RMB294,971.2 million as of 31 December 2018. The decrease was mainly due to the proactive adjustment in our asset portfolio which reduced allocation to asset management plans and other investment products issued by other financial institutions.



## Management Discussion and Analysis

The following table sets forth, as of 31 December 2018 and 30 June 2019, the components of our investment securities and other financial assets.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Debt securities</b>				
Debt securities measured at amortized cost	91,920.5	32.6	93,271.7	31.6
Debt securities measured at fair value through other comprehensive income	39,923.3	14.2	49,457.6	16.8
Debt securities measured at fair value through profit or loss	1,490.6	0.5	1,854.1	0.6
Allowance for impairment losses	(287.4)	(0.1)	(153.7)	(0.1)
<b>Subtotal</b>	<b>133,047.0</b>	<b>47.2</b>	<b>144,429.7</b>	<b>48.9</b>
<b>Funds</b>	<b>11,972.6</b>	<b>4.2</b>	<b>5,900.9</b>	<b>2.0</b>
<b>Wealth management products issued by other financial institutions</b>	<b>2,009.6</b>	<b>0.7</b>	<b>1,039.3</b>	<b>0.4</b>
<b>Trust beneficiary rights and assets management plans, net</b>				
Asset management plans	76,463.5	27.2	85,869.9	29.2
Trust beneficiary rights	59,693.5	21.2	59,309.4	20.1
Allowance for impairment losses	(1,423.3)	(0.5)	(1,636.6)	(0.6)
<b>Subtotal</b>	<b>134,733.7</b>	<b>47.9</b>	<b>143,542.7</b>	<b>48.7</b>
<b>Equity investments</b>				
Equity investment measured at fair value through profit or loss	58.6	0.0	58.6	0.0
<b>Subtotal</b>	<b>58.6</b>	<b>0.0</b>	<b>58.6</b>	<b>0.0</b>
<b>Total investment securities and other financial assets, net</b>	<b>281,821.5</b>	<b>100.0</b>	<b>294,971.2</b>	<b>100.0</b>

## Management Discussion and Analysis

### Debt securities

The following table sets forth, as of 31 December 2018 and 30 June 2019, the components of our debt securities.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
PRC government bonds	43,388.0	32.5	46,281.7	32.0
Debt securities issued by PRC policy banks	43,985.4	33.1	41,891.6	29.0
Debt securities issued by PRC corporate issuers	24,458.4	18.3	29,257.5	20.2
Debt securities issued by PRC banks and other financial institutions	1,322.6	1.0	1,548.5	1.1
Asset-backed securities	20,180.0	15.1	25,604.1	17.7
<b>Total</b>	<b>133,334.4</b>	<b>100.0</b>	<b>144,583.4</b>	<b>100.0</b>

Our holding of debt securities issued by PRC governments decreased by 6.3% from RMB46,281.7 million as of 31 December 2018 to RMB43,388.0 million as of 30 June 2019.

Our holding of debt securities issued by PRC policy banks increased by 5.0% from RMB41,891.6 million as of 31 December 2018 to RMB43,985.4 million as of 30 June 2019.

Our holding of debt securities issued by PRC corporate issuers decreased by 16.4% from RMB29,257.5 million as of 31 December 2018 to RMB24,458.4 million as of 30 June 2019, primarily due to our reduction in business scale of principal guaranteed wealth management products and others for lowering allocation to this kind of on-balance sheet assets.

Our holding of debt securities issued by PRC banks and other financial institutions decreased by 14.6% from RMB1,548.5 million as of 31 December 2018 to RMB1,322.6 million as of 30 June 2019, which reflected our adjustment of asset portfolio which reduced allocation to this asset area.

Our holding of asset-backed securities decreased by 21.2% from RMB25,604.1 million as of 31 December 2018 to RMB20,180.0 million as of 30 June 2019 because a larger portion of our holding matured.

## Management Discussion and Analysis

### *Distribution of investment securities and other financial assets by investment intention*

The following table sets forth, as of 31 December 2018 and 30 June 2019, the distribution of our investment securities and other financial assets by our investment intention.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Debt securities measured at amortized cost	179,304.5	63.6	184,769.0	62.6
Debt securities measured at fair value through other comprehensive income	39,923.3	14.2	49,457.6	16.8
Financial assets measured at fair value through profit or loss	62,593.7	22.2	60,744.6	20.6
<b>Total</b>	<b>281,821.5</b>	<b>100.0</b>	<b>294,971.2</b>	<b>100.0</b>

## Management Discussion and Analysis

### *Financial assets held under resale agreements*

The table below sets forth, as of 31 December 2018 and 30 June 2019, the distribution of our financial assets held under resale agreements by collateral type.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Analyzed by collateral type:</b>				
Bonds	6,322.4	86.4	1,877.1	65.4
Bills	993.5	13.6	993.5	34.6
<b>Gross amount</b>	<b>7,315.9</b>	<b>100.0</b>	2,870.6	100.0
Allowance for impairment losses	(314.7)		(314.6)	
<b>Net amount</b>	<b>7,001.2</b>		2,556.0	

Our financial assets held under resale agreements amounted to RMB7,001.2 million as of 30 June 2019, representing an increase of 173.9% compared to RMB2,556.0 million as of 31 December 2018. The increase was a result of the Bank's increase in provision of short-term funds.

### *Other components of our assets*

Other components of our assets primarily consist of (i) cash and deposits with central bank, (ii) deposits with banks and other financial institutions, (iii) placements with banks and other financial institutions, (iv) derivative financial assets and (v) others.

Our cash and deposits with central bank amounted to RMB45,909.2 million as of 30 June 2019, representing a decrease of 26.3% compared to RMB62,313.4 as of 31 December 2018.

Our deposits with banks and other financial institutions amounted to RMB7,061.5 million as of 30 June 2019, representing an increase of 73.8% compared to RMB4,063.5 million as of 31 December 2018. The increase was primarily due to the cooperation in the small and medium enterprise inclusive financial online business with banks and other financial institutions, which increased our deposit in current saving accounts for settlement purposes.

Our placements with banks and other financial institutions amounted to RMB12,399.7 million as of 30 June 2019, representing an increase of 10.8% compared to RMB11,187.0 million as of 31 December 2018.

## Management Discussion and Analysis

Our derivative financial assets amounted to RMB276.0 million as of 30 June 2019, representing an increase of 292.6% compared to RMB70.3 million as of 31 December 2018. The increase was primarily due to an increase of our transaction volume of derivative financial instruments as a result of the increase of unrealized gains from the valuation of such derivative financial instruments because of market fluctuation.

Our other assets consist primarily of property and equipment, right-of-use assets, deferred tax assets, repossessed assets, interests in associates, prepaid expenses, intangible assets and other receivables. Our other assets increased by 34.4 % from RMB7,235.2 million as of 31 December 2018 to RMB9,725.2 million as of 30 June 2019, primarily due to the adoption of the new accounting standard, IFRS 16, which led to an increase of right-of-use assets.

### *Charges on assets*

Details of the charges on the Bank's assets as of 30 June 2019 are set out in the Note 38 to the interim financial statement in this interim report.

## 2 Liabilities

The following table sets forth, as of the dates indicated, the components of our total liabilities.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Due to customers	358,550.3	58.2	342,877.2	56.1
Debt securities issued	133,040.4	21.6	159,823.7	26.1
Deposits from banks and other financial institutions	27,550.1	4.5	33,728.2	5.5
Financial assets sold under repurchase agreements	33,181.2	5.4	28,362.5	4.6
Placements from banks	33,627.2	5.5	21,555.7	3.5
Financial liabilities held for trading	1,400.5	0.2	–	–
Borrowings from central bank	19,952.8	3.2	17,001.4	2.8
Income tax payable	807.8	0.1	970.3	0.2
Derivative financial liabilities	39.5	0.0	27.8	0.0
Other liabilities <sup>(1)</sup>	8,012.3	1.3	7,272.4	1.2
<b>TOTAL LIABILITIES</b>	<b>616,162.1</b>	<b>100.0</b>	<b>611,619.2</b>	<b>100.0</b>

*Note:*

- (1) Consist primarily of lease liabilities, other payables, settlement payable, salaries and benefits payables, dividend payable, provision, and tax payable.

## Management Discussion and Analysis

As of 30 June 2019, our total liabilities were RMB616,162.1 million, representing an increase of 0.7% compared to RMB611,619.2 million as of 31 December 2018.

### *Due to customers*

As of 30 June 2019, our due to customers amounted to RMB358,550.3 million, representing an increase of 4.6% compared to RMB342,877.2 million as of 31 December 2018. The increase in our due to customers was primarily due to enhancement of client acquisition capability and client loyalty of our Bank. By adhering our “Four Tailor-made Approaches” and precision marketing tactics, we were more focused to acquire corporate clients with emphasis on account planning as well as enhanced quality and efficiency. Consequently, contribution from due to customer area was boosted.

The following table sets forth, as of 31 December 2018 and 30 June 2019, our due to customers by product type and maturity profile of deposits.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Corporate deposits</b>				
Demand	179,769.2	50.1	177,579.0	51.8
Time <sup>(1)</sup>	84,810.2	23.7	79,203.6	23.1
Subtotal	264,579.4	73.8	256,782.6	74.9
<b>Personal deposits</b>				
Demand	20,828.5	5.8	17,718.1	5.2
Time <sup>(1)</sup>	49,756.0	13.9	51,514.2	15.0
Subtotal	70,584.5	19.7	69,232.3	20.2
<b>Others<sup>(2)</sup></b>	<b>23,386.4</b>	<b>6.5</b>	<b>16,862.3</b>	<b>4.9</b>
<b>Total due to customers</b>	<b>358,550.3</b>	<b>100.0</b>	<b>342,877.2</b>	<b>100.0</b>

## Management Discussion and Analysis

### Notes:

- (1) Include principal-guaranteed wealth management products, which we classify as due to customers pursuant to the PBoC rules.
- (2) Consist primarily of pledged deposits, funds deposited with us for remittance and temporary deposits.

Our corporate deposits increased by 3.0% from RMB256,782.6 million as of 31 December 2018 to RMB264,579.4 million as of 30 June 2019. The increase in our corporate deposits was primarily due to enhancement of client acquisition capability and client loyalty of our Bank. By adhering our “Four Tailor-made Approaches” and precision marketing tactics, we were more focused to acquire corporate clients with emphasis on account planning as well as enhanced quality and efficiency. Consequently, contribution from due to customer area was boosted.

Our personal deposits increased by 2.0% from RMB69,232.3 million as of 31 December 2018 to RMB70,584.5 million as of 30 June 2019. The increase in our personal deposits was primarily due to our upholding of the business strategy of attracting new capital inflows from the sale of wealth products and the continuous growth of personal integrated financial assets. At the same time, through reasonable adjustment of the dynamic balances between the issuance and payment of wealth management products and between our existing wealth products and personal deposits, our Bank’s personal debt business was stabilized.

### *Debt securities issued*

As of 30 June 2019, our debt securities issued amounted to RMB133,040.4 million, representing a decrease of 16.8% from RMB159,823.7 million as of 31 December 2018. The decrease in our debt securities issued was primarily because we extended to more financing channels to get other fund support.

### *Deposits from banks and other financial institutions*

As of 30 June 2019, our deposits from banks and other financial institutions amounted to RMB27,550.1 million, representing a decrease of 18.3% from RMB33,728.2 million as of 31 December 2018. The decrease in our deposits from banks and other financial institutions primarily reflected the fact that the Bank adjusted our liability structure and reduced the size of this business area.

### *Financial assets sold under repurchase agreements*

As of 30 June 2019, our financial assets sold under repurchase agreements amounted to RMB33,181.2 million, representing an increase of 17.0% from RMB28,362.5 million as of 31 December 2018. The increase in our financial assets sold under repurchase agreements was primarily because the Bank adjusted our liability structure and increased the size of this business area.

## Management Discussion and Analysis

### *Placements from banks*

As of 30 June 2019, our placements from banks amounted to RMB33,627.2 million, representing an increase of 56.0% from RMB21,555.7 million as of 31 December 2018. The increase in our placements from banks was primarily due to an increase in the size of this business area of the Bank because of the requirement for adjustment of our liability structure and operation needs.

### *Financial liabilities held for trading*

As of 30 June 2019, our financial liabilities held for trading amounted to RMB1,400.5 million.

### *Borrowings from central bank*

As of 30 June 2019, our borrowings from central bank amounted to RMB19,952.8 million, representing an increase of 17.4% from RMB17,001.4 million as of 31 December 2018. The increase in our borrowings from central bank was primarily due to an general increase of our borrowings from central bank.

### *Income tax payable*

As of 30 June 2019, our income tax payable amounted to RMB807.8 million, representing a decrease of 16.7% from RMB970.3 million as of 31 December 2018.

### *Derivative financial liabilities*

As of 30 June 2019, our derivative financial liabilities amounted to RMB39.5 million, representing an increase of 42.1% from RMB27.8 million as of 31 December 2018.

### *Other liabilities*

Our other liabilities mainly include lease liabilities, other payables, settlement payable, salaries and benefits payable, dividends payable, provision and sundry taxes payable. Our other liabilities increased by 10.2% from RMB7,272.4 million as of 31 December 2018 to RMB8,012.3 million as of 30 June 2019, which was primarily due to the adoption of the new accounting standard, IFRS 16, which led to an increase of lease liabilities.

### *Contingent liabilities*

Details of the Bank's contingent liabilities as of 30 June 2019 are set out in the Note 36 to the interim financial statement in this interim report.



## Management Discussion and Analysis

### 3 Equity

The table below sets forth the components of the equity of the Bank as of the dates indicated.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>EQUITY</b>				
Share capital	6,070.6	12.2	6,070.6	12.7
Capital reserve	10,731.1	21.6	10,731.1	22.5
Investment revaluation reserve	69.2	0.1	148.5	0.3
Surplus reserve	3,352.5	6.8	3,352.5	7.0
General reserve	9,196.7	18.5	9,133.1	19.2
Retained earnings	19,520.5	39.3	17,563.7	36.8
Equity attributable to equity holders of the Bank	48,940.6	98.5	46,999.5	98.5
Non-controlling interests	751.3	1.5	721.2	1.5
<b>TOTAL EQUITY</b>	<b>49,691.9</b>	<b>100.0</b>	<b>47,720.7</b>	<b>100.0</b>

As of 30 June 2019, our shareholders' equity amounted to RMB49,691.9 million, representing an increase of 4.1% compared to RMB47,720.7 million as of 31 December 2018. Equity attributable to equity holders of the Bank was RMB48,940.6 million as of 30 June 2019, representing an increase of 4.1% compared to RMB46,999.5 million as of 31 December 2018. The increase in the shareholders' equity in the six months ended 30 June 2019 was caused mainly by an increase of our net profit in the first half of 2019.

## Management Discussion and Analysis

### V ANALYSIS OF OFF-BALANCE SHEET ITEMS

The following table sets forth, as of 31 December 2018 and 30 June 2019, the contractual amounts of our credit commitments.

	As of 30 June 2019	As of 31 December 2018
	<i>(Amounts in millions of RMB)</i>	
Acceptances	28,228.5	27,623.5
Letters of credit issued	11,656.5	11,415.7
Letters of guarantee	1,545.8	2,607.7
Undrawn corporate loans limit	34,459.4	36,682.9
Undrawn credit card limit	2,307.2	2,172.2
<b>Total</b>	<b>78,197.4</b>	<b>80,502.0</b>

## Management Discussion and Analysis

### VI ANALYSIS

#### Distribution of loans by five-category loan classification

The following table sets forth, as of 31 December 2018 and 30 June 2019, the distribution of our loan portfolio by the five-category loan classification.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total <sup>(1)</sup>	Amount	% of the total <sup>(1)</sup>
<i>(Amounts in millions of RMB, except percentages)</i>				
Normal	295,080.3	93.44	270,754.5	93.75
Special mention	15,268.8	4.84	13,303.5	4.61
<b>Subtotal</b>	<b>310,349.1</b>	<b>98.28</b>	<b>284,058.0</b>	<b>98.36</b>
Substandard	3,387.4	1.07	2,507.9	0.87
Doubtful	1,398.2	0.44	1,437.5	0.50
Loss	655.2	0.21	785.6	0.27
<b>Subtotal</b>	<b>5,440.8</b>	<b>1.72</b>	<b>4,731.0</b>	<b>1.64</b>
<b>Total loans and advances to customers</b>	<b>315,789.9</b>	<b>100.00</b>	<b>288,789.0</b>	<b>100.00</b>

As of 30 June 2019, according to the five-category classification, the normal loans amounted to RMB295,080.3 million, representing an increase of RMB24,325.8 million compared to that as of 31 December 2018. The normal loans accounted for 93.44% of all the loans of the Bank as of 30 June 2019. Loans classified as special mention were RMB15,268.8 million, representing an increase of RMB1,965.3 million compared to that as of 31 December 2018. The loans classified as special mention accounted for 4.84% of all loans. The non-performing loans were RMB5,440.8 million, representing an increase of RMB709.8 million compared to that as of 31 December 2018 with a non-performing loan ratio<sup>(1)</sup> of 1.72%, representing an increase of 0.08 percentage point compared to that as of 31 December 2018, primarily due to weakened repayment ability of our certain corporate customers and individual customers.

Note:

(1) Calculated by the amount of five categories loans (interests included).

## Management Discussion and Analysis

### Distribution of corporate loans by industry

The following table sets forth the distribution of our corporate loans by industry as of the dates indicated.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total	Amount	% of the total
<i>(Amounts in millions of RMB, except percentages)</i>				
Real estate	41,229.1	23.2	35,834.1	19.9
Manufacturing	37,665.0	21.3	35,687.3	19.8
Wholesale and retail	28,828.0	16.2	30,253.6	16.8
Leasing and business services	21,464.3	12.1	24,462.8	13.6
Construction	19,019.0	10.7	19,975.5	11.1
Water, environment and public facilities management	13,466.0	7.6	15,657.8	8.7
Transportation, storage and postal services	3,995.3	2.2	4,591.5	2.5
Electricity, heat, gas and water production and supply	3,153.9	1.8	3,249.8	1.8
Finance	2,963.2	1.7	3,696.4	2.0
Resident services, repair and other services	1,624.8	0.9	2,167.9	1.2
Accommodation and catering	799.0	0.4	974.3	0.5
Mining	796.6	0.4	611.8	0.3
Cultural, sports and entertainment	716.5	0.4	914.3	0.5
Information transmission, software and information technology services	679.2	0.4	763.1	0.4
Agriculture, forestry, animal husbandry and fishery	419.9	0.2	728.1	0.4
Scientific research and technical services	347.3	0.2	437.5	0.2
Health and social services	332.5	0.2	238.4	0.2
Public administration, social security and social organization	213.4	0.1	214.0	0.1
Education	84.0	0.0	55.3	0.0
<b>Total corporate loans <sup>(1)</sup></b>	<b>177,797.0</b>	<b>100.0</b>	<b>180,513.5</b>	<b>100.0</b>

Note:

(1) Consist of finance lease receivables.

## Management Discussion and Analysis

In the first half of 2019, the Bank actively supported the development of the real economy with its loans structure further optimized. As of 30 June 2019, loans provided to customers in the industries of (i) real estate, (ii) manufacturing, (iii) wholesale and retail, (iv) leasing and business services, and (v) construction represented the top five largest components of the Bank's corporate loans. As of 30 June 2019 and 31 December 2018, the balance of loans provided to the corporate customers in these five industries were RMB148,205.4 million and RMB146,213.3 million, respectively, accounting for 83.5% and 81.2% of the total corporate loans and advances issued by the Bank, respectively. The proportion of our corporate loans in the real estate industry to our total corporate loans increased from 19.9% as of the end of 2018 to 23.2% as of 30 June 2019. The increase was due to the facts that: 1) we acquired more business from the premium real estate development projects in Beijing-Tianjin-Hebei region in 2019; and 2) we vigorously involved in the supply-side reform and proactively adjusted our credit business structure by squeezing and withdrawing from loan business in high energy consumption and high pollution sectors, leading to a decline in proportion of our corporate loans in other industries to our total corporate loans.

### Distribution of Non-Performing Corporate Loans by Industry

The following table sets forth, as of the dates indicated, the distribution of our non-performing loans to corporate customers by industry.

	As of 30 June 2019			As of 31 December 2018		
	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)
<i>(Amounts in millions of RMB, except percentages)</i>						
Manufacturing	1,973.2	43.7	5.24	1,929.6	47.6	5.41
Wholesale and retail	1,863.5	41.3	6.46	1,435.3	35.5	4.74
Mining	209.9	4.7	26.35	305.4	7.5	49.92
Construction	194.6	4.3	1.02	130.8	3.2	0.65
Accommodation and catering	74.5	1.7	9.32	62.5	1.5	6.41
Real estate	61.2	1.4	0.15	61.2	1.5	0.17
Transportation, storage and postal services	58.1	1.3	1.45	58.1	1.4	1.27
Information transmission, software and information technology services	47.5	1.1	6.99	34.0	0.8	4.46
Scientific research and technical services	12.0	0.3	3.46	14.7	0.4	3.36
Agriculture, forestry, animal husbandry and fishery	7.9	0.2	1.88	25.7	0.6	3.53
<b>Total non-performing corporate loans <sup>(2)</sup></b>	<b>4,502.4</b>	<b>100.0</b>	<b>2.53</b>	<b>4,057.3</b>	<b>100.0</b>	<b>2.25</b>

Notes:

- (1) Calculated by dividing non-performing loans to corporate customers in each industry by gross loans to corporate customers in that industry.
- (2) Consist of finance lease receivables.

## Management Discussion and Analysis

Our non-performing corporate loans consist primarily of non-performing loans to corporate borrowers in the manufacturing industry and wholesale and retail industry. The non-performing loan ratio for our corporate loans in the manufacturing industry were 5.41% and 5.24% as of 31 December 2018 and 30 June 2019, respectively. As of 31 December 2018 and 30 June 2019, non-performing corporate loans to borrowers in this industry accounted for 47.6% and 43.7% of our total non-performing corporate loans, respectively. The decrease in the non-performing loan ratio for our corporate loans to borrowers in the manufacturing industry was primarily due to faster growth of corporate loans whereas small change in non-performing loans for this industry.

The non-performing loan ratios for our corporate loans in the wholesale and retail industry were 4.74% and 6.46% as of 31 December 2018 and 30 June 2019, respectively. As of 31 December 2018 and 30 June 2019, non-performing corporate loans to borrowers in this industry accounted for 35.5% and 41.3% of our total non-performing corporate loans, respectively. The increase of our non-performing loan ratio for our corporate loans to borrowers in the wholesale and retail industry was primarily due to the weakened repayment ability of certain corporate customers in this industry.

The non-performing loan ratios for our corporate loans in the mining industry were 49.92% and 26.35% as of 31 December 2018 and 30 June 2019, respectively. As of 31 December 2018 and 30 June 2019, non-performing corporate loans to borrowers in this industry accounted for 7.5% and 4.7% of our total non-performing corporate loans, respectively. The decrease of our non-performing loan ratio for our corporate loans to borrowers in the mining industry primarily was primarily due to our active management and write-off of non-performing loans.

The non-performing loan ratios for our corporate loans in the construction industry were 0.65% and 1.02% as of 31 December 2018 and 30 June 2019, respectively. As of 31 December 2018 and 30 June 2019, non-performing corporate loans to borrowers in this industry accounted for 3.2% and 4.3% of our total non-performing corporate loans, respectively. The increase of our non-performing loan ratio for our corporate loans to borrowers in this industry primarily reflected the weakened repayment ability of certain corporate customers in the industry.

The non-performing loan ratios for our corporate loans in the accommodation and catering industry were 6.41% and 9.32% as of 31 December 2018 and 30 June 2019, respectively. As of 31 December 2018 and 30 June 2019, non-performing corporate loans to borrowers in this industry accounted for 1.5% and 1.7% of our total non-performing corporate loans, respectively. The increase of our non-performing loan ratio for our corporate loans to borrowers in the accommodation and catering industry primarily reflected the weakened repayment ability of certain corporate customers in the industry.

## Management Discussion and Analysis

### Distribution of Non-Performing Loans by Product Type

The following table sets forth, as of the dates indicated, the distribution of our non-performing loans by product type.

	As of 30 June 2019			As of 31 December 2018		
	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)
<i>(Amounts in millions of RMB, except percentages)</i>						
<b>Corporate loans<sup>(2)</sup></b>						
Working capital loans	4,060.1	74.7	4.21	3,545.5	74.9	3.45
Fixed asset loans	62.5	1.1	0.11	62.5	1.3	0.11
Trade finance	23.3	0.4	0.20	23.6	0.5	0.48
Others <sup>(3)</sup>	356.5	6.6	6.32	425.7	9.0	6.42
<b>Subtotal</b>	<b>4,502.4</b>	<b>82.8</b>	<b>2.53</b>	<b>4,057.3</b>	<b>85.7</b>	<b>2.25</b>
<b>Discounted bills</b>	<b>58.6</b>	<b>1.1</b>	<b>1.13</b>	<b>59.9</b>	<b>1.3</b>	<b>2.64</b>
<b>Subtotal</b>	<b>58.6</b>	<b>1.1</b>	<b>1.13</b>	<b>59.9</b>	<b>1.3</b>	<b>2.64</b>
<b>Personal loans</b>						
Personal business loans	396.4	7.3	4.71	393.2	8.3	8.74
Personal consumption loans	377.4	6.9	0.37	134.2	2.8	0.17
Residential mortgage loans	66.0	1.2	0.30	46.1	1.0	0.20
Credit card overdrafts	40.0	0.7	4.28	40.3	0.9	5.86
<b>Subtotal</b>	<b>879.8</b>	<b>16.1</b>	<b>0.66</b>	<b>613.8</b>	<b>13.0</b>	<b>0.58</b>
<b>Total non-performing loans</b>	<b>5440.8</b>	<b>100.0</b>	<b>1.72</b>	<b>4,731.0</b>	<b>100.0</b>	<b>1.64</b>

Notes:

- (1) Calculated by dividing non-performing loans in each product type by gross loans (interests included) in that product type.
- (2) Total corporate loans here consist of our corporate loans and finance lease receivables.
- (3) Consist primarily of advances under bank acceptances and letters of credit issued by us and corporate overdraft.

## Management Discussion and Analysis

The non-performing loan ratio for our corporate loans increased from 2.25% as of 31 December 2018 to 2.53% as of 30 June 2019, with a 10.97% increase in our non-performing corporate loans from RMB4,057.3 million to RMB4,502.4 million. The increase in our non-performing corporate loans was primarily due to the weakened repayment ability of certain corporate customers.

The non-performing loan ratio for our personal loans increased from 0.58% as of 31 December 2018 to 0.66% as of 30 June 2019, with a 43.34% increase in our non-performing personal loans from RMB613.8 million as of 31 December 2018 to RMB879.8 million as of 30 June 2019. The increase in the non-performing loan ratio for our personal loans was primarily due to the weakened repayment ability of certain individual customers. The substantial increase of our non-performing personal loan balances from 31 December 2018 was primarily due to the weakened repayment ability of certain individual customers.

The non-performing loan ratio for our discounted bills was 2.64% as of 31 December 2018 and our non-performing loans for discounted bills amounted to RMB59.9 million as of the same date. The non-performing loan ratio for our discounted bills was 1.13% as of 30 June 2019 and our non-performing loans for discounted bills amounted to RMB58.6 million as of the same date. The decrease in the non-performing loan ratio for our discounted bills was primarily due to faster growth of our discounted bill business.

### Distribution of non-performing loans by geographical region

The following table sets forth, as of 31 December 2018 and 30 June 2019, the distribution of our non-performing loans by geographical region.

	As of 30 June 2019			As of 31 December 2018		
	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)	Amount	% of the total (%)	NPL ratio <sup>(1)</sup> (%)
<i>(Amounts in millions of RMB, except percentages)</i>						
Tianjin	1,694.8	31.2	1.44	1,247.7	26.3	1.13
Beijing	198.2	3.6	0.67	194.4	4.1	0.94
Shandong Province	819.2	15.1	2.16	940.5	19.9	2.80
Shanghai	894.1	16.4	1.12	546.9	11.6	0.76
Hebei Province	1,726.3	31.7	6.58	1,768.2	37.4	6.29
Sichuan Province	107.2	2.0	0.46	33.3	0.7	0.14
Ningxia	1.0	0.0	0.09	–	–	–
<b>Total non-performing loans</b>	<b>5,440.8</b>	<b>100.0</b>	<b>1.72</b>	<b>4,731.0</b>	<b>100.0</b>	<b>1.64</b>

Note:

(1) Calculated by dividing non-performing loans of each region by the gross loans (interests included) of that region.



## Management Discussion and Analysis

### Distribution of loans by collateral

The following table sets forth, as of 31 December 2018 and 30 June 2019, the distribution of our loans and advances to customers by type of collateral.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except percentages)</i>				
Unsecured loan	118,227.1	37.4	88,108.6	30.5
Guaranteed loan	110,095.9	34.9	108,737.2	37.7
Collateralized loans <sup>(1)</sup>	73,204.0	23.2	71,681.3	24.8
Pledged loans <sup>(1)</sup>	14,262.9	4.5	20,261.9	7.0
<b>Total loans and advances to customers</b>	<b>315,789.9</b>	<b>100.0</b>	<b>288,789.0</b>	<b>100.0</b>

Note:

- (1) Represent the total amount of loans fully or partially secured by collateral in each category. If a loan is secured by more than one form of security interest, the allocation is based on the primary form of security interest.

### Borrowers concentration

As of 30 June 2019, the Bank's total loans to its largest single borrower accounted for 8.49% of its regulatory capital while total loans to its top ten customers accounted for 39.83% of its regulatory capital, which were in compliance with regulatory requirements.

#### a. Indicators of concentration

Major regulatory indicators	Regulatory standard	As of 30 June 2019	As of 31 December 2018
Loan concentration ratio for the largest single customer (%)	<=10	8.49	5.02
Loan concentration ratio for the top ten customers (%)	<=50	39.83	29.47

Note: The data above are calculated in accordance with the formula promulgated by the China Banking and Insurance Regulatory Commission.

## Management Discussion and Analysis

### b. Loans to top ten single borrowers

The following table sets forth, as of the date indicated, our loan exposure to our ten largest single borrowers, all of which were classified as normal at that date.

	Industry	As of 30 June 2019			Classification
		Amount	% of total loans (%)	% of regulatory capital <sup>(1)</sup> (%)	
<i>(Amounts in millions of RMB, except percentages)</i>					
Borrower A	Manufacturing	6,050.6	1.92	8.49	Normal
Borrower B	Manufacturing	3,482.4	1.10	4.89	Normal
Borrower C	Manufacturing	3,431.6	1.09	4.81	Normal
Borrower D	Wholesale and retail	2,600.0	0.82	3.65	Normal
Borrower E	Construction	2,488.5	0.79	3.49	Normal
Borrower F	Real estate	2,294.2	0.72	3.22	Normal
Borrower G	Real estate	2,173.5	0.69	3.05	Normal
Borrower H	Wholesale and retail	1,985.0	0.63	2.78	Normal
Borrower I	Leasing and business services	1,955.0	0.62	2.74	Normal
Borrower J	Real estate	1,930.0	0.61	2.71	Normal
<b>Total</b>		<b>28,390.8</b>	<b>8.99</b>	<b>39.83</b>	

Note:

- (1) Represents loan balances as a percentage of our regulatory capital, calculated in accordance with the requirements of the Capital Administrative Measures and based on our financial statements prepared in accordance with Chinese Generally Accepted Accounting Principles.

As of 30 June 2019, the loan balance of the largest single borrower of the Bank was RMB6,050.6 million, accounting for 1.92% of the total amount of loans of the Bank, and the total amount of loans of the top ten single borrowers was RMB28,390.8 million, representing 8.99% of the total amount of loans of the Bank.

## Management Discussion and Analysis

### Aging Schedule of Loans Past Due

The following table sets forth, as of the dates indicated, aging schedule of our loans past due.

	As of 30 June 2019		As of 31 December 2018	
	Amount	% of the total loans and advances to customers (%)	Amount	% of the total loans and advances to customers (%)
<i>(Amounts in thousands of RMB, except percentages)</i>				
Past due 1 to 90 days	12,765,066	4.04	3,467,476	1.21
Past due 90 days to 1 year	2,519,021	0.80	819,992	0.28
Past due 1 to 3 years	1,724,061	0.55	2,742,350	0.95
Past due more than 3 years	1,546,236	0.49	869,986	0.30
<b>Total</b>	<b>18,554,384</b>	<b>5.88</b>	<b>7,899,804</b>	<b>2.74</b>

## Management Discussion and Analysis

### Changes to allowance for impairment losses

The allowance for impairment losses of loans increased by 19.3% to RMB14,130.2 million as of 30 June 2019 from RMB11,845.7 million as of 1 January 2019. This was mainly because we increased our allowance for impairment losses of our loans to cover potential losses which may be incurred as we had larger amount of loans and advances to customers.

	As of 30 June 2019		As of 31 December 2018	
	Amount	NPL ratio <sup>(2)</sup> (%)	Amount	NPL ratio <sup>(2)</sup> (%)
<i>(Amounts in millions of RMB, except percentages)</i>				
<b>Beginning of period</b>	11,845.7	1.64	7,966.5	1.50
Net provisions for the period <sup>(1)</sup>	3,031.9		3,857.7	
Reversal interest revenue	(36.6)		(105.5)	
Write-off and transfers	(712.3)		(14.2)	
Recovery	1.5		141.2	
<b>End of period</b>	14,130.2	1.72	11,845.7	1.64

Notes:

(1) Represent the net amount of allowance for impairment losses recognized in the profit or loss statement.

(2) Calculated by dividing the total amount of non-performing loans by total amount of loans (interests included).

## Management Discussion and Analysis

### VII SEGMENT REPORT

#### Geographical Segment Report

In presenting information on the basis of geographical regions, operating income is gathered according to the locations of the branches or subsidiaries that generated the income. For the purpose of presentation, we categorize such information by geographical regions. The following table sets forth the total operating income of each of the geographical regions for the periods indicated.

	For the six months ended 30 June			
	2019	% of the total	2018	% of the total
	Amount	(%)	Amount	(%)
<i>(Amounts in millions of RMB, except percentages)</i>				
Tianjin	4,944.5	55.8	3,433.3	57.6
Shandong Province	623.5	7.0	574.6	9.6
Shanghai	1,443.3	16.3	425.1	7.1
Sichuan Province	651.5	7.4	440.0	7.4
Beijing	892.1	10.1	647.6	10.9
Hebei Province	247.9	2.8	398.6	6.7
Ningxia	52.5	0.6	41.7	0.7
<b>Total</b>	<b>8,855.3</b>	<b>100.0</b>	<b>5,960.9</b>	<b>100.0</b>

## Management Discussion and Analysis

### Business Segment Report

The following table sets forth, for the periods indicated, the operating income of each of our principal segment.

	For the six months ended 30 June			
	2019		2018	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except percentages)</i>				
Corporate banking business	3,716.9	42.0	3,830.2	64.3
Personal banking business	2,762.3	31.1	825.0	13.8
Treasury operations	2,360.5	26.7	1,312.9	22.0
Others <sup>(1)</sup>	15.6	0.2	(7.2)	(0.1)
<b>Total</b>	<b>8,855.3</b>	<b>100.0</b>	<b>5,960.9</b>	<b>100.0</b>

Note:

(1) Consist primarily of income that is not directly attributable to any specific segment.

### VIII ANALYSIS ON CAPITAL ADEQUACY RATIO

As of 30 June 2019, capital adequacy ratio was 14.69%, 0.16 percentage point higher than that at the end of 2018 while tier-one capital adequacy ratio and core tier-one capital adequacy ratio were 10.06% and 10.05%, respectively, 0.22 percentage point higher than those at the end of 2018.

## Management Discussion and Analysis

The following table sets forth the relevant information of our Bank's capital adequacy ratio as of the dates indicated:

	As of 30 June 2019	As of 31 December 2018
<i>(Amounts in millions of RMB, except percentages)</i>		
<b>Core capital</b>		
– Share capital	6,070.6	6,070.6
– Capital reserve and investment revaluation reserve	10,800.3	10,879.6
– Surplus reserve	3,352.5	3,352.5
– General reserve	9,196.7	9,133.1
– Retained earnings	19,520.5	17,563.6
– Non-controlling interests that may be included	215.7	271.4
<b>Total Core Capital</b>	<b>49,156.3</b>	<b>47,270.8</b>
<b>Core tier-one capital</b>	<b>49,156.3</b>	<b>47,270.8</b>
<b>Core tier-one capital deductible items</b>	<b>(357.4)</b>	<b>(346.2)</b>
<b>Net core tier-one capital</b>	<b>48,798.9</b>	<b>46,924.6</b>
<b>Net tier-one capital</b>	<b>48,827.6</b>	<b>46,960.8</b>
<b>Tier-two capital</b>		
– Net tier-two capital instruments and related premiums	16,680.0	16,680.0
– Surplus allowance for impairment losses on loans	5,716.5	5,616.1
– Non-controlling interests that may be included	57.5	72.4
<b>Total tier-two capital</b>	<b>22,454.0</b>	<b>22,368.5</b>
<b>Net capital</b>	<b>71,281.6</b>	<b>69,329.3</b>
<b>Total risk-weighted assets</b>	<b>485,319.8</b>	<b>477,241.1</b>
<b>Core tier-one capital adequacy ratio (expressed in percentage)</b>	<b>10.05</b>	<b>9.83</b>
<b>Tier-one capital adequacy ratio (expressed in percentage)</b>	<b>10.06</b>	<b>9.84</b>
<b>Capital adequacy ratio (expressed in percentage)</b>	<b>14.69</b>	<b>14.53</b>

As of 30 June 2019, the Bank's leverage ratio was 6.99%.

## Management Discussion and Analysis

	As of 30 June 2019	As of 31 December 2018
Leverage ratio	6.99%	6.79%

Pursuant to the Leverage Ratio Management of Commercial Bank (Amended) issued by China Banking and Insurance Regulatory Commission ("CBIRC"), effective from April 2015, a minimum leverage ratio of 4% is required. The above leverage ratios are calculated according to the formula promulgated by CBIRC.

### IX RISK MANAGEMENT

Our Bank is exposed to the following primary risks: credit risk, operational risk, market risk, liquidity risk and information technology risk. In 2019, we continuously enhanced our comprehensive risk management system and improved our risk control, continued to facilitate the establishment of an integrated and comprehensive risk management system through which we have managed to successfully meet relevant regulatory requirements, mitigate risks associated with general unstable economic conditions, and secure the sustainable development of our business. In particular, our Bank strives to maintain a risk management system to strike the balance between risk and return, so as to strictly control our risk exposure while maintaining the flexibility to allow business innovations and maintain asset quality.

#### Credit risk

Credit risk refers to risk of causing financial loss to creditors or holders of financial products, resulting from the failure by an obligor or counterparty to fulfill its obligations under the contract or changes in its credit quality affecting the value of financial products. Our Bank is exposed to credit risks primarily associated with our corporate loan business, personal loan business and treasury business.

Our bank has established a relatively sound authorization and credit review and extension management system. The Bank has established a credit risk management system based on the principle of vertical management for credit risk, ensured the independence of credit review and extension based on the principle of separation for loan approval and extension and approval at various levels, and established a scientific and rigorous authorization and credit review and extension management system.

The Bank implements a centralized credit extension system, under which exposures to credit risk of all our banking books and that of our trading books, including credit business and non-credit business, all ways and types of credit extension are under centralized credit extension management and reviewed by review authorities or reviewer with corresponding authorization for credit review and extension.

The Bank has established credit risk management mechanism, system and procedures in line with its business nature, scale and complexity, to manage, execute and implement unified risk preferences, effectively identify, measure, control, monitor and report credit risk, so as to control credit risk within the range we can tolerate.



## Management Discussion and Analysis

The Bank strives to improve our overall credit risk management capabilities through a variety of measures, such as establishing a digital credit extension management system, establishing a twelve-level loan categorization system and adopting specific procedures to manage relevant risks, improving our capacity to process credit risk management by utilizing information technology, conducting post-credit extension risk management, and further enhancing credit review and monitoring. The Bank intends to develop an internal rating system on credit risk for retail and non-retail business to effectively manage the review, monitoring and risk alerts in the course of our credit extension, so as to further enhance our credit risk control capability.

### Operational risk

Operational risk refers to risk caused by inadequate or problematic internal procedures, personnel and information technology systems, as well as external events. Our Bank's operational risks primarily arise from internal and external frauds, worksite safety failures, business interruptions and failures in information technology systems.

Our Bank continues to perfect our operational risk management system. We have formulated and issued implementation rules for three main operational risk management tools (provisional), namely assessment on operational risk identification and self-control, key risk index and operational risk incidents collection. The Bank regularly carries out self-assessment on risk identification and control, key risk index monitoring and implements the collection of loss information because of operational risk. The Bank has issued the Negative List for Risk Prevention“《天津銀行業務風險防控負面清單》” and regulated the reporting system of operational risk. Our Bank has made the effort to carry out various inspection procedures which are carrying forward, stereoscopic and multi-dimensional. We have placed emphasis on our accountability and reporting system. In addition, we have established a risk warning system. Multi-dimensional educative activities have been carried out thorough out the Bank in order to enhance awareness of risk prevention and encourage whistleblowing.

### Market risk

Market risk is the risk of loss in on- and off-balance sheet positions arising from movements in market prices caused by interest rates, exchange rates and other market factors, which primarily includes interest rate risk and exchange rate risk.

Our Board undertakes the ultimate responsibility for monitoring on market risk management to ensure that the Bank effectively identifies, measures, monitors and controls the various market risks assumed by various businesses. Our senior management is responsible for formulating, regularly reviewing and supervising the implementation of policies, procedures and specific operation procedures for market risk management, keeping abreast of the level of market risk and its management and ensuring the Bank has sufficient human resources, materials, and appropriate organization structure, management information system and technical level to effectively identify, measure, monitor and control the various market risks assumed by various businesses. The Bank, through the improvement of market risk governance structure, management tool, system construction, effective measurement of market risk, controls negative effects of adverse movements in market price on the financial instrument position and relevant businesses within the reasonable range the Bank can tolerate, so as to ensure that various market risk indicators meet the regulatory requirements and operation needs.

## Management Discussion and Analysis

### Liquidity risk management

Liquidity risk refers to the risk of failure for commercial banks to acquire sufficient funds in a timely manner and at a reasonable cost to pay off debts due or meet the liquidity demand in line with expansion of our business operations. We are exposed to liquidity risk primarily in the funding of our lending, trading and investment activities, as well as in the management of our liquidity positions.

Our bank adopts the centralized management model for our liquidity risk management. Guided by the Board's liquidity risk management policies and led by the senior management, the headquarters and branches work in conjunction with all relevant departments to implement the centralized management model that accords with our business model and overall development plans, under which the headquarters will uniformly manage our general liquidity risks.

### Information Technology Risk Management

We are subject to information technology risk which may cause operational, legal and reputational risks. Our Bank continuously improves IT risk management, formulates and revises IT risk management-related policies and sets up IT management system to improve IT application capability and ensure system, internet, and information security. We have also effectively reduced potential risks by enhancing management and increasing IT investment.

Our Bank has issued IT Risk Management Policies of Bank of Tianjin Co., Ltd. 《天津銀行股份有限公司信息科技風險管理政策》, Administrative Measures for IT Risk Management of Bank of Tianjin 《天津銀行信息科技風險管理辦法》, IT Risk Management Strategies of Bank of Tianjin 《天津銀行信息科技風險管理策略》 and Administrative Measures for Risk Management of Sub-contracting IT Work of Bank of Tianjin 《天津銀行信息科技外包風險管理辦法》; and has amended Business Continuity Management Policies of Bank of Tianjin 《天津銀行業務連續性管理政策》, Business Continuity Management Measures of Bank of Tianjin 《天津銀行業務連續性管理辦法》 and General Business Continuity Management Contingency Plan of Bank of Tianjin 《天津銀行業務連續性總體應急預案》. Meanwhile, the Bank has commenced business continuity risk evaluation, business continuity special training and IT risk monitoring evaluation.

## Management Discussion and Analysis

### X BUSINESS REVIEW

#### Corporate Banking Business

During the first half of 2019, based on the development notion of “putting quality first and giving priority to performance”, our corporate banking business took supporting the real economy as our starting point and a strong foothold to develop the business. We were more focused to implement the doctrine of our “Four Tailor-made Approaches”. Our service scope was extended to cover industrial clients which have synergy with the strategic development of Beijing-Tianjin-Hebei region and also clients in emerging industries. We upgraded our overall service quality to retain a group of stable customers and maintained relationship with long-term clients by offering them secured lines of credit. To response to the supply-side reform policy, we withdrawn from business with certain clients who are in high energy-consumption and high-pollution and very risky sectors.

For the six months ended 30 June 2019, our operating income from corporate banking business amounted to RMB3,716.9 million, accounting for 42.0% of the total operating income over the same period, representing a decrease of 3.0% as compared to the same period last year.

As of 30 June 2019, the balance of our corporate loans (excluding discounted bills and finance leases receivable) amounted to RMB171,486.5 million, representing a decrease of 0.1% as compared to that of 31 December 2018. As of 30 June 2019, our total corporate deposits amounted to RMB264,579.4 million, representing an increase of 3.0% as compared to that of 31 December 2018.

#### Personal Banking Business

For the six months ended 30 June 2019, the Bank’s personal banking business fully implemented our strategy of “ultra-conventional development approach for retail business”, utilizing both on-line and off-line channels to connect our customers and caring for them in their usual daily lives with our banking services. As always, our operation strictly followed and fully complied with laws and regulations and processes in a prudent manner while making full use of modern IT technology for continuously being innovative in terms of extension of our personal banking product and service coverage. Our Bank continued to employ differentiated product and service tactics to offer suitable financial products and efficient and convenient services to our customers. For liability business, we issued or launched large-denomination certificates of deposit, happy certificates of deposit (幸福存單), exclusive wealth management products for new customers, exclusive wealth management products for union members, exclusive wealth management products for high net worth customers, exclusive payroll wealth management products, etc. This is an almost full coverage of financial investment products catering diverse needs of customers of different background. For asset business, we accelerated the development of scenario-based online loans business, increased the scale of online consumer credit business, focused on improving asset returns, and effectively promoted the transformation of our retail business.

## Management Discussion and Analysis

For the six months ended 30 June 2019, the operating income from our retail banking business amounted to RMB2,762.3 million, accounting for 31.1% of our total operating income over the same period and representing an increase of 234.8% as compared to the same period last year. As of 30 June 2019, the balance of our personal loans reached RMB132,825.9 million, accounting for 42.1% of our total loans to customers. As of 30 June 2019, our residential mortgage loans, personal consumption loans, personal business loans and credit card overdrafts amounted to RMB22,298.8 million, RMB101,169.6 million, RMB8,421.1 million and RMB936.4 million, respectively, and accounted for 16.8%, 76.2%, 6.3% and 0.7%, respectively, of our total personal loans. As of the same date, our total personal deposits amounted to RMB70,584.5 million, representing an increase of 2.0% as compared to that of 31 December 2018.

For the six months ended 30 June 2019, our Bank continued to expand our credit card product offering and enrich product features. As of 30 June 2019, our Bank issued 205,562 credit cards.

### Micro and Small Enterprise Financial Services

As of 30 June 2019, our loans to small and micro enterprises, including personal business loans, amounted to RMB92,725.6 million, representing a decrease of 5.8% as compared to the 31 December 2018. Number of clients for loans to small and micro enterprises, including personal business, grew by 271% to 296,098. The non-performing loan ratio for our loans to small and micro enterprises was 1.48% as of 30 June 2019. In the first half of 2019, the Bank launched our first self-operated fully on-line inclusive finance product, e-loans for taxpayers (“銀稅e貸”), a product offered to owners of small and micro enterprises who pay taxes according to laws for their operation entities’ daily fund transactions under our business line of on-line personal business loans. With its fully on-line financing model which combines “Big Data +Tax+Finance”, our e-loans for taxpayers facilitates a virtuous circle which “secures credit by tax payment and helps tax payment on credit”.

In addition, the Bank developed the financial leasing business through establishing Bank of Tianjin Financial Leasing Co., Ltd., which commenced its business operation in October 2016. For the six months ended 30 June 2019, total assets and net profit of Bank of Tianjin Financial Leasing Co., Ltd. amounted to RMB7,256.5 million and RMB36.1 million, respectively.

Furthermore, our Bank earnestly implemented the state’s policies and requirements for supporting “agriculture, rural areas and farmers” by actively performing our responsibilities for inclusive finance and continuously optimizing our rural financial services and branch distribution in rural areas. As of 30 June 2019, our Bank established a total of 8 county banks in poor counties with small economic size and inadequate financial services in Xinjiang and Ningxia, and Jizhou District, Tianjin as well.

## Management Discussion and Analysis

### Treasury Operations Business

During the first half of 2019, with an aim to serve and support the real economy better, we continued to optimize our asset portfolio, make good use of various financial market products and other banks' channels, keep on restoring our financial market business to basic activities like standardized investment, bond transactions, and forex and derivatives transactions, and realize high quality development of our financial market business. As of 30 June 2019, our operating income in treasury operations business was RMB2,360.5 million, 79.8% higher than that from the same period last year, accounting for 26.7% of our Bank's total operating revenue. For the six months ended 30 June 2019, our branch in Shanghai acquired membership of China Foreign Exchange Trade System for inter-bank forex trading in Shanghai Free-Trade Zone (上海自貿區), laying a solid foundation for exploration into and development of our new business.

#### *Money Market Transactions*

For the six months ended 30 June 2019, by expanding our aggregate transaction scale and increasing our participation in the money market, our Bank responded to the changes in the money market while maintaining our liquidity.

Firstly, we engaged further with money market transactions. Among which, transactions settled in RMB market, inter-bank forex transaction volume and transaction volume in forex currencies grew by 73.8%, 154% and 640% year-on-year, respectively. In the process of satisfying our requirement for liquidity, our Bank increased participation and enhanced influence in the market. During the first half of 2019, we were listed in "Active Dealers of X-Repo" of National Interbank Funding Center of the China in May and June 2019 and were granted the "Best Progress Award" among the list of "X-Repo Elites".

Secondly, we broadened our liability sources. Through combined application of various money market tools such as active issuance of negotiable certificates of deposit and participation in national treasury commercial bank time deposit bidding, we broadened our liability sources. For the first half of 2019, our transaction volume amounted to RMB2.4 trillion.

#### *Fixed Income Business*

For the six months ended 30 June 2019, by further strengthening research and analysis on financial market and changes of policy environment, our Bank proactively responded to market changes while bolstered our solid foundation in traditional bond business. As such, we continued to optimize our asset portfolio and exert efforts in enhancement of our profitability.

## Management Discussion and Analysis

Firstly, to engage further with bond transactions and become more active in the trading. During the first half of 2019, our scale in spot trading grew rapidly. For the first half of 2019, our Bank was the member of book-entry treasury bond underwriting syndicates with the third highest treasury spot trading volume and was honored to be listed in "X-Bond Monthly List" of National Interbank Funding Center of the China for several times, signifying our growth in influence in market trading.

Secondly, to strengthen market analysis and enhance profitability. We continued to fully capitalize on adjustments in bond markets and proactively modified our bond portfolio to rationalize weighting of bonds with different maturities for locking in gains and effective reduction of market risk.

Thirdly, to exert more effort in underwriting and distribution of interest rate bonds. Continuous leveraging on the competition edges and customer bases as members of treasury bond underwriting syndicates, the three major policy banks' financial debt underwriting syndicates and local bond underwriting syndicates in Tianjin, Beijing, Shanghai, Hebei, Shandong, etc., we further broadened our sales channels. For the first half of 2019, the Bank underwritten a total of RMB87.15 billion in treasury bonds, local government bonds and policy bank bonds.

Fourthly, to continue optimize our investment portfolio with an appropriate allocation of credit bonds. During the first half of 2019, our Bank kept on allocating funds among high-grade credit bonds and asset-backed securities to support financing need in the Bohai region and assist synergistic development of the Beijing-Tianjin-Hebei region. We increased investment in assets of small and micro business, promoted small and micro-finance financial services, giving practical services and feasible support to the real economy.

### *Forex and Precious Metal Transactions*

From the beginning of 2019, in order to meet our customers' foreign exchange settlement demand and our Bank's hedging needs, we exerted more efforts in building up relationship with financial derivatives trading counterparties and cooperation foundation with our peers in the industry. Simultaneously, we further expanded scale in innovative business such as forex derivatives and interbank gold price asking transactions. For the first half of 2019, the total transaction volume of forex trading and interbank gold price asking transactions amounted to approximately USD7.4 billion and approximately 4.45 tonnes, respectively. By promoting trading business of international precious metals such as London Gold, we continuously consolidated and enhanced our capability and position in the forex and precious metal business, laying a solid foundation in FICC (Fixed Income, Currency & Commodity) business which combines investment, financing and trading business and forms a comprehensive product portfolio and integrated trading platform.

## Management Discussion and Analysis

### *Treasury Business Conducted on Behalf of Customers*

For the six months ended 30 June 2019, the wealth management business of our Bank grew steadily because (i) we made continuous efforts to provide a optimized product portfolio and have progress in transformation into net worth product category to meet our customers' diversified needs, resulting in comparatively stronger market competitiveness; and (ii) we maintained marketing efforts towards our corporate banking customers, personal banking customers and interbank customers.

As of 30 June 2019, the total outstanding amount of wealth management products issued by us was RMB114,749.0 million. For the six months ended 30 June 2019, the net fee and commission income from the wealth management products issued by us amounted to RMB621.6 million.

### *International Business*

For the six months ended 30 June 2019, our Bank's international settlement volume amounted to USD3,729.5 million.

## Changes in Share Capital and Information on Shareholders

### I. CHANGES IN SHARE CAPITAL

#### Share Capital

As of 30 June 2019, the total share capital of the Bank was 6,070,551,822 shares, and the registered capital amounted to RMB6,070,551,822, without any changes in the Reporting Period.

#### Statement of Changes in Shares

	1 January 2019			30 June 2019	
	Number of Shares	Percentage of total share capital	Changes during the Reporting Period	Number of Shares	Percentage of total share capital
Domestic legal persons	3,979,001,638	65.54%	–	3,979,001,638	65.54%
Domestic natural persons	326,951,121	5.39%	–	326,951,121	5.39%
H Shares	1,764,599,063	29.07%	–	1,764,599,063	29.07%
Other foreign shares	–	–	–	–	–
<b>Total</b>	<b>6,070,551,822</b>	<b>100.00%</b>	<b>–</b>	<b>6,070,551,822</b>	<b>100.00%</b>



## Changes in Share Capital and Information on Shareholders

### Particulars of Shareholdings of the Top Ten Shareholders of Domestic Shares of our Bank

No.	Name of shareholder	Total number of shares held at beginning of the Reporting Period	Total number of shares held at end of the Reporting Period	Shareholding percentage held at end of the Reporting Period (%)
1	Tianjin Port Free Trade Zone Investment Co., Ltd. (天津保稅區投資有限公司)	966,425,534	966,425,534	15.92
2	Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司)	487,078,366	487,078,366	8.02
3	Tianjin Bohai Chemical Industry Group Co., Ltd. (天津渤海化工集團有限責任公司)	487,078,366	487,078,366	8.02
4	Tianjin Hi-tech Holding Group Co., Ltd. (天津海泰控股集團有限公司)	149,056,239	149,056,239	2.46
5	Tianjin Hengchangyuan Industrial Co., Ltd. (天津恒昌圓實業有限公司) <sup>(1)</sup>	121,832,962	121,832,962	2.01
6	Tianjin Jinrong Investment Service Group Co., Ltd. (天津津融投資服務集團有限公司) <sup>(2)</sup>	117,378,125	117,378,125	1.93
7	Tianjin Ningfa Group Co., Ltd. (天津市寧發集團有限公司)	115,561,504	115,561,504	1.90
8	Tianjin Wenhua Tianhai Industrial Co., Ltd. (天津文華天海實業有限公司) <sup>(3)</sup>	101,386,808	101,386,808	1.67
9	Bohai Industrial Investment Fund Management Co., Ltd. (渤海產業投資基金管理有限公司)	100,000,000	100,000,000	1.65
10	Tianjin Economic and Technology Development Zone Finance Bureau (天津經濟技術開發區財政局)	99,370,826	99,370,826	1.64
	Total	2,745,168,730	2,745,168,730	45.22

#### Notes:

- (1) Tianjin Hengchangyuan Industrial Co., Ltd. (天津恒昌圓實業有限公司) pledged its 109,427,151 Shares to New Times Trust Co., Ltd. (新時代信託股份有限公司).
- (2) Tianjin Jinrong Investment Service Group Co., Ltd. (天津津融投資服務集團有限公司) pledged its 63,636,198 Shares to Tianjin Branch of China Everbright Bank Co., Ltd. (中國光大銀行股份有限公司天津分行).
- (3) Tianjin Wenhua Tianhai Industrial Co., Ltd. (天津文華天海實業有限公司) pledged its 101,110,047 Shares to New Times Trust Co., Ltd. (新時代信託股份有限公司).

## Changes in Share Capital and Information on Shareholders

### II. INFORMATION ON SHAREHOLDERS

#### Interests and Short Positions in Hong Kong in accordance with the SFO

As at 30 June 2019, pursuant to the register entered by the Bank under Section 336 of SFO, and to the best knowledge of the Bank, the following persons (other than the Bank's Directors, Supervisors and chief executive) had or be deemed or taken to have interests and/or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, were interested in 5% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at the general meetings of any other member of our Bank:

Name of Shareholder	Nature of interests	Class of Shares	Number of Shares directly or indirectly held (long position)	Approximate % of interest in the Bank	Approximate % of the relevant class of Shares of the Bank
Tianjin Port Free Trade Zone Investment Co., Ltd. (天津保稅區投資有限公司) <sup>(1)</sup>	Beneficial owner	Domestic Shares	966,425,534	15.92	22.44
Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. (天津保稅區投資控股集團有限公司) <sup>(1)</sup>	Interest of a controlled corporation	Domestic Shares	966,425,534	15.92	22.44
Australia and New Zealand Banking Group Limited (澳大利亞和新西蘭銀行集團有限公司) <sup>(2)</sup>	Beneficial owner	H Shares	725,644,563	11.95	41.12
Tianjin Bohai Chemical Industry Group Co., Ltd. (天津渤海化工集團有限責任公司) <sup>(3)</sup>	Beneficial owner Interest of a controlled corporation	Domestic Shares	489,857,052	8.07	11.38
Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司) <sup>(4)</sup>	Beneficial owner Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36
Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海國有資產經營管理有限公司) <sup>(4)</sup>	Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36
Tianjin Jinlian Investment Holdings Limited (天津津聯投資控股有限公司) <sup>(4)</sup>	Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36

## Changes in Share Capital and Information on Shareholders

Name of Shareholder	Nature of interests	Class of Shares	Number of Shares directly or indirectly held (long position)	Approximate % of interest in the Bank	Approximate % of the relevant class of Shares of the Bank
CSSC International Holding Company Limited <sup>(5)</sup>	Beneficial owner	H Shares	303,193,000	4.99	17.18
China State Shipbuilding Corporation Limited (中國船舶工業集團有限公司) <sup>(5)</sup>	Interest of a controlled corporation	H Shares	303,193,000	4.99	17.18
BL Capital Holdings Ltd <sup>(6)</sup>	Beneficial owner	H Shares	106,993,500	1.76	6.06
HNA Capital (Hong Kong) Holdings Co., Ltd <sup>(6)</sup>	Interest of a controlled corporation	H Shares	106,993,500	1.76	6.06
HNA Capital Group Co., Ltd. (海航資本集團有限公司) <sup>(6)</sup>	Interest of a controlled corporation	H Shares	106,993,500	1.76	6.06

### Notes:

- (1) Tianjin Port Free Trade Zone Investment Co., Ltd. (天津保稅區投資有限公司) is wholly-owned by Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. (天津保稅區投資控股集團有限公司), which is in turn wholly-owned by Tianjin Port Free Trade Zone State-owned Assets Administration Bureau (天津港保稅區國有資產管理局). By virtue of the SFO, Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. is deemed to be interested in the Shares held by Tianjin Port Free Trade Zone Investment Co., Ltd.
- (2) Australia and New Zealand Banking Group Limited (澳大利亞和新西蘭銀行集團有限公司), a Shareholder of our Bank, incorporated in the State of Victoria, Australia on 14 July 1977, and is listed on the Australian Securities Exchange (Stock Code: ANZ) and New Zealand Exchange (Stock Code: ANZ: AU).
- (3) Tianjin Bohai Chemical Industry Group Co., Ltd. (天津渤海化工集團有限責任公司) (i) directly holds 487,078,366 Shares; and (ii) through a number of controlled corporations, holds an aggregate of 2,778,686 Shares. As such, Tianjin Bohai Chemical Industry Group Co., Ltd. is interested in a total of 489,857,052 Shares by virtue of the SFO. Tianjin Bohai Chemical Industry Group Co., Ltd. is wholly-owned by State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府國有資產監督管理委員會).

## Changes in Share Capital and Information on Shareholders

- (4) Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司) (i) directly holds 487,078,366 Shares; and (ii) through a number of controlled corporations, holds an aggregate of 2,028,817 Shares. As such, Tianjin Pharmaceutical Holdings Ltd. is interested in a total of 489,107,183 Shares by virtue of the SFO. Tianjin Pharmaceutical Holdings Ltd. is wholly-owned by Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海國有資產經營管理有限公司), which is wholly-owned by Tianjin Jinlian Investment Holdings Limited (天津津聯投資控股有限公司), an entity wholly-owned by State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府國有資產監督管理委員會). By virtue of the SFO, Tianjin Jinlian Investment Holdings Limited and Tianjin Bohai State-owned Assets Management Co., Ltd. are deemed to be interested in the Shares held by Tianjin Pharmaceutical Holdings Ltd.
- (5) China State Shipbuilding Corporation Limited (中國船舶工業集團有限公司) is wholly-owned by State-owned Assets Supervision and Administration Commission of the State Council. CSSC International Holding Company Limited is wholly-owned by China State Shipbuilding Corporation Limited. As such, China State Shipbuilding Corporation Limited is deemed to be interested in the 303,193,000 Shares held by CSSC International Holding Company Limited.
- (6) HNA Capital (Hong Kong) Holdings Co., Ltd is wholly-owned by HNA Capital Group Co., Ltd. BL Capital Holdings Ltd is wholly-owned by HNA Capital (Hong Kong) Holdings Co., Ltd. As such, HNA Capital Group Co., Ltd. and HNA Capital (Hong Kong) Holdings Co., Ltd are deemed to be interested in the 106,993,500 Shares held by BL Capital Holdings Ltd.

### III. SHAREHOLDERS WITH SHAREHOLDING OF 5% OR MORE OF THE BANK

Please see II. Information on Shareholders above for the particulars of shareholders with shareholding of 5% or more of the Bank.

### IV. PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE BANK

During the Reporting Period, the Bank or any of its subsidiaries had not purchased, sold or redeemed any listed securities of the Bank.

## Directors, Supervisors, Senior Management and Employees

### I. INCUMBENT DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

#### 1. Directors

Name	Age	Position	Date of Appointment
Mr. LI Zongtang (李宗唐)	59	Executive Director, Chairman*	11 May 2018
Mr. SUN Liguó (孫利國)	55	Executive Director, President*	11 May 2018
Ms. ZHANG Furong (張富榮)	57	Executive Director, Vice President*, Secretary of the Board of Directors*	11 May 2018
Mr. LIANG Jianfa (梁建法)	54	Executive Director, Vice President*, Chief Financial Officer*	8 June 2018
Ms. SUN Jingyu (孫靜宇)	51	Non-executive Director	8 June 2018
Mr. Alistair Marshall BULLOCH (布樂達)	61	Non-executive Director	11 May 2018
Mr. ZHAO Wei (趙煒)	49	Non-executive Director	11 May 2018
Mr. XIAO Jingxi (肖京喜)	56	Non-executive Director	8 June 2018
Ms. LI Jun (李峻)	46	Non-executive Director	8 June 2018
Mr. FENG Heping (封和平)	59	Independent Non-executive Director	11 May 2018
Mr. LAW Yee Kwan, Quinn (羅義坤)	66	Independent Non-executive Director	11 May 2018
Mr. JIN Qingjun (靳慶軍)	61	Independent Non-executive Director	11 May 2018
Mr. HUA Yaogang (華耀綱)	62	Independent Non-executive Director	8 June 2018
Mr. HE Jia (何佳)	64	Independent Non-executive Director	8 June 2018

*Note:*

The term of office of the above Directors is from their respective appointment dates to the expiry date of the term of office of the sixth session of the Board.

According to the Articles of Association, a Director may be re-elected and re-appointed upon expiry of his/her term of office. Where re-election is not carried out promptly after a Director's term of office expires, the Director shall continue to perform the duties owed by a Director before a new Director is elected to take up the office, according to the laws, administrative regulations, departmental rules and the Articles of Association.

\* The above term of office commenced on 15 June 2018.

## Directors, Supervisors, Senior Management and Employees

### 2. Supervisors

Name	Age	Position	Date of Appointment
Ms. FENG Xia (馮俠)	47	Employee Representative Supervisor	15 March 2018
		Chairwoman of Board of Supervisors	15 June 2018
		Trade Union President <sup>1</sup>	23 July 2019
Mr. YAO Tao (姚濤)	56	Employee Representative Supervisor	15 March 2018
Mr. YU Yang (于陽)	40	Shareholder Representative Supervisor	8 June 2018
Mr. ZHANG Lianming (張連明)	55	External Supervisor	11 May 2018
Mr. LIU Baorui (劉寶瑞)	62	External Supervisor	8 June 2018

*Notes:*

1. Upon the approval of Tianjin Federation of Trade Unions (Jin Gong Fu [2019] No. 55), it was agreed that Ms. Feng Xia served as Trade Union President of our Bank and Ms. Zhang Furong no longer served as Trade Union President of our Bank on 23 July 2019.
2. The term of office of the above Supervisors is from their respective appointment dates to the expiry date of the term of office of the sixth session of the Board of Supervisors.

According to the Articles of Association, a Supervisor may be re-elected and re-appointed upon expiry of his/her term of office. Where re-election is not carried out promptly after a Supervisor's term of office expires, the Supervisor shall continue to perform the duties owed by a Supervisor before a new Supervisor is elected to take up the office, according to the laws, administrative regulations and the Articles of Association.

## Directors, Supervisors, Senior Management and Employees

### 3. Senior Management

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Date of First Appointment as Senior Management</u>
Mr. SUN Liguó (孫利國)	55	President	December 2016
Ms. ZHANG Furong (張富榮)	57	Vice President, Secretary of the Board of Directors	November 2009
Ms. ZHANG Ying (張穎) <sup>1</sup>	43	Vice President	September 2014
Mr. LIANG Jianfa (梁建法)	54	Vice President, Chief Financial Officer	December 2014
Mr. XIA Zhenwu (夏振武)	50	Assistant to President	January 2008
Mr. WANG Feng (王峰)	46	Assistant to President, Chief Information Officer <sup>2</sup>	April 2017

*Notes:*

1. Effective from 23 May 2019, Ms. Zhang Ying ceased to serve as Secretary of Disciplinary Committee of our Bank due to changes in her duties. Ms. Zhang Ying was appointed as vice president of our Bank during the eighth meeting of the sixth session of the Board held on 22 July 2019, and her relevant qualification was approved by the CBIRC Tianjin Office on 12 September 2019.
2. Mr. Wang Feng, Assistant to President of our Bank, was engaged as Chief Information Officer of our Bank during the eighth meeting of the sixth session of the Board held on 22 July 2019, subject to CBIRC Tianjin Office's approval of his relevant qualification.

## Directors, Supervisors, Senior Management and Employees

### II. CHANGES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

Effective from 23 May 2019, Ms. Zhang Ying ceased to serve as Secretary of Disciplinary Committee of our Bank due to changes in her duties.

Save as disclosed above, during the Reporting Period, there is no other relevant information required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

Below are changes in our directors, supervisors and senior management members occurred from the end of the Reporting Period to the date of this report.

Ms. Zhang Ying was appointed as Vice President of our Bank during the eighth meeting of the sixth session of the Board held on 22 July 2019, and her relevant qualification was approved by the CBIRC Tianjin Office on 12 September 2019.

Mr. Wang Feng, Assistant to President of our Bank, was appointed as Chief Information Officer of our Bank during the eighth meeting of the sixth session of the Board held on 22 July 2019, subject to CBIRC Tianjin Office's approval of his relevant qualification.

Upon the approval of Tianjin Federation of Trade Unions (Jin Gong Fu [2019] No. 55), it was agreed that Ms. Feng Xia served as Trade Union President of our Bank and Ms. Zhang Furong no longer served as Trade Union President of our Bank on 23 July 2019.

On 5 September 2019, Mr. WU Tao tendered his resignation from the position of Non-executive director of the Bank and a member of the risk management committee under the Board. According to the Company Law of the People's Republic of China and other relevant laws and regulations as well as the articles of association of the Bank, the resignation of Mr. WU took effect on September 5, 2019. For details, please refer to the announcement of the Bank "RESIGNATION OF NON-EXECUTIVE DIRECTOR" dated 5 September 2019.

### III. COMPANY SECRETARIES

Ms. ZHANG Furong has been appointed as our secretary to the Board of Directors since June 2015. Ms. ZHANG Furong and Dr. NGAI Wai Fung have been acting as our joint company secretaries since September 2015. Dr. NGAI Wai Fung is a director and chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. Ms. Zhang is the primary contact person for Dr. NGAI at the Bank.



## Directors, Supervisors, Senior Management and Employees

### IV. SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND RELEVANT EMPLOYEES

The Bank adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") as set out in Appendix 10 to the Hong Kong Listing Rules as its codes of conduct regulating securities transactions by the Directors and Supervisors.

Having made specific enquiries to all Directors and Supervisors of the bank, each of the Directors and Supervisors has confirmed that they complied with the Model Code during the Reporting Period.

### V. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE BANK

As of 30 June 2019, the interests and short positions of the Directors, Supervisors and the chief executive of the Bank and their associates in the Shares, underlying Shares and debentures of the Bank or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Hong Kong Listing Rules are set out as follows:

#### Directors

<u>Name of Director</u>	<u>Capacity</u>	<u>Class of Shares</u>	<b>Number of Shares directly or indirectly held (long position)</b>	<b>Approximate % of interest in our Bank</b>
ZHANG Furong (張富榮)	Beneficial interest	Domestic Shares	478,645 <sup>(1)</sup>	0.0079%

*Note:*

- (1) On 3 May 2018, Ms. ZHANG Furong transferred the 119,600 domestic shares which she directly holds to her spouse Mr. ZHOU Lizhong (周立忠) by way of an agreement. As at the end of the Reporting Period, Ms. ZHANG Furong directly holds 359,045 domestic shares of the Bank and her spouse holds 119,600 domestic shares. According to the Securities and Futures Ordinance, the interest held by Mr. ZHOU is deemed as the interest held by Ms. ZHANG.

## Directors, Supervisors, Senior Management and Employees

### Supervisors

<b>Name of Supervisor</b>	<b>Capacity</b>	<b>Class of Shares</b>	<b>Number of Shares directly or indirectly held (long position)</b>	<b>Approximate % of interest in our Bank</b>
YAO Tao (姚濤)	Beneficial interest	Domestic Shares	102,487	0.0017%
LIU Baorui (劉寶瑞)	Beneficial interest	Domestic Shares	15,959	0.0003%

Save as disclosed above, none of the Directors, the chief executive or the Supervisors of the Bank or their associates held any interests or short positions in the Shares, underlying Shares and debentures of the Bank or its associated corporations as of 30 June 2019.

## VI. EMPLOYEES' REMUNERATION POLICIES AND TRAINING PLANS FOR EMPLOYEES

As of 30 June 2019, we had 6,744 regular employees in total, of which 1,112 employees at our head office and 5,510 employees at our branches and sub-branches, 82 employees at our consolidated county banks and 40 employees at Bank of Tianjin Financial Leasing Co., Ltd. (天銀金融租賃股份有限公司). As of 30 June 2019, we had 5,790 or 85.85% employees who had bachelor's degrees or above, and our staff's average age was 36.

We are gradually building a scientific incentive and restraint mechanism which implements segmental assessment to align our compensation payment with the overall performance of our Bank and individual performance. The Bank contributes to social insurance and other employee benefits for our employees, such as pension insurance, medical insurance, work injury insurance, unemployment insurance, maternity insurance and housing fund in accordance with the applicable PRC laws, rules and regulations.

## Directors, Supervisors, Senior Management and Employees

In accordance with Regulatory Guidelines for the Stability of Remuneration in Commercial Banks of CBIRC, our Bank has formulated Remuneration Management Policy of Bank of Tianjin Co., Ltd. and Remuneration Management Measures of Bank of Tianjin to regulate our management of remuneration. Our Bank has successfully established a broadband salary management system with diversified composition, standardized management and systematic implementation and adopted a market-oriented and diversified management by region in order to scientifically and effectively motivate our employees and ensure the smooth implementation of our developmental strategies.

Remuneration policies of our Bank are in line with our risk management system and our employee compensation level also match our Bank performance. Based on the principle of combining incentives and restraints, prudent and careful attitude, and being coordinated and sustainable, according to requirements for risk management, we adopt deferred payment to staff whose positions can have significant impact on our risk exposure to mitigate risks. Moreover, to consolidate performance assessment orientation and make remuneration match contribution, employees will be given disciplinary actions or subject to other penalties for violations of rules and dereliction of duty, and their remuneration will be deducted accordingly.

The Bank formulates staff education and training plans with specific focuses on a yearly basis and conducts hierarchically key talents cultivation programs which cover new employees, youth leaders, business professionals and management. At the very first stage, the head office organizes training on front-line business operations, promotion of new products and services, customer marketing management, internal control case studies and legal compliance to key business personnel from branches and sub-branches according to their professions and levels. Then some of the trained individuals carry out second round of training in their branches and sub-branches in connection with the real situation. Since 2014, the Bank has implemented a career development program for all our staff which emphasizes on qualifications and certificates. The bank has also regularly organized various types of professional qualifications and competitive examinations, promoting employees' vocational qualification management and encouraging employees to attend external professional qualification courses. As of the date of this interim report, more than 13,158 people passed the relevant examinations and obtained various kinds of vocational qualification certificates.

## Important Events

### I. CORPORATE GOVERNANCE CODE

During the Reporting Period, our Bank continued to improve the transparency of its corporate governance to protect the interests of Shareholders and enhance corporate value.

Our Bank has established a relatively comprehensive corporate governance structure in accordance with the requirements of the Hong Kong Listing Rules. The composition of the Board and the special committees of the Board is in compliance with the requirements of the Hong Kong Listing Rules. The Bank clearly divides the responsibilities of the Shareholders' general meeting, the Board of Directors, the Board of Supervisors and senior management. The Shareholders' general meeting is the highest authority of the Bank. The Board of Directors is accountable to the Shareholders' general meeting. The Board of Directors has established six special committees which operate under the leadership of the Board and provide opinions for the Board's decisions. The Board of Supervisors supervises the stable and sound operations of the Bank and the performance of duties of the Board and senior management. Senior management under the leadership of the Board is responsible for implementing resolutions of the Board and taking charge of the daily business and management of the Bank and reporting regularly to the Board of Directors and the Board of Supervisors. The President is appointed by the Board and is responsible for the overall business and management of the Bank.

Our Bank has adopted the Corporate Governance Code (the "**Code**") in Appendix 14 of the Hong Kong Listing Rules, and has met the requirements of the PRC commercial bank administrative measures and corporate governance and has established a sound corporate governance system. The Board believes that, our Bank has complied with the requirements of the code provisions in Appendix 14 of the Hong Kong Listing Rules during the Reporting Period.

Our Bank is committed to maintaining high standards in corporate governance. Our Bank will continue to enhance its corporate governance to ensure compliance with the Code and meet expectations from the Shareholders and potential investors.

## Important Events

### **Shareholders' general meeting**

During the Reporting Period, the Bank held one Shareholders' general meeting, namely the 2018 annual general meeting convened at Geneva Hotel (No.32 Youyi Road, Hexi District, Tianjin, PRC) at 9:30 a.m. on 16 May 2019. The notices and convening and voting procedures of the 2018 annual general meeting were all in compliance with the relevant requirements of the Company Law of the People's Republic of China, the Articles of Association and the Hong Kong Listing Rules. Please refer to the poll results announcement published on the websites of the Bank and the Hong Kong Stock Exchange on the date of convening the meeting for details.

### **Board of Directors and special committees meetings**

During the Reporting Period, the Board of Directors held 3 meetings, at which 30 resolutions were considered and approved. Special committees under the Board of Directors held 10 meetings, including 2 meetings of the strategic development committee, 2 meetings of the audit committee, 2 meetings of the related party transactions control committee, 2 meetings of the risk management committee, 1 meeting of the nomination and remuneration committee and 1 meeting of the consumer rights protection committee, at which 42 resolutions were considered and approved.

### **Board of Supervisors and special committees meetings**

During the Reporting Period, the Board of Supervisors held 4 meetings, at which 33 resolutions were considered and approved. Special committees under the Board of Supervisors held 4 meetings, including 2 meetings of the supervision committee and 2 meetings of the nomination committee, at which 33 resolutions were considered and approved.

## **II. THE USE OF PROCEEDS**

The proceeds from issuance of H shares of the Bank had been used in accordance with the intended usage as disclosed in the prospectus of the Bank. All of the net proceeds raised from the global offering of the Bank (after deduction of the underwriting fees and commissions and estimated expenses payable by the Bank in connection with the global offering) had been used to strengthen the capital of the Bank to satisfy the need of ongoing growth of its business.

## Important Events

### III. PROFITS AND DIVIDENDS

The Bank's revenue for the six months ended 30 June 2019 and the Bank's financial position as of the same date are set out in the interim financial statements of this interim report.

The profit distribution plan for 2018 of the Bank was considered and approved by the Shareholders at the 2018 annual general meeting of the Bank held on 16 May 2019. A final dividend of RMB1.8 (tax inclusive) per ten Shares for the year of 2018, amounting to a total dividend of RMB1,092.7 million (tax inclusive) was distributed to holders of H Shares and Domestic Shares on 10 July 2019.

The Bank will not distribute any interim dividend for the first six months of 2019 or convert any capital reserve into share capital.

### IV. CONNECTED TRANSACTIONS

During the Reporting Period, the Bank provided commercial banking services and products in its ordinary and usual course of business to members of the public in China, which include substantial Shareholders, certain Directors and Supervisors, the President and/or each of their respective associates. Each of the above people is a connected person of the Bank under Hong Kong Listing Rules. As these transactions are entered into on normal commercial terms in the ordinary and usual course of the business of the Bank, such transactions are exempt from the reporting, annual review, disclosure and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

### V. RELATED PARTY TRANSACTIONS

The details of the related party transactions conducted by the Bank in the ordinary and usual course of business during the Reporting Period are set out in the notes to the financial statements. The definition of connected persons under Chapter 14A of the Hong Kong Listing Rules is different from the definition of related parties under International Accounting Standard 24, "Related Party Disclosures", and its interpretations by the International Accounting Standards Board. Certain related party transactions set out in the notes to the financial statements also constitute connected transactions or continuing connected transactions as defined under the Hong Kong Listing Rules, but none constitutes a discloseable connected transaction as required under the Hong Kong Listing Rules.

## Important Events

### VI. MATERIAL LITIGATIONS AND ARBITRATIONS

As of the date of this interim report, our Bank does not expect any of our current and pending legal or arbitration proceedings to have, individually or in the aggregate, a material adverse effect on our business, financial position and result of operations.

#### **Litigation against our Tianbao Sub-branch in relation to customers' deposits**

Since 2014, 14 companies or individuals (collectively, the "Plaintiffs"), including Tianjin Zhongxin Huitong Investment Guarantee Co., Ltd. (天津中信匯通投資擔保有限公司) and Tianjin Sangzidi Enterprise Co., Ltd. (天津桑梓地實業有限公司), have filed separate civil lawsuits against us, alleging that their deposits in their savings accounts opened with our Tianbao Sub-branch were transferred to an account of a third party without their authorizations, as well as demanding our Tianbao Sub-branch to pay back their savings of approximately RMB380 million in total along with the relevant interests accrued, etc.

From December 2018 to April 2019, the Secondary Intermediate People's Court of Tianjin and the Tianjin High People's Court successively issued the final rulings on the civil suit. The final rulings ruled that, as the depositors concerned received principal and interest through the "circulation outside of the system" method, they were suspected of committing economic crimes. As those actions involved same legal relationships in civil litigations, the courts dismissed the prosecution against Tianjin Bank initiated by the 14 companies or individual and referred the case materials to the public security organs.

As of the date of this interim report, Tianjin Zhongxin Huitong Investment Guarantee Co., Ltd. (天津中信匯通投資擔保有限公司) and Li Chen (李宸) submitted an application for civil retrial to the Supreme People's Court.

#### **Litigation against our Jinan Branch raised by Hezhong Asset Management Co., Ltd. in relation to customers' deposits**

In April 2015, Hezhong Asset Management Company Ltd. ("Hezhong Asset Management") (合眾資產管理股份有限公司), filed a lawsuit at the Shandong High People's Court against our Jinan Branch, alleging that we were in breach of the security guarantee obligations with respect to the deposits placed by Hezhong Asset Management and as a result the amount of RMB300 million managed by Hezhong Asset Management on behalf of a third party failed to be deposited to a fixed account and instead was transferred out illegally, as well as demanding our Jinan Branch to revert the principal and the interests accrued along with the litigation fees. In December 2016, the Shandong High People's Court made the initial ruling that our Jinan Branch will revert to Hezhong Asset Management the deposit of RMB300 million and the corresponding interests accrued on demand along with the litigation fees. Our Jinan Branch filed an appeal to the Supreme People's Court regarding the initial ruling in January 2017. In September 2018, the Supreme People's Court issued a civil ruling that in this case, whether the series of transactions between the relevant parties of this case was a common civil transaction or a criminal activity, whether the losses arising from the criminal activity

## Important Events

were due to the negligence by the relevant parties and the degree of negligence, shall be determined in conjunction with the judgement of a criminal case related to the parties not involved in this case. As the criminal case has not yet been concluded, and the facts of this case have not yet been ascertained, the Supreme People's Court reversed the initial ruling of the Shandong High People's Court and remanded to the Shandong High People's Court for a new trial.

There is a legal relationship between this case and a criminal case not related to the Bank. Intermediate Court in Jinan, Shandong Province made a first-instance criminal judgement in July 2017, and ruled that the suspects were convicted of bill fraud and were sentenced to respective determinate imprisonment and the property seized and frozen by the relevant investigating agency was returned to Beijing Branch, China Guangfa Bank and any shortfalls shall be recovered by the investigating agency and returned to Beijing Branch, China Guangfa Bank. Some of the individuals involved in the case refused to accept the first-instance criminal judgement and appealed to the Shandong High People's Court. In December 2017, the Shandong High People's Court made another criminal judgement, and ruled that the original judgment was revoked and the case shall be retrial by Intermediate Court in Jinan, Shandong Province again. Intermediate Court in Jinan, Shandong Province made a retrial criminal judgement in March 2019, and ruled that the suspects were convicted of bill fraud and were sentenced to respective determinate imprisonment and the property seized and frozen by the relevant investigating agency was returned to Beijing Branch, China Guangfa Bank Co., Ltd. and any shortfalls shall be returned to Beijing Branch, China Guangfa Bank Co., Ltd. upon recovery. Some of the individuals involved in the case appealed again, and the Shandong High People's Court made the final judgement in June 2019 that dismissed the appeal and upheld the original judgment.

### **Litigation against Zhejiang Chouzhou Commercial Bank raised by our Shanghai Branch in relation to a bill-related dispute**

In April 2016, Our Shanghai Branch filed a lawsuit against Zhejiang Chouzhou Commercial Bank with the Shanghai High People's Court. The litigation involves the bills held under a resale agreement entered into between our Bank and Zhejiang Chouzhou Commercial Bank. As agreed by both parties to the bills held under the resale agreement, our Bank is the reseller of the purchased bills and Zhejiang Chouzhou Commercial Bank is the repurchaser of the sold bills, in which case, our Bank purchased 65 copies of bank acceptance from Zhejiang Chouzhou Commercial Bank and repurchase will be made by Zhejiang Chouzhou Commercial Bank upon maturity at a cash consideration of RMB986 million in full payable to Zhejiang Chouzhou Commercial Bank. Upon maturity on 6 April 2016, our Bank failed to receive the payment of RMB786 million. On the same day, our Shanghai Branch filed a report to the Economic Crimes Investigation Brigade under the Shanghai Public Security Bureau, and subsequently filed a civil lawsuit against Zhejiang Chouzhou Commercial Bank, demanding Zhejiang Chouzhou Commercial Bank to make the payments and interests accrued therefrom under repurchase along with litigation fees, attorney fees, and other expenses. In May 2018, the Shanghai High People's Court issued a civil ruling on the suspension of the case.



## Important Events

### **VII. PUNISHMENT ON THE BANK AND ITS DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**

During the Reporting Period, none of the Bank, the Directors, the Supervisors or the senior management of the Bank was subject to any investigation, administrative penalty or public criticism by China Securities Regulatory Commission or any public censure by any securities exchange, or any punishment by any other regulatory authorities which would have a material impact on the Bank's operations.

### **VIII. PERFORMANCE OF UNDERTAKINGS BY THE BANK AND SHAREHOLDERS HOLDING 5% OR MORE OF THE SHARES**

During the Reporting Period, neither the Bank nor its Shareholders holding 5% or more of the total shares in issue of the Bank gave any undertakings.

### **IX. ACQUISITION AND DISPOSAL OF ASSETS AND BUSINESS MERGER**

During the Reporting Period, the Bank was not engaged in any material acquisition or disposal of assets or business merger. During the Reporting Period, the Bank was not engaged in any material acquisition or disposal in relation to its subsidiaries, associated companies and joint ventures.

### **X. IMPLEMENTATION OF SHARE INCENTIVE SCHEME DURING THE REPORTING PERIOD**

During the Reporting Period, the Bank had not implemented any share incentive scheme.

### **XI. APPOINTMENT AND DISMISSAL OF AUDITORS**

The re-appointment and the remuneration of Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) as the Bank's international and domestic auditors for the year 2019 to hold office until the conclusion of the next annual general meeting of the Bank was considered and approved by the Shareholders at the 2018 annual general meeting of the Bank held on 16 May 2019.

### **XII. SUBSEQUENT EVENTS**

No significant events occurred to the Bank and its subsidiaries after the Reporting Period.

### **XIII. REVIEW OF THE INTERIM REPORT**

The interim financial statements disclosed in this interim report have not been audited. The interim financial statements for the six months ended 30 June 2019 prepared by the Bank in accordance with the International Accounting Standard 34 promulgated by the International Accounting Standards Board and the Hong Kong Listing Rules have been reviewed by Deloitte Touche Tohmatsu in accordance with the International Standard on Review Engagements.

The Board and the audit committee of the Board have reviewed and approved the interim report of the Bank.

### **XIV. PUBLICATION OF INTERIM REPORT**

This interim report is prepared in both English and Chinese versions. In the event of any discrepancies in interpretation between the English version and Chinese version, the Chinese version shall prevail.

# Report on Review of Condensed Consolidated Financial Statements

## Deloitte.

## 德勤

**TO THE BOARD OF DIRECTORS OF BANK OF TIANJIN CO., LTD**

天津銀行股份有限公司

(Incorporated in the People's Republic of China with limited liability)

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of Bank of Tianjin Co., Ltd (the "Bank") and its subsidiaries (collectively referred to as the "Group") set out on pages 81 to 141, which comprise the condensed consolidated statement of financial position as of 30 June 2019 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Bank are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

29 August 2019

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June	
		2019 (Unaudited)	2018 (Unaudited)
Interest income	5	<b>15,953,879</b>	12,703,261
Interest expense	5	<b>(9,487,780)</b>	(10,737,324)
Net interest income		<b>6,466,099</b>	1,965,937
Investment income	6	<b>824,219</b>	2,776,471
Fee and commission income	7	<b>1,064,950</b>	951,523
Fee and commission expense		<b>(14,869)</b>	(47,719)
Net fee and commission income		<b>1,050,081</b>	903,804
Net trading gains		<b>358,873</b>	294,359
Net gains arising from derecognition of financial assets measured at amortised cost		<b>83,826</b>	36,202
Other income, gains or losses	8	<b>72,230</b>	(15,874)
Operating income		<b>8,855,328</b>	5,960,899
Operating expenses	9	<b>(1,921,770)</b>	(1,572,750)
Impairment losses under expected credit loss model, net of reversals	10	<b>(3,038,529)</b>	(748,950)
Share of results of associates		<b>8,051</b>	(2,634)
Profit before tax		<b>3,903,080</b>	3,636,565
Income tax expense	11	<b>(759,842)</b>	(771,572)
Profit for the period		<b>3,143,238</b>	2,864,993

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June	
		2019 (Unaudited)	2018 (Unaudited)
Other comprehensive income/(expense):			
Items that may be reclassified subsequently to profit or loss:			
Fair value (losses)/gains on:			
– financial assets measured at fair value through other comprehensive income		<b>(79,599)</b>	452,322
Amount reclassified to profit or loss upon disposal of:			
– financial assets measured at fair value through other comprehensive income		<b>(100,797)</b>	22,492
Cumulative impairment loss recognised on:			
– financial assets measured at fair value through other comprehensive income		<b>74,556</b>	–
Income tax relating to items that may be reclassified to profit or loss		<b>26,460</b>	(116,953)
Other comprehensive (expense)/income for the period, net of tax		<b>(79,380)</b>	357,861
Total comprehensive income for the period		<b>3,063,858</b>	3,222,854
Profit for the period attributable to:			
Equity holders of the Bank		<b>3,113,189</b>	2,840,472
Non-controlling interests		<b>30,049</b>	24,521
		<b>3,143,238</b>	2,864,993
Total comprehensive income for the period attributable to:			
Equity holders of the Bank		<b>3,033,809</b>	3,198,333
Non-controlling interests		<b>30,049</b>	24,521
		<b>3,063,858</b>	3,222,854
Earnings per share (Expressed in RMB Yuan per share)			
– Basic	12	<b>0.51</b>	0.47

## Condensed Consolidated Statement of Financial Position

As at 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	As at 30 June 2019 (Unaudited)	As at 31 December 2018 (Audited)
<b>ASSETS</b>			
Cash and balances with central bank	14	45,909,196	62,313,393
Deposits with banks and other financial institutions	15	7,061,550	4,063,486
Placements with banks and other financial institutions	16	12,399,682	11,186,976
Derivative financial assets		275,998	70,255
Financial assets held under resale agreements	17	7,001,174	2,555,983
Financial assets at fair value through profit or loss	18	62,593,735	60,744,554
Debt instruments at fair value through other comprehensive income	19	39,923,338	49,457,614
Loans and advances to customers	20	301,659,709	276,943,278
Debt instruments at amortised cost	21	179,304,478	184,769,026
Deferred tax assets	22	3,598,123	3,165,838
Other assets	23	2,696,414	1,949,842
Property and equipment	24	2,096,442	1,907,562
Right-of-use assets	24	1,113,964	–
Interests in associates	25	220,147	212,096
<b>Total assets</b>		<b>665,853,950</b>	659,339,903
<b>LIABILITIES</b>			
Borrowings from central bank	26	19,952,807	17,001,392
Deposits from banks and other financial institutions	27	27,550,112	33,728,238
Placements from banks	28	33,627,214	21,555,660
Financial liabilities held for trading		1,400,487	–
Derivative financial liabilities		39,519	27,836
Financial assets sold under repurchase agreements	29	33,181,164	28,362,473
Income tax payable		807,831	970,269
Other liabilities	30	6,962,017	7,272,472
Lease liabilities		1,050,218	–
Due to customers	31	358,550,255	342,877,165
Debt securities issued	32	133,040,430	159,823,661
<b>Total liabilities</b>		<b>616,162,054</b>	611,619,166

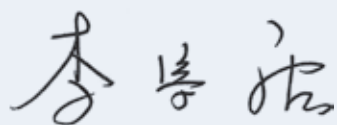
## Condensed Consolidated Statement of Financial Position

As at 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

	<b>As at 30 June 2019 (Unaudited)</b>	As at 31 December 2018 (Audited)
<b>EQUITY</b>		
Share capital	<b>6,070,552</b>	6,070,552
Capital reserve	<b>10,731,130</b>	10,731,130
Investment revaluation reserve	<b>69,167</b>	148,547
Surplus reserve	<b>3,352,480</b>	3,352,480
General reserve	<b>9,196,749</b>	9,133,134
Retained earnings	<b>19,520,521</b>	17,563,646
Equity attributable to equity holders of the Bank	<b>48,940,599</b>	46,999,489
Non-controlling interests	<b>751,297</b>	721,248
Total equity	<b>49,691,896</b>	47,720,737
Total equity and liabilities	<b>665,853,950</b>	659,339,903

The condensed consolidated financial statements on pages 81 to 141 were approved and authorised for issue by the Board of Directors on 29 August 2018 and are signed on its behalf by:



EXECUTIVE DIRECTOR



EXECUTIVE DIRECTOR

## Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

	NOTE	Attributable to equity holders of the Bank						Subtotal	Non-controlling interests	Total
		Share capital	Capital reserve	Investment revaluation reserve	Surplus reserve	General reserve	Retained earnings			
As at 31 December 2018 (Audited)		6,070,552	10,731,130	148,547	3,352,480	9,133,134	17,563,646	46,999,489	721,248	47,720,737
Profit for the period		-	-	-	-	-	3,113,189	3,113,189	30,049	3,143,238
Other comprehensive expense for the period		-	-	(79,380)	-	-	-	(79,380)	-	(79,380)
Total comprehensive income for the period		-	-	(79,380)	-	-	3,113,189	3,033,809	30,049	3,063,858
Appropriation to general reserve		-	-	-	-	63,615	(63,615)	-	-	-
Dividend distribution	13	-	-	-	-	-	(1,092,699)	(1,092,699)	-	(1,092,699)
As at 30 June 2019 (Unaudited)		<b>6,070,552</b>	<b>10,731,130</b>	<b>69,167</b>	<b>3,352,480</b>	<b>9,196,749</b>	<b>19,520,521</b>	<b>48,940,599</b>	<b>751,297</b>	<b>49,691,896</b>
As at 31 December 2017 (Audited)		6,070,552	10,731,130	(568,536)	3,352,331	8,363,493	15,244,738	43,193,708	672,409	43,866,117
Profit for the period		-	-	-	-	-	2,840,472	2,840,472	24,521	2,864,993
Other comprehensive income for the period		-	-	357,861	-	-	-	357,861	-	357,861
Total comprehensive income for the period		-	-	357,861	-	-	2,840,472	3,198,333	24,521	3,222,854
Appropriation to general reserve		-	-	-	-	759,091	(759,091)	-	-	-
Dividend distribution	13	-	-	-	-	-	(1,092,699)	(1,092,699)	-	(1,092,699)
As at 30 June 2018 (Unaudited)		6,070,552	10,731,130	(210,675)	3,352,331	9,122,584	16,233,420	45,299,342	696,930	45,996,272

## Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
<b>OPERATING ACTIVITIES</b>		
Profit before tax	<b>3,903,080</b>	3,636,565
Adjustments for:		
Depreciation and amortisation	<b>256,296</b>	123,025
Impairment losses, net of reversals	<b>3,038,529</b>	748,950
Share of results of associates	<b>(8,051)</b>	2,634
Interest income arising from debt instruments at FVTOCI and at amortised costs	<b>(5,409,411)</b>	(5,462,558)
Interest income arising from impaired financial assets	<b>(36,598)</b>	(49,893)
Interest expense arising from debt securities issued	<b>2,890,700</b>	3,317,498
Interest expense arising from leases liabilities	<b>23,286</b>	–
Investment income	<b>(824,219)</b>	(2,776,471)
Net trading gains	<b>(358,873)</b>	(277,574)
Net gains arising from derecognition of financial assets measured at amortised cost	<b>(83,826)</b>	(36,202)
Other income, gains or losses	<b>(145,844)</b>	41,910
Operating cash flows before movements in working capital	<b>3,245,069</b>	(732,116)
Decrease in balances with central bank and deposits with banks and other financial institutions	<b>4,375,595</b>	7,708,654
Increase in placements with banks and other financial institutions	<b>(980,944)</b>	(7,842,874)
(Increase)/decrease in financial instruments held for trading and derivatives	<b>(2,182,927)</b>	2,445,848
Decrease in financial assets held under resale agreements	–	3,096,098
(Increase)/decrease in loans and advances to customers	<b>(27,358,212)</b>	5,490,389
Increase in borrowings from central bank	<b>2,985,000</b>	4,515,000
Decrease in deposits from banks and other financial institutions	<b>(5,992,628)</b>	(51,012,605)
Increase/(decrease) in placements from banks	<b>12,033,718</b>	(746,708)
Increase/(decrease) in financial assets sold under repurchase agreements	<b>4,806,028</b>	(15,328,437)
Increase/(decrease) in due to customers	<b>15,778,299</b>	(21,528,803)
Increase in other operating assets	<b>(47,598)</b>	(641,142)
Decrease in other operating liabilities	<b>(1,010,408)</b>	(2,092,963)
Cash generated by/(used in) operating activities	<b>5,650,992</b>	(76,669,659)
Income tax paid	<b>(1,328,105)</b>	(843,807)
Net cash generated by/(used in) operating activities	<b>4,322,887</b>	(77,513,466)



## Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June	
		2019 (Unaudited)	2018 (Unaudited)
<b>INVESTING ACTIVITIES</b>			
Cash received from disposal and redemption of			
– investment securities		<b>123,335,857</b>	288,333,396
Cash received from disposal of property and equipment and other assets		<b>1,529</b>	417
Cash paid for purchases of			
– investment securities		<b>(109,145,528)</b>	(247,158,011)
Cash paid for purchase of property and equipment and other assets		<b>(340,141)</b>	(88,591)
Cash paid for payments for right-of-use assets		<b>(125,703)</b>	–
Interest and investment income received from investment securities		<b>7,591,598</b>	6,860,436
Net cash generated by investing activities		<b>21,317,612</b>	47,947,647
<b>FINANCING ACTIVITIES</b>			
Cash received from debt securities issued		<b>87,469,449</b>	181,971,709
Repayment of debt securities issued		<b>(113,910,000)</b>	(150,290,294)
Interest expenses paid for debt securities issued		<b>(3,233,380)</b>	(2,950,927)
Dividends paid		<b>(322,005)</b>	(319,754)
Net cash (used in)/generated by financing activities		<b>(29,995,936)</b>	28,410,734
Net decrease in cash and cash equivalents		<b>(4,355,437)</b>	(1,155,085)
Cash and cash equivalents at beginning of the period		<b>26,851,195</b>	22,816,725
Effect of foreign exchange rate changes		<b>1,762</b>	74,173
Cash and cash equivalents at end of the period	33	<b>22,497,520</b>	21,735,813
Net cash generated by operating activities include:			
Interest received		<b>11,961,124</b>	8,598,804
Interest paid		<b>(6,858,776)</b>	(8,488,989)
Net interest received from operating activities		<b>5,102,348</b>	109,815

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 1. GENERAL INFORMATION

Bank of Tianjin Co., Ltd. (the "Bank") is formerly known as Tianjin City Cooperative Bank Co., Ltd., a limited liability commercial bank established in Tianjin Municipality of the People's Republic of China (the "PRC") in November 1996 with the approval of the People's Bank of China ("PBoC"). The Bank changed its name to Tianjin City Commercial Bank Co., Ltd. in August 1998 and then to Bank of Tianjin Co., Ltd. in February 2007.

The Bank is licensed as a financial institution by the China Banking and Insurance Regulatory Commission (the "CBIRC") Tianjin Bureau (No. B0108H212000001) and is registered as a business enterprise with the approval of Tianjin Market and Quality Supervision Administration (Unified Credit Record No. 911200001030702984).

The Bank was listed on The Stock Exchange of Hong Kong Limited on 30 March 2016.

As at 30 June 2019, the Bank had a total of 14 tier-one branches, 9 of them are located in Tianjin Municipality and 5 of them are located outside Tianjin Municipality.

The approved business scope consists of deposit taking, granting of short-term, medium-term and long-term loans; handling domestic settlements; handling bill acceptance and discounting; bank cards business, issuing financial bonds, acting as an agent to issue, settle and underwrite government bonds, trading of government bonds and financial bonds, engaging in inter-bank placement, providing guarantee; acting as agent on inward and outward payments, acting as insurance agent, providing safe-box service, entrusted loan business on credit turnover funds of local public finance, foreign currency deposit taking, granting of loans; foreign currency remittance, currency exchange; international settlement; foreign currency sale and settlement; inter-bank foreign currency placement; foreign currency guarantee; foreign currency borrowing; foreign currency bill acceptance and discounting; credit investigation, consulting, and assurance; proprietary and broker trading of foreign currency marketable securities other than stocks; proprietary and broker trading of foreign exchange; financial leasing; transfer of assets under finance lease, securities investment with fixed income, lease guarantee deposits from lessees, time deposit taking from non-bank shareholders with over 3 months (inclusive) maturity; inter-bank placements, borrowings from financial institutions, overseas borrowings, sales and disposal of leased properties, economic consulting (certain projects are subject to approval by relevant authorities), and other business activities approved by the CBIRC (businesses shall be handled in accordance with specific regulations, if any; businesses involving pre-approval are subject to conditions and operating time limits. Certain projects are subject to approval by relevant authorities).

The Bank and its subsidiaries are collectively referred to as the Group. The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Bank and its subsidiaries.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("IAS 34") *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2018.

### 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards ("IFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2018.

#### Application of new and amendments to IFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to IFRSs issued by the IASB which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's condensed consolidated financial statements:

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvements to IFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or the disclosures set out in these condensed consolidated financial statements.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases

The Group has applied IFRS 16 for the first time in the current interim period. IFRS 16 superseded IAS 17 Leases ("IAS 17"), and the related interpretations.

##### 3.1.1 Key changes in accounting policies resulting from application of IFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of IFRS 16.

###### *Definition of a lease*

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

###### *As a lessee*

###### Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the financial statements would not differ materially from individual leases within the portfolio.

###### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of properties and motor vehicles that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.1 Key changes in accounting policies resulting from application of IFRS 16 *(Continued)*

*As a lessee (Continued)*

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which they are located or restoring the underlying assets to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Leasehold land and building

For payments of a property interest which includes both land and building elements, the entire property is presented as property and equipment of the Group when the payments cannot be allocated reliably between the leasehold and building elements.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.1 Key changes in accounting policies resulting from application of IFRS 16 *(Continued)*

*As a lessee (Continued)*

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 Financial Instruments ("IFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.1 Key changes in accounting policies resulting from application of IFRS 16 *(Continued)*

*As a lessee (Continued)*

Lease liabilities *(Continued)*

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.1 Key changes in accounting policies resulting from application of IFRS 16 *(Continued)*

*As a lessee (Continued)*

*Lease modifications (Continued)*

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

*Taxation*

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

*Sale and leaseback transactions*

The Group acts as a buyer-lessor

For a transfer of asset that does not satisfy the requirements of IFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor does not recognise the transferred asset and recognises a loan receivable equal to the transfer proceeds within the scope IFRS 9.



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.2 Transition and summary of effects arising from initial application of IFRS 16

###### *Definition of a lease*

The Group has elected the practical expedient to apply IFRS 16 to contracts that were previously identified as leases applying IAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in IFRS 16 in assessing whether a contract contains a lease.

###### *As a lessee*

The Group has applied IFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under IFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under IAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets as an alternative of impairment review;
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- iv. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties in the People's Republic of China was determined on a portfolio basis; and
- v. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.2 Transition and summary of effects arising from initial application of IFRS 16 *(Continued)*

*As a lessee (Continued)*

On transition, the Group has made the following adjustments upon application of IFRS 16:

The Group recognised lease liabilities of RMB1,061 million and right-of-use assets of RMB1,089 million at 1 January 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee's incremental borrowing rate applied is 4.41%.

	<b>As at 1 January 2019</b>
Operating lease commitments disclosed as at 31 December 2018	1,249,030
Lease liabilities discounted at relevant incremental borrowing rates	1,107,429
Less: Recognition exemption – short-term leases	46,609
Lease liabilities relating to operating leases recognised upon application of IFRS 16	1,060,820
Lease liabilities as at 1 January 2019	<b>1,060,820</b>

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.2 Transition and summary of effects arising from initial application of IFRS 16 *(Continued)*

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

	<b>Right-of-use assets</b>
Right-of-use assets relating to operating leases recognised upon application of IFRS 16	<b>1,089,282</b>
Reclassified from prepaid lease payments (a)	<b>49,154</b>
	<b>1,138,436</b>
By class:	
Properties	<b>1,089,282</b>
Leasehold lands	<b>49,154</b>
	<b>1,138,436</b>

- (a) Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments. They were presented as land use rights in other assets as at 31 December 2018. Upon application of IFRS 16, prepaid lease payments amounting to RMB49 million were reclassified to right-of-use-assets.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 3. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

#### 3.1 Impacts and changes in accounting policies of application on IFRS 16 Leases *(Continued)*

##### 3.1.2 Transition and summary of effects arising from initial application of IFRS 16 *(Continued)*

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

	Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under IFRS 16 at 1 January under
Other assets	1,949,842	(77,616)	<b>1,872,226</b>
Right-of-use assets	–	1,138,436	<b>1,138,436</b>
Lease liabilities	–	1,060,820	<b>1,060,820</b>

##### *Sales and leaseback transactions*

The Group acts as a buyer-lessor

In accordance with the transition provisions of IFRS 16, sale and leaseback transactions entered into before the date of initial application were not reassessed. Upon application of IFRS 16, the Group as a buyer-lessor does not recognise the transferred asset if such transfer does not satisfy the requirements of IFRS 15 as a sale. During the period, several sales and leaseback transactions in which the relevant seller-lessees have an obligation or a right to repurchase the relevant assets were accounted as financing arrangements under IFRS 9.

### 4. SEGMENT ANALYSIS

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors and relevant management committees (chief operating decision maker) for the purposes of allocating resources to segments and assessing their performance. The Group's chief operating decision maker reviews consolidated financial statements mainly based on operating segments for the purpose of allocating resources and performance assessment.

Measurement of segment assets and liabilities and segment income and result is based on the Group's accounting policies. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 4. SEGMENT ANALYSIS *(Continued)*

Internal charges and transfer pricing are determined with reference to market rates and have been reflected in the performance of each segment. Interest income and expense arising from internal charges and transfer pricing adjustments are referred to as 'inter-segment interest income/expense'. Interest income and expense earned from/incurred with third parties are referred to as 'external interest income/expense'.

The Group has no major customer which contributes to 10 percent or more of the Group's income. No geographical information is presented as most of the Group's operations are conducted and most of its non-current assets are located and therefore revenue is derived from activities in Tianjin Municipality of the PRC.

Segment revenues, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### **Operating Segments**

The Group provides a diversified range of banking and related financial services. The products and services offered to customers are organised into the following operating segments:

##### ***Corporate banking***

The corporate banking segment provides financial products and services to corporations, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit takings and other types of corporate intermediary services.

##### ***Personal banking***

The personal banking segment provides financial products and services to individual customers. The products and services include personal loans, deposit products, card business, personal wealth management services and other types of personal intermediary services.

##### ***Treasury operations***

The Group's treasury operations conduct money market, foreign exchange, precious metal and derivatives transactions, and debt instruments investments for its own accounts or on behalf of customers.

##### ***Others***

Others include head office operations as well as items that are not attributed to the above segments.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 4. SEGMENT ANALYSIS *(Continued)*

#### Operating Segments *(Continued)*

	Corporate banking	Personal banking	Treasury operations	Others	Total
<b>Six months ended 30 June 2019</b>					
External interest income	5,059,407	4,600,595	6,293,877	-	15,953,879
External interest expense	(4,108,384)	(988,429)	(4,390,967)	-	(9,487,780)
Inter-segment interest income/(expense)	2,044,702	(1,141,573)	(903,129)	-	-
Net interest income	2,995,725	2,470,593	999,781	-	6,466,099
Investment income	-	-	824,219	-	824,219
Fee and commission income	587,659	293,971	183,320	-	1,064,950
Fee and commission expense	(12,125)	(2,213)	(531)	-	(14,869)
Net fee and commission income	575,534	291,758	182,789	-	1,050,081
Net trading gains	-	-	358,873	-	358,873
Net gains arising from the derecognition of financial assets measured at amortised cost	-	-	83,826	-	83,826
Other income, gains or losses	145,600	-	(88,958)	15,588	72,230
Operating income	3,716,859	2,762,351	2,360,530	15,588	8,855,328
Operating expenses	(699,182)	(887,152)	(335,436)	-	(1,921,770)
Impairment losses, net of reversals	(2,411,925)	(629,093)	2,489	-	(3,038,529)
Share of losses of associates	-	-	-	8,051	8,051
Profit before tax	605,752	1,246,106	2,027,583	23,639	3,903,080
Income tax expense					(759,842)
Profit for the period					3,143,238
Depreciation and amortisation	(104,840)	(82,160)	(69,296)	-	(256,296)
Capital expenditure	(133,032)	(168,415)	(26,034)	(138,363)	(465,844)
<b>As at 30 June 2019</b>					
Segment assets	171,413,494	127,530,913	365,263,429	1,646,114	665,853,950
Segment liabilities	(290,787,928)	(74,497,824)	(249,258,726)	(1,617,576)	(616,162,054)
Supplementary information Credit commitments	75,890,201	2,307,159	-	-	78,197,360

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 4. SEGMENT ANALYSIS *(Continued)*

#### Operating Segments *(Continued)*

	Corporate banking	Personal banking	Treasury operations	Others	Total
<b>Six months ended 30 June 2018</b>					
External interest income	5,321,975	900,864	6,480,422	–	12,703,261
External interest expense	(3,915,941)	(1,019,261)	(5,802,122)	–	(10,737,324)
Inter-segment interest income/(expense)	1,839,311	778,248	(2,617,559)	–	–
Net interest income	3,245,345	659,851	(1,939,259)	–	1,965,937
Investment income	–	–	2,776,471	–	2,776,471
Fee and commission income	627,827	169,951	153,745	–	951,523
Fee and commission expense	(42,942)	(4,775)	(2)	–	(47,719)
Net fee and commission income	584,885	165,176	153,743	–	903,804
Net trading gains	–	–	294,359	–	294,359
Net gains arising from the derecognition of financial assets measured at amortised cost	–	–	36,202	–	36,202
Other income, gains or losses	–	–	(8,579)	(7,295)	(15,874)
Operating income	3,830,230	825,027	1,312,937	(7,295)	5,960,899
Operating expenses	(904,680)	(394,160)	(273,910)	–	(1,572,750)
Impairment losses, net of reversals	(956,515)	(23,342)	230,907	–	(748,950)
Share of losses of associates	–	–	–	(2,634)	(2,634)
Profit before tax	1,969,035	407,525	1,269,934	(9,929)	3,636,565
Income tax expense	–	–	–	–	(771,572)
Profit for the period	–	–	–	–	2,864,993
Depreciation and amortisation	(78,925)	(17,100)	(27,000)	–	(123,025)
Capital expenditure	(36,770)	(26,696)	(2,825)	(22,300)	(88,591)
<b>As at 30 June 2018</b>					
Segment assets	201,560,499	38,041,609	409,275,911	1,125,372	650,003,391
Segment liabilities	(280,318,686)	(73,876,807)	(248,366,271)	(1,445,355)	(604,007,119)
Supplementary information Credit commitments	65,896,777	2,057,663	–	–	67,954,440

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 5. NET INTEREST INCOME

	Six months ended 30 June	
	2019	2018
Interest income:		
Loans and advances to customers, including:		
Corporate loans and advances	<b>4,892,085</b>	4,962,236
Personal loans and advances	<b>4,600,595</b>	900,864
Discounted bills	<b>46,046</b>	90,757
Finance lease	<b>164,582</b>	286,554
Balances with central bank	<b>331,972</b>	413,284
Deposits with banks and other financial institutions	<b>46,230</b>	127,224
Placements with banks and other financial institutions	<b>376,639</b>	325,013
Financial assets held under resale agreements	<b>86,319</b>	134,771
Investments, including:		
Debt instruments at FVTOCI	<b>935,054</b>	978,138
Debt instruments at amortised cost	<b>4,474,357</b>	4,484,420
Subtotal	<b>15,953,879</b>	12,703,261
Interest expense:		
Borrowings from central bank	<b>(232,196)</b>	(165,415)
Deposits from banks and other financial institutions	<b>(482,705)</b>	(1,492,967)
Placements from banks	<b>(373,121)</b>	(319,838)
Financial assets sold under repurchase agreements	<b>(409,751)</b>	(506,403)
Due to customers	<b>(5,076,021)</b>	(4,935,203)
Debt securities issued	<b>(2,890,700)</b>	(3,317,498)
Lease liabilities	<b>(23,286)</b>	-
Subtotal	<b>(9,487,780)</b>	(10,737,324)
Net interest income	<b>6,466,099</b>	1,965,937



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 6. INVESTMENT INCOME

	Six months ended 30 June	
	2019	2018
Investment income from financial assets and financial liabilities at fair value through profit or loss	<b>824,219</b>	2,776,471

Investment income includes income from debt securities, funds, trust beneficiary rights, wealth management products and asset management plans measured at FVTPL.

### 7. FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2019	2018
Fee and commission income		
Wealth management service fees	<b>621,648</b>	526,346
Consultancy fees	<b>89,040</b>	118,008
Acceptance and guarantee commitment fees	<b>41,894</b>	36,487
Agency commissions and fiduciary service fees	<b>184,315</b>	158,743
Settlement and clearing fees	<b>96,752</b>	91,081
Bank card fees	<b>30,016</b>	18,275
Others	<b>1,285</b>	2,583
Total	<b>1,064,950</b>	951,523

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 8. OTHER INCOME, GAINS OR LOSSES

	Six months ended 30 June	
	2019	2018
Government subsidies	<b>10,538</b>	1,927
Exchange differences	<b>(88,958)</b>	(8,579)
Reversal of provision in respect of litigation	<b>145,600</b>	–
Rental income	<b>16,508</b>	2,760
Others	<b>(11,458)</b>	(11,982)
<b>Total</b>	<b>72,230</b>	(15,874)

### 9. OPERATING EXPENSES

	Note	Six months ended 30 June	
		2019	2018
Staff costs	(1)	<b>1,212,623</b>	935,063
Office expenses		<b>111,986</b>	101,133
Rental and property management expenses		<b>86,070</b>	212,642
Other general and administrative expenses		<b>152,267</b>	140,637
Sundry taxes		<b>102,528</b>	60,250
Depreciation		<b>85,071</b>	72,916
Depreciation of right-of-use assets		<b>116,287</b>	–
Amortisation		<b>54,938</b>	50,109
<b>Total</b>		<b>1,921,770</b>	1,572,750

Note:

(1) Staff costs

	Six months ended 30 June	
	2019	2018
Salaries, bonuses and allowances	<b>928,248</b>	661,621
Social insurance	<b>132,774</b>	129,491
Housing funds	<b>59,431</b>	56,871
Staff welfare	<b>23,120</b>	24,767
Labor union fees and staff education expenses	<b>17,859</b>	17,002
Contribution to annuity schemes	<b>51,191</b>	45,311
<b>Total</b>	<b>1,212,623</b>	935,063

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 10. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSALS

	Six months ended 30 June	
	2019	2018
Loans and advances to customers (Note 20)	<b>3,031,875</b>	1,448,978
Deposits with banks and other financial institutions (Note 15)	<b>2,386</b>	(773)
Placements with banks and other financial institutions (Note 16)	<b>(22)</b>	(2,152)
Financial assets held under resale agreements (Note 17)	<b>109</b>	(592)
Debt instruments at amortised cost (Note 21)	<b>(79,517)</b>	(578,390)
Financial assets at fair value through other comprehensive income	<b>74,556</b>	7,000
Credit commitments	<b>8,881</b>	(125,121)
Other receivables	<b>261</b>	–
<b>Total</b>	<b>3,038,529</b>	748,950

### 11. INCOME TAX EXPENSE

	Six months ended 30 June	
	2019	2018
Income tax expense comprises:		
Current income tax	<b>1,165,667</b>	851,551
Deferred tax (Note 22)	<b>(405,825)</b>	(79,979)
<b>Total</b>	<b>759,842</b>	771,572

Current PRC Enterprise Income Tax is calculated at 25% of the estimated assessable profit during the period.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 11. INCOME TAX EXPENSE *(Continued)*

The tax charge for the period can be reconciled to profit before tax per the consolidated statement of profit or loss as follows:

	Six months ended 30 June	
	2019	2018
Profit before tax	<b>3,903,080</b>	3,636,565
Tax calculated at applicable statutory tax rate of 25%	<b>975,770</b>	909,141
Underprovision of tax in prior years	<b>9,078</b>	11,963
Tax effect of expenses not deductible for tax purpose	<b>(12,292)</b>	437
Tax effect of income not taxable for tax purpose	<b>(212,714)</b>	(149,969)
Income tax expense	<b>759,842</b>	771,572

The income not taxable for tax purpose mainly represents interest income arising from government bonds and dividends from funds, which is income tax free in accordance with the PRC tax regulations.

### 12. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Bank is as follows:

	Six months ended 30 June	
	2019	2018
Earnings:		
Profit for the period attributable to equity holders of the Bank for the purpose of basic and diluted earnings per share	<b>3,113,189</b>	2,840,472
Numbers of shares:		
Weighted average number of shares in issue for the purpose of basic and diluted earnings per share (in thousand)	<b>6,070,552</b>	6,070,552
Basic earnings per share (RMB Yuan)	<b>0.51</b>	0.47

No diluted earnings per share has been presented for the six month ended 30 June 2019 and 2018 as the Group had no potential ordinary shares in issue during the periods.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 13. DIVIDENDS

	Notes	Six months ended 30 June	
		2019	2018
2017 Final Dividend	(1)	–	1,092,699
2018 Final Dividend	(2)	<b>1,092,699</b>	–

Notes:

- (1) A final dividend of RMB18 cents per share (tax inclusive) in respect of the year ended 31 December 2017 amounting in a total of RMB1,093 million was proposed by the Board of Directors and approved by the 2017 annual general meeting on 11 May 2018.
- (2) A final dividend of RMB18 cents per share (tax inclusive) in respect of the year ended 31 December 2018 amounting in a total of RMB1,093 million was proposed by the Board of Directors and approved by the 2018 annual general meeting on 16 May 2019.

### 14. CASH AND BALANCES WITH CENTRAL BANK

	Notes	As at	As at
		30 June	31 December
		2019	2018
Cash		<b>669,564</b>	566,086
Mandatory reserve deposits	(1)	<b>36,642,428</b>	40,515,756
Surplus reserve deposits	(2)	<b>8,593,782</b>	21,224,205
Other deposits	(3)	<b>3,422</b>	7,346
Total		<b>45,909,196</b>	62,313,393

Notes:

- (1) The Group places mandatory reserve deposits with the People's Bank of China ("PBoC"). This includes RMB reserve deposits and foreign currency reserve deposits. These mandatory reserve funds are not available for the Group's daily operations.
- (2) The surplus reserve deposits are maintained with the PBoC mainly for the purpose of clearing.
- (3) Other deposits mainly represent the required fiscal deposits placed with the PBoC, which are non-interest bearing.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 15. DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Deposits with:		
Banks and other financial institutions in Mainland China	<b>5,763,443</b>	3,593,600
Banks outside Mainland China	<b>1,301,421</b>	470,814
Allowance for impairment losses	<b>(3,314)</b>	(928)
<b>Total</b>	<b>7,061,550</b>	4,063,486

Movements of allowance on deposits with banks and other financial institutions are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>928</b>
Charge for the period (Note 10)	<b>2,386</b>
<b>Loss allowance as at 30 June 2019</b>	<b>3,314</b>

	As at 31 December 2018
Loss allowance as at 1 January 2018	2,492
Charge for the period	–
Reversal for the period	(1,564)
<b>Loss allowance as at 31 December 2018</b>	<b>928</b>

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 16. PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Placements with:		
Banks in Mainland China	–	915,740
Other financial institutions in Mainland China	<b>12,402,137</b>	10,273,713
Allowance for impairment losses	<b>(2,455)</b>	(2,477)
<b>Total</b>	<b>12,399,682</b>	11,186,976

Movements of allowance on placements with banks and other financial institutions are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>2,477</b>
Reversal for the period (Note 10)	<b>(22)</b>
<b>Loss allowance as at 30 June 2019</b>	<b>2,455</b>
	As at 31 December 2018
Loss allowance as at 1 January 2018	8,419
Reversal for the period	(5,942)
<b>Loss allowance as at 31 December 2018</b>	<b>2,477</b>

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 17. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

Analysed by counterparties:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Banks in Mainland China	<b>3,993,865</b>	2,870,603
Other financial institutions in Mainland China	<b>3,322,038</b>	–
Subtotal	<b>7,315,903</b>	2,870,603
Less: Allowance for impairment losses	<b>(314,729)</b>	(314,620)
Total	<b>7,001,174</b>	2,555,983

(1) Movements of allowance on financial assets held under resale agreements are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>314,620</b>
Charge for the period (Note 10)	<b>109</b>
Loss allowance as at 30 June 2019	<b>314,729</b>

	As at 31 December 2018
Loss allowance as at 1 January 2018	238,950
Charge for the year	76,570
Write-off for the year	(900)
Loss allowance as at 31 December 2018	314,620



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 17. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS *(Continued)*

(2) Analysed by collateral type:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Bills	<b>678,776</b>	678,882
Bonds	<b>6,322,398</b>	1,877,101
Total	<b>7,001,174</b>	2,555,983

### 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Investment securities:		
Government bonds	<b>126,579</b>	616,496
Financial institution bonds		
– Policy banks bonds	<b>740,595</b>	535,255
Asset-backed securities	<b>512,234</b>	80,569
Corporate bonds	<b>111,211</b>	621,797
Wealth management products	<b>2,009,589</b>	1,039,259
Asset management plans	<b>27,478,888</b>	28,837,476
Trust beneficiary rights	<b>19,583,253</b>	23,054,189
Funds	<b>11,972,786</b>	5,900,913
Others	<b>58,600</b>	58,600
Total	<b>62,593,735</b>	60,744,554

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 19. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>As at 30 June 2019</b>	As at 31 December 2018
Debt securities issued by:		
Government	<b>11,630,089</b>	14,551,375
Financial institutions		
– Policy banks	<b>18,248,553</b>	18,659,305
– Commercial banks and other financial institutions	<b>1,049,218</b>	1,151,333
Corporations	<b>8,995,478</b>	15,095,601
Total	<b>39,923,338</b>	49,457,614

Movements of allowance on debt instruments at FVTOCI are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>7,706</b>
Charge for the period	<b>76,196</b>
Reversals for the period	<b>(2,557)</b>
Loss allowance as at 30 June 2019	<b>81,345</b>

	As at 31 December 2018
Loss allowance as at 1 January 2018	20,781
Charge for the period	3,897
Reversals for the period	(16,972)
Loss allowance as at 31 December 2018	7,706

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 20. LOANS AND ADVANCES TO CUSTOMERS

	Note	As at 30 June 2019	As at 31 December 2018
Loans and advances to customers at amortised cost	(i)	<b>310,701,473</b>	286,861,660
Allowance for impairment losses		<b>(14,130,191)</b>	(11,845,720)
Subtotal		<b>296,571,282</b>	275,015,940
Loans and advances to customers at FVTOCI		<b>5,088,427</b>	1,927,338
Total loans and advances to customers		<b>301,659,709</b>	276,943,278

Note:

- (i) Loans and advances to customers at amortised cost

		As at 30 June 2019	As at 31 December 2018
Corporate loans and advances			
– Loans		<b>171,486,409</b>	171,739,219
– Discounted bills		<b>78,620</b>	337,751
– Finance lease receivable		<b>6,310,548</b>	8,774,299
Subtotal		<b>177,875,577</b>	180,851,269
Retail loans and advances			
– Residential mortgage loans		<b>22,298,811</b>	22,928,871
– Personal loans for consumption		<b>101,169,623</b>	77,896,150
– Personal loans for business purposes		<b>8,421,110</b>	4,496,630
– Credit card		<b>936,352</b>	688,740
Subtotal		<b>132,825,896</b>	106,010,391
Gross loans and advances to customers		<b>310,701,473</b>	286,861,660
Allowance for impairment losses		<b>(14,130,191)</b>	(11,845,720)
Including: 12m ECL		<b>(3,542,823)</b>	(2,714,559)
Lifetime ECL		<b>(10,587,368)</b>	(9,131,161)
Loans and advances to customers, net		<b>296,571,282</b>	275,015,940

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 20. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

Note: *(Continued)*

(ii) Movements of allowance on loans and advances to customers amortised cost are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>11,845,720</b>
Charge for the period (Note 10)	<b>4,225,664</b>
Reversal for the period (Note 10)	<b>(1,193,789)</b>
Write-off and transfers for the period	<b>(712,294)</b>
Recovery after write-off	<b>1,488</b>
Unwinding of discount on allowance	<b>(36,598)</b>
<b>Loss allowance as at 30 June 2019</b>	<b>14,130,191</b>
	As at 31 December 2018
Loss allowance as at 1 January 2018	7,966,473
Charge for the year	4,963,910
Reversal for the year	(1,106,196)
Write-off and transfers for the period	(14,168)
Recovery after write-off	141,158
Unwinding of discount on allowance	(105,457)
<b>Loss allowance as at 31 December 2018</b>	<b>11,845,720</b>

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 20. LOANS AND ADVANCES TO CUSTOMERS (Continued)

**(1) The composition of the contractual amount of loans and advances to customers by industry is analysed as follows:**

	As at 30 June 2019		As at 31 December 2018	
	Gross Amount	% of total	Gross Amount	% of total
Corporate loans and advances				
A - Farming, forestry, animal husbandry and fishery	419,858	0.1	728,068	0.3
B - Mining	796,595	0.3	611,756	0.2
C - Manufacturing	37,665,095	11.9	35,687,600	12.2
D - Production and supply of electricity, gas and water	3,153,874	1.0	3,249,752	1.1
E - Construction	19,018,999	6.0	19,975,498	6.9
F - Retail and wholesale	28,828,021	9.1	30,253,583	10.5
G - Transportation, logistics and postal services	3,995,298	1.3	4,591,495	1.6
H - Accommodation and food services	798,988	0.3	974,289	0.3
I - Information transmission, computer services and software	679,174	0.2	763,080	0.3
J - Financial services	2,963,185	0.9	3,696,396	1.3
K - Real estate	41,229,093	13.1	35,834,101	12.4
L - Leasing and commercial services	21,464,331	6.8	24,462,808	8.5
M - Scientific research, technical services	347,307	0.1	437,451	0.2
N - Water, environment and public utilities management	13,466,024	4.3	15,657,790	5.4
O - Resident services and other services	1,624,769	0.5	2,167,857	0.8
P - Education	83,967	-	55,272	-
Q - Health, social security and welfare	332,464	0.1	238,439	0.1
R - Culture, sports and entertainment	716,534	0.2	914,299	0.3
S - Public administration and social organisations	213,381	0.1	213,984	0.1
Discounted bills	5,167,047	1.6	2,265,089	0.8
Subtotal	182,964,004	57.9	182,778,607	63.3
Personal loans and advances	132,825,896	42.1	106,010,391	36.7
Gross amount of loans and advances to customers	315,789,900	100.0	288,788,998	100.0

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 20. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

**(2) The composition of the contractual amount of loans and advances to customers by region is analysed as follows:**

	As at 30 June 2019		As at 31 December 2018	
	Gross amount of loans and advances to customers	%	Gross amount of loans and advances to customers	%
Tianjin	117,833,473	37.4	110,171,104	38.2
Beijing	29,803,324	9.4	20,727,900	7.2
Shandong	37,921,063	12.0	33,548,899	11.6
Shanghai	79,643,404	25.2	71,746,125	24.8
Hebei	26,232,857	8.3	28,120,952	9.7
Sichuan	23,300,126	7.4	23,436,191	8.1
Ningxia	1,055,653	0.3	1,037,827	0.4
Total	315,789,900	100.0	288,788,998	100.0

**(3) The composition of the contractual amount of loans and advances to customers by contractual maturity and collateral type is analysed as follows:**

	Gross amount as at 30 June 2019			
	Up to 1 year	1 to 5 years	Over 5 years	Total
Unsecured	84,082,334	30,825,482	3,319,248	118,227,064
Guaranteed	53,723,347	42,417,938	13,954,658	110,095,943
Collateralised	13,232,819	26,010,527	33,960,699	73,204,045
Pledged	6,736,011	4,578,019	2,948,818	14,262,848
Total	157,774,511	103,831,966	54,183,423	315,789,900

	Gross amount as at 31 December 2018			
	Up to 1 year	1 to 5 years	Over 5 years	Total
Unsecured	59,854,676	25,025,406	3,228,539	88,108,621
Guaranteed	46,741,623	47,288,174	14,707,356	108,737,153
Collateralised	11,839,360	25,272,534	34,569,398	71,681,292
Pledged	4,478,322	13,664,160	2,119,450	20,261,932
Total	122,913,981	111,250,274	54,624,743	288,788,998

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 20. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

#### (4) Past due loans at contractual amount

	As at 30 June 2019				Total
	Up to 90 days	90 days to 1 year	1 year to 3 years	Over 3 years	
Unsecured	3,519,620	266,469	63,818	40,000	3,889,907
Guaranteed	7,433,125	1,741,563	1,153,742	913,354	11,241,784
Collateralised	1,787,321	412,274	506,501	498,386	3,204,482
Pledged	25,000	98,715	–	94,496	218,211
<b>Total</b>	<b>12,765,066</b>	<b>2,519,021</b>	<b>1,724,061</b>	<b>1,546,236</b>	<b>18,554,384</b>
Percentage of total gross loans and advances to customers	<b>4.04%</b>	<b>0.80%</b>	<b>0.55%</b>	<b>0.49%</b>	<b>5.88%</b>

	As at 31 December 2018				Total
	Up to 90 days	90 days to 1 year	1 year to 3 years	Over 3 years	
Unsecured	193,583	30,141	73,826	40,000	337,550
Guaranteed	2,530,761	513,437	1,916,771	589,836	5,550,805
Collateralised	669,467	265,331	722,371	175,036	1,832,205
Pledged	73,665	11,083	29,382	65,114	179,244
<b>Total</b>	<b>3,467,476</b>	<b>819,992</b>	<b>2,742,350</b>	<b>869,986</b>	<b>7,899,804</b>
Percentage of total gross loans and advances to customers	1.21%	0.28%	0.95%	0.30%	2.74%

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 21. DEBT INSTRUMENTS AT AMORTISED COST

	<b>As at 30 June 2019</b>	As at 31 December 2018
Government bonds	<b>31,391,034</b>	30,839,754
Certificate government bonds	<b>240,252</b>	274,087
Financial institution bonds		
– Policy banks bonds	<b>24,996,311</b>	22,697,036
– Commercial banks and other financial institutions	<b>273,434</b>	397,163
Asset-backed securities	<b>19,667,733</b>	25,523,518
Corporate bonds	<b>15,351,726</b>	13,540,124
Asset management plans	<b>48,984,467</b>	57,032,347
Trust beneficiary rights	<b>40,110,254</b>	36,255,247
Subtotal	<b>181,015,211</b>	186,559,276
Allowance for impairment losses	<b>(1,710,733)</b>	(1,790,250)
Including: 12m ECL	<b>(580,319)</b>	(740,195)
Lifetime ECL	<b>(1,130,414)</b>	(1,050,055)
Total	<b>179,304,478</b>	184,769,026



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 21. DEBT INSTRUMENTS AT AMORTISED COST *(Continued)*

Movements of allowance on debt instruments at amortised cost are as follows:

	<b>As at 30 June 2019</b>
Loss allowance as at 1 January 2019	<b>1,790,250</b>
Charge for the period (Note 10)	<b>335,373</b>
Reversal for the period (Note 10)	<b>(414,890)</b>
Loss allowance as at 30 June 2019	<b>1,710,733</b>
	As at 31 December 2018
Loss allowance as at 1 January 2018	1,857,637
Charge for the period	412,268
Reversal for the period	(475,123)
Write-off for the period	(4,532)
Loss allowance as at 31 December 2018	1,790,250

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 22. DEFERRED TAXATION

The followings are the major deferred tax assets and liabilities recognised and movements thereon:

	Allowance for impairment losses	Accrued salaries, bonuses and allowances	Provisions	Fair value changes of FVTOCI	Fair value changes of FVTPL	Others	Total
As at 1 January 2018	1,880,129	177,494	212,321	196,439	49,583	18,121	2,534,087
Credit/(charge) to profit or loss	908,196	19,789	(92,667)	2,349	40,455	(416)	877,706
Charge to other comprehensive income	-	-	-	(245,955)	-	-	(245,955)
As at 31 December 2018	2,788,325	197,283	119,654	(47,167)	90,038	17,705	3,165,838
Credit/(charge) to profit or loss (Note 11)	<b>473,936</b>	<b>18,641</b>	<b>(34,180)</b>	<b>18,639</b>	<b>(67,660)</b>	<b>(3,551)</b>	<b>405,825</b>
Charge to other comprehensive income	-	-	-	<b>26,460</b>	-	-	<b>26,460</b>
As at 30 June 2019	<b>3,262,261</b>	<b>215,924</b>	<b>85,474</b>	<b>(2,068)</b>	<b>22,378</b>	<b>14,154</b>	<b>3,598,123</b>

### 23. OTHER ASSETS

	As at 30 June 2019	As at 31 December 2018
Other receivables	<b>1,468,988</b>	539,643
Repossessed assets	<b>940,714</b>	956,550
Prepaid expenses	<b>149,505</b>	270,416
Intangible assets	<b>137,207</b>	134,079
Land use rights	-	49,154
Total	<b>2,696,414</b>	1,949,842

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 24. PROPERTY AND EQUIPMENT, RIGHT-OF-USE ASSETS

During the six months ended 30 June 2019, the Group acquired construction in progress of RMB170 million (six months ended 30 June 2018: RMB25 million), equipment of RMB108 million (six months ended 30 June 2018 RMB83 million) and right-of-use assets of RMB92 million.

### 25. INTERESTS IN ASSOCIATES

The balance of interests in associates is as follows:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Unlisted shares, at cost	<b>223,000</b>	223,000
Share of post-acquisition profits and other comprehensive income	<b>(2,853)</b>	(10,904)
Total	<b>220,147</b>	212,096

### 26. BORROWINGS FROM CENTRAL BANK

	<b>As at 30 June 2019</b>	As at 31 December 2018
Agricultural re-lending	-	15,000
Medium-term lending facility	<b>19,952,807</b>	16,986,392
Total	<b>19,952,807</b>	17,001,392

### 27. DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Banks in Mainland China	<b>17,832,629</b>	25,193,493
Other financial institutions in Mainland China	<b>9,717,483</b>	8,534,745
Total	<b>27,550,112</b>	33,728,238

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 28. PLACEMENTS FROM BANKS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Banks in Mainland China	<b>25,284,615</b>	21,555,660
Other financial institutions in Mainland China	<b>100,110</b>	–
Banks outside Mainland China	<b>8,242,489</b>	–
Total	<b>33,627,214</b>	21,555,660

### 29. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

Analysed by counterparties:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Banks in Mainland China	<b>32,680,681</b>	26,962,646
Other financial institutions in Mainland China	<b>500,483</b>	1,399,827
Total	<b>33,181,164</b>	28,362,473

The repurchase agreements were collateralised by bonds as at 30 June 2019 and 31 December 2018.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 30. OTHER LIABILITIES

	Notes	As at 30 June 2019	As at 31 December 2018
Other payables	(1)	<b>1,135,751</b>	1,965,183
Settlement payable		<b>3,421,347</b>	3,629,162
Salaries and benefits payable	(2)	<b>928,964</b>	870,325
Provision	(3)	<b>341,897</b>	478,614
Dividends payable		<b>808,578</b>	37,884
Sundry taxes payable		<b>325,480</b>	291,304
<b>Total</b>		<b>6,962,017</b>	7,272,472

(1) Other payables included funds received for non-principal-guaranteed wealth management products sponsored by the Bank and commenced after period end date. These funds amounted to RMB900 million (31 December 2018: RMB1,353 million) as at 30 June 2019.

(2) Salaries and benefits payables included the Group's obligations in respect of the early retirement benefits amounting to RMB47 million (31 December 2018: RMB53 million) as at 30 June 2019, estimated based on the projected unit credit actuarial cost method.

(3) Provision refers to the allowance made on exposure relating to credit commitments and litigation. Provision in relation to litigations is RMB60 million (31 December 2018: RMB206 million) as at 30 June 2019, the rest is in relation to credit commitments. Movements of provision are as follows:

	As at 30 June 2019	As at 31 December 2018
At beginning of the period	<b>478,614</b>	849,284
Charge for the period	<b>154,093</b>	173,619
Reversal for the period	<b>(290,810)</b>	(544,289)
<b>At end of the period</b>	<b>341,897</b>	478,614

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 31. DUE TO CUSTOMERS

	<b>As at 30 June 2019</b>	As at 31 December 2018
Demand deposits		
Corporate customers	<b>179,769,164</b>	177,578,956
Individual customers	<b>20,828,522</b>	17,718,094
Time deposits		
Corporate customers	<b>84,810,188</b>	79,203,658
Individual customers	<b>49,755,997</b>	51,514,184
Pledged deposits <sup>(1)</sup>	<b>23,313,107</b>	16,807,774
Others	<b>73,277</b>	54,499
<b>Total</b>	<b>358,550,255</b>	342,877,165

(1) Pledged deposits analysed by products for which deposits are required:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Acceptances	<b>10,941,604</b>	10,201,423
Guarantees	<b>277,482</b>	296,999
Letters of guarantee	<b>122,627</b>	250,763
Letters of credit	<b>3,385,274</b>	2,474,466
Others	<b>8,586,120</b>	3,584,123
<b>Total</b>	<b>23,313,107</b>	16,807,774

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 32. DEBT SECURITIES ISSUED

	Notes	As at 30 June 2019	As at 31 December 2018
12 Tianjin Bank bonds 01	(1)	<b>1,543,886</b>	1,500,000
12 Tianjin Bank bonds 02	(2)	<b>1,235,496</b>	1,199,757
15 Tianjin Bank bonds	(3)	<b>5,208,845</b>	5,083,720
18 Tianjin Bank bonds	(4)	<b>10,199,358</b>	10,440,087
18 Tianjin Bank bonds 01	(5)	<b>10,076,402</b>	10,311,396
18 Tianjin Bank bonds 02	(6)	<b>6,003,654</b>	6,150,791
18 Tianjin Bank bonds 03	(7)	<b>4,100,640</b>	4,018,905
Tianjin Bank 1 – month negotiable certificates of deposit	(8)	<b>1,656,661</b>	1,993,961
Tianjin Bank 3 – month negotiable certificates of deposit	(9)	<b>16,438,930</b>	8,487,144
Tianjin Bank 6 – month negotiable certificates of deposit	(10)	<b>17,720,463</b>	32,433,655
Tianjin Bank 9 – month negotiable certificates of deposit	(11)	<b>17,107,152</b>	27,597,272
Tianjin Bank 1 – year negotiable certificates of deposit	(12)	<b>41,748,943</b>	50,606,973
<b>Total</b>		<b>133,040,430</b>	159,823,661

Notes:

- (1) The 10 year fixed-rate subordinated bonds were issued on 27 December 2012 by the Bank at a face value of RMB1.5 billion with a fixed coupon rate of 5.90% per annum, payable annually. The Bank has an option to redeem all of the bonds at face value on the last day of the fifth year. The Bank did not exercise early redemption on 27 December 2017, and the interest rate remains unchanged at 5.90% per annum.
- (2) The 15 year fixed-rate subordinated bonds were issued on 27 December 2012 by the Bank at a face value of RMB1.2 billion with a fixed coupon rate of 5.99% per annum, payable annually. The Bank has an option to redeem all of the bonds at face value on the last day of the tenth year. If no early redemption is exercised, the interest rate will remain at 5.99% per annum.
- (3) The 10 year fixed-rate tier-two capital bonds were issued on 21 August 2015 by the Bank at a face value of RMB5.0 billion with a fixed coupon rate of 5.00% per annum, payable annually. The Bank has an option to redeem part or all of the bonds at face value on the last day of the fifth year if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. If no early redemption is exercised, the interest rate will remain at 5.00% per annum. This tier-two capital bonds have write-down feature of a tier-two capital instrument, which allows the Bank to write down the entire principal of the bonds and any accumulated unpaid interests when regulatory trigger events as stipulated in the offering documents occur. These tier-two capital bonds are qualified as tier-two capital instruments in accordance with the CBIRC requirements.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 32. DEBT SECURITIES ISSUED *(Continued)*

Notes: *(Continued)*

- (4) The 10 year fixed-rate tier-two capital bonds were issued on 18 January 2018 by the Bank at a face value of RMB10.0 billion with a fixed coupon rate of 4.80% per annum, payable annually. The Bank has an option to redeem part or all of the bonds at face value on the last day of the fifth year if specified redemption conditions as stipulated in the offering documents were met, subject to regulatory approval. If no early redemption is exercised, the interest rate will remain at 4.80% per annum. These bonds have the same tier-two capital features as 15 Tianjin Bank tier-two bonds as set out in Note (3).
- (5) The 3 year fixed-rate financial bonds were issued on 24 April 2018 by the Bank at a face value of RMB10.0 billion with a fixed coupon rate of 4.70% per annum, payable annually.
- (6) The 3 year fixed-rate financial bonds were issued on 15 June 2018 by the Bank at a face value of RMB6.0 billion with a fixed coupon rate of 4.90% per annum, payable annually.
- (7) The 3 year fixed-rate financial bonds were issued on 6 November 2018 by the Bank at a face value of RMB4.0 billion with a fixed coupon rate of 4.08% per annum, payable annually.
- (8) The Bank issued a series of 1-month negotiable certificates of deposit ("CD") at a discount. As at June 30, 2019, the face value of outstanding CD amounted to RMB1.7 billion, with a reference interest rate of 2.50%-3.18% (31 December 2018: 3.73%) per annum, payable at maturity.
- (9) The Bank issued a series of 3-month CD at a discount. As at June 30 2019, the face value of outstanding CD amounted to RMB16.5 billion, with a reference interest rate of 2.65%-3.15% (31 December 2018: 2.85%-3.55%) per annum, payable at maturity.
- (10) The Bank issued a series of 6-month CD at a discount. As at June 30 2019, the face value of outstanding CD amounted to RMB17.9 billion, with a reference interest rate of 2.80%-3.25% (31 December 2018: 3.25%-4.10%) per annum, payable at maturity.
- (11) The Bank issued a series of 9-month CD at a discount. As at June 30 2019, the face value of outstanding CD amounted to RMB17.2 billion, with a reference interest rate of 2.95%-3.68% (31 December 2018: 3.50%-4.70%) per annum, payable at maturity.
- (12) The Bank issued a series of 1-year CD at a discount. As at June 30 2019, the face value of outstanding CD amounted to RMB42.4 billion, with a reference interest rate of 3.10%-4.25% (31 December 2018: 3.30%-5.17%) per annum, payable at maturity.



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 33. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following balances with an original maturity of less than or equal to three months:

	Six months ended 30 June	
	2019	2018
Cash	669,564	679,108
Balances with central bank	8,593,782	11,516,811
Deposits with banks and other financial institutions	6,012,584	3,727,929
Placements with banks and other financial institutions	900,000	1,911,923
Financial assets held under resale agreements	6,321,590	3,900,042
<b>Total</b>	<b>22,497,520</b>	21,735,813

### 34. STRUCTURED ENTITIES

#### Unconsolidated structured entities

##### (1) Structured entities sponsored by third party institutions in which the Bank holds interests

The Bank holds interests in these structured entities sponsored by third party institutions through investments in the rights or plans issued relating to these structured entities. The Bank does not consolidate these structured entities. Such structured entities include wealth management products issued by financial institutions, asset management plans, trust beneficiary rights and asset-backed securities.

The following table set out an analysis of the gross carrying amounts of interests held by the Group as at 30 June 2019 in the structured entities sponsored by third party institutions.

	As at	As at
	30 June	31 December
	2019	2018
Asset-backed securities	20,179,967	25,604,087
Wealth management products	2,009,589	1,039,259
Asset management plans	76,463,355	85,869,823
Trust beneficiary rights	59,693,507	59,309,436
<b>Total</b>	<b>158,346,418</b>	171,822,605

All of these unconsolidated structured entities are recorded in financial assets at fair value through profit or loss and debt investments at amortised.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 34. STRUCTURED ENTITIES *(Continued)*

#### Unconsolidated structured entities *(Continued)*

##### (2) **Unconsolidated structured entities sponsored by the Bank in which the Bank holds interests**

The types of unconsolidated structured entities sponsored by the Bank mainly include non-principal-guaranteed wealth management products. The purpose of sponsoring these structured entities is to generate fees from managing assets on behalf of investors. Interests held by the Bank includes fees charged by providing management services to these structured entities.

For the six months ended 30 June 2019, the management fee recognised amounted to RMB622 million (Six months ended 30 June 2018: RMB490 million).

As at 30 June 2019, the total assets of unconsolidated non-principal-guaranteed wealth management products sponsored by the Bank amounted to RMB100,468 million (31 December 2018: RMB104,626 million).

In addition, unconsolidated structured entities sponsored by the Bank also include asset-backed securities.

The Group did not provide any financial or other support to these unconsolidated structured entities during the period.

### 35. RELATED PARTY TRANSACTIONS

#### (1) **Following major shareholders held more than 5% interest of the Bank and are considered as related parties of the Group:**

	Percentage of shares held	
	As at	As at
	30 June 2019	31 December 2018
Tianjin Bonded Zone Investment Co., Ltd.	15.92%	15.92%
Australia and New Zealand Banking Group Limited	11.95%	11.95%
Tianjin Pharmaceutical Holdings Ltd. and its subsidiaries	8.06%	8.06%
Tianjin Bohai Chemical Industry Group Co., Ltd. and its subsidiaries	8.07%	8.07%

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 35. RELATED PARTY TRANSACTIONS (Continued)

#### (1) Following major shareholders held more than 5% interest of the Bank and are considered as related parties of the Group: (Continued)

##### **Balances and transactions between the Group and these major shareholders and entities under their control**

During the period/year, the Group had the following material balances and entered into the following material transactions with major shareholders and entities under their control. These transactions were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

	<b>As at 30 June 2019</b>	As at 31 December 2018
Balances at the end of the period/year:		
<b>Assets</b>		
Deposits with banks and other financial institutions	<b>2,033</b>	4,581
Loans and advances to customers	<b>2,206,000</b>	–
Interest receivable from related parties	<b>2,411</b>	–
<b>Total</b>	<b>2,210,444</b>	4,581
<b>Liabilities</b>		
Due to customers	<b>86,992</b>	86,278
Interest payable to related parties	<b>2</b>	–
<b>Total</b>	<b>86,994</b>	86,278
Six months ended 30 June		
	<b>2019</b>	2018
Transactions during the period:		
Interest income	<b>86,585</b>	128,564
Interest expense	<b>522</b>	11,139
Interest rate ranges during the period:		
Loans and advances to customers	<b>4.99%~9.50%</b>	4.35%~7.00%
Due to customers	<b>0.35%~1.38%</b>	0.35%~4.70%

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 35. RELATED PARTY TRANSACTIONS *(Continued)*

#### (2) Other related parties

Other related parties can be individuals or enterprises, which include: members of the Board of Directors, the senior management and close family members of such individuals; entities (and their subsidiaries) controlled or jointly controlled by members of the Board of Directors, the senior management, and close family members of such individuals. Transactions with other related parties were entered into in the normal course of business, with pricing policies consistent with those transactions conducted with independent third parties.

#### **Balances and transactions with other related parties**

	<b>As at 30 June 2019</b>	As at 31 December 2018
<b>Liabilities</b>		
Deposits from banks and other financial institutions	<b>929,231</b>	1,066,490
Due to customers	-	-
Interest payable from related parties	<b>1,033</b>	-
<b>Total</b>	<b>930,264</b>	1,066,490
	Six months ended 30 June	
	<b>2019</b>	2018
Transactions during the period:		
Interest income	-	10,121
Interest expense	<b>11,538</b>	5,785
Interest rate range during the period:		
Loans and advances to customers	-	4.99%~5.51%
Deposit from banks and other financial institutions	<b>0.72%~3.42%</b>	0.35%~5.30%
Due to customers	-	0.35%~4.10%

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 35. RELATED PARTY TRANSACTIONS *(Continued)*

#### (3) Key management personnel

Key management personnel include directors, supervisors and senior management team members.

No major transactions have been entered into with the key management personnel during the six months ended 30 June 2019 other than the emoluments paid to them (being the key management personnel compensation).

	Six months ended 30 June	
	2019	2018
Fees	722	720
Basic salaries, bonuses and allowances	1,535	1,438
Contribution to pension schemes	648	569
Total	2,905	2,727

#### (4) Annuity schemes

Contribution to annuity schemes are disclosed in Note 9 to the condensed consolidated financial statements.

### 36. CONTINGENT LIABILITIES AND COMMITMENTS

#### Legal proceedings

The Bank and its subsidiaries, as defendants, are involved in certain lawsuits arising from its normal business operations. As at 30 June 2019, the Group has assessed and measured the impact of those significant pending lawsuits and recognised reasonable amount of provisions (refer to Note 30).

#### Capital commitments

	As at	As at
	30 June	31 December
	2019	2018
Contracted but not provided for – commitments for the acquisition of property and equipment	400,323	287,638

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 36. CONTINGENT LIABILITIES AND COMMITMENTS *(Continued)*

#### Credit commitments

	<b>As at 30 June 2019</b>	As at 31 December 2018
Acceptances	<b>28,228,540</b>	27,623,495
Letters of credit issued	<b>11,656,519</b>	11,415,674
Letters of guarantee	<b>1,545,786</b>	2,607,714
Undrawn corporate loans limit	<b>34,459,356</b>	36,682,891
Undrawn credit card limit	<b>2,307,159</b>	2,172,192
<b>Total</b>	<b>78,197,360</b>	80,501,966

Credit commitments represent general facility limits granted to customers. These credit facilities may be drawn in the form of loans and advances or through the issuance of letters of credit, acceptances or letters of guarantee.

#### Redemption commitments of government bond

The Bank is authorised by the Ministry of Finance to underwrite certificate government bonds and e-saving bonds. The investors of these bonds can redeem before maturity date and the Bank has the obligation to pay the principal and related interests to investors.

As at 30 June 2019, the principal balance of certificate government bonds which the Bank had an obligation to pay in advance amounted to RMB2,471 million (31 December 2018: RMB2,296 million), and the principal balance of e-saving bonds amounted to RMB2,805 million (31 December 2018: RMB2,345 million). The original term of these bonds is from 1 to 5 years.

The Ministry of Finance does not pay the principal and interest of the certificate government bonds before the expiry date, but pays the principal and interest of the e-savings bonds on a regular basis based on the payment approach for the e-savings bonds.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 37. FIDUCIARY ACTIVITIES

The Group commonly acts as asset manager or in other fiduciary capacities, that results in it holding or managing assets on behalf of individuals or corporations. These assets and any gains or losses arising thereon are not included in the financial statements of the Group as they are not the Group's assets.

As at 30 June 2019, the entrusted loans balance of the Group amounted to RMB32,083 million (31 December 2018: RMB35,031 million).

### 38. TRANSFER OF FINANCIAL ASSETS

#### Repurchase agreement

The Group entered into repurchase agreements with certain counterparties to sell bonds or bills of carrying amount of RMB33,204 million as at 30 June 2019 (31 December 2018, RMB29,046 million) which are subject to the simultaneous agreements with commitments to repurchase at specified future dates and prices. The proceeds from selling such bonds or bills totaling RMB33,181 million (31 December 2018: RMB28,362 million) is presented as 'financial assets sold under repurchase agreements' (Note 29) as at the end of the period.

As stipulated in the repurchase agreements, there is no transfer of the legal ownership of these bonds or bills to the counterparties during the covered period. However, the Group is not allowed to sell or pledge these securities during the covered period unless both parties mutually agree with such arrangement. Accordingly, the Group has determined that it retains substantially all the risks and rewards of these bonds or bills and therefore have not derecognised them from the financial statements but regarded as 'collateral' for the secured lending from the counterparties. The counterparty's recourse is not limited to the transferred assets.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 39. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, primarily including credit risk, market risk (including currency risk, interest risk and other price risk), and liquidity risk. Those activities involve analysis, evaluation, acceptance and management of some degree of risks or combination of risks. Managing risks are core to the financial business, and operational risks are an inevitable consequence of being in business.

The Group's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Group's financial performance. The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is the highest authority for the Group's overall risk management. It provides strategy and risk preference for overall risk management and decides the risk tolerance and monitor risk management and internal control system. It assesses overall risk based on monitoring information and risk management reported by the senior management. Senior management is responsible for overseeing the Group's overall risk management, including the formulation and implementation of risk management policies and procedures, covering credit risk, interest rate risk, liquidity risk and foreign exchange risk. The risk management committee is in charge of the Group's overall risk management structure, policies and tools, and monitors the risk management.



## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS

Certain financial assets and financial liabilities of the Group are measured at fair value at the end of the reporting period. Fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements is observable and the significance of the inputs to the fair value measurement in its entirety, which is described below:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available such as the market price of listed equity securities on exchanges. Where level 1 fair value measurements are not available, the fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models, including discounted cash flow analysis, using prices from observable current market transactions for similar instruments to the extent available.

The main valuation technique used by the Group is discounted cash flow model for financial instruments. The main inputs used in discounted cash flow model include recent transaction prices, interest rates, own credit spread and counterparty credit spreads, as appropriate. If these parameters used in the model are substantively based on observable market data and/or obtainable from active open market, the instruments are classified as level 2.

The following tables give the information about how the fair values of these financial assets and financial liabilities are categorised and determined, in particular, the valuation technique(s) and input(s) used.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

#### Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis

	As at 30 June 2019			Total
	Level 1	Level 2	Level 3	
Financial assets at FVTPL				
Government bonds	–	126,579	–	126,579
Financial institution bonds	–	740,595	–	740,595
Asset-backed securities	–	227,592	284,642	512,234
Corporate bonds	–	111,211	–	111,211
Wealth management products	–	–	2,009,589	2,009,589
Asset management plans	–	–	27,478,888	27,478,888
Trust beneficiary rights	–	–	19,583,253	19,583,253
Funds	11,972,786	–	–	11,972,786
Others	–	–	58,600	58,600
Subtotal	11,972,786	1,205,977	49,414,972	62,593,735
Financial assets at FVTOCI				
Government bonds	–	11,630,089	–	11,630,089
Financial institution bonds	–	19,297,771	–	19,297,771
Corporate bonds	–	3,544,563	5,450,915	8,995,478
Subtotal	–	34,472,423	5,450,915	39,923,338
Rediscounted bills	–	–	5,088,427	5,088,427
Derivative financial assets	–	275,998	–	275,998
Derivative financial liabilities	–	(39,519)	–	(39,519)
Financial liabilities held for trading	–	(1,400,487)	–	(1,400,487)
Total	11,972,786	34,514,392	59,954,314	106,441,492

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

	As at 31 December 2018			Total
	Level 1	Level 2	Level 3	
Financial assets at FVTPL				
Government bonds	–	616,496	–	616,496
Financial institution bonds	–	535,255	–	535,255
Asset-backed securities	–	–	80,569	80,569
Corporate bonds	–	621,797	–	621,797
Wealth management products	–	–	1,039,259	1,039,259
Asset management plans	–	–	28,837,476	28,837,476
Trust beneficiary rights	–	–	23,054,189	23,054,189
Funds	5,900,913	–	–	5,900,913
Others	–	–	58,600	58,600
Subtotal	5,900,913	1,773,548	53,070,093	60,744,554
Debt instruments at FVTOCI				
Government bonds	–	14,551,375	–	14,551,375
Financial institution bonds	–	19,810,638	–	19,810,638
Corporate bonds	–	4,998,700	10,096,901	15,095,601
Subtotal	–	39,360,713	10,096,901	49,457,614
Rediscounted bills	–	1,927,338	–	1,927,338
Derivative financial assets	–	70,255	–	70,255
Derivative financial liabilities	–	(27,836)	–	(27,836)
Total	5,900,913	43,104,018	63,166,994	112,171,925

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

#### Reconciliation of Level 3 fair value measurements of financial assets

<b>Asset</b>	<b>Financial assets measured at FVTPL</b>	<b>Debt instruments measured at FVTOCI</b>	<b>Rediscouted bills</b>
Balance at January 1 2019	53,070,093	10,096,901	1,927,338
Total gains			
– in profit or loss	463,924	224,612	43,307
– in OCI	–	(69,505)	4,582
Purchases	6,736,504	–	5,189,986
Disposals and settlements	(10,855,549)	(4,801,093)	(2,076,786)
Balance at June 30 2019	<b>49,414,972</b>	<b>5,450,915</b>	<b>5,088,427</b>

<b>Asset</b>	<b>Financial assets measured at FVTPL</b>	<b>Debt instruments measured at FVTOCI</b>
Balance at January 1 2018		133,346,727
Total gains		
– in profit or loss		398,022
– in OCI		–
Purchases		19,896,064
Disposals and settlements		(100,570,720)
Balance at December 31 2018		53,070,093

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

#### Reconciliation of Level 3 fair value measurements of financial assets *(Continued)*

The main valuation technique used by the Group is discounted cash flow model for financial instruments. The main inputs used in discounted cash flow model are contractual cash flows and yield curves reflecting credit risks of counterparties. The fair valuation measurement of these categorised Level 2 or Level 3, depending whether the relevant yield curves are observable (for debt securities traded on China Inter-Bank Bond Market and fair values are provided by China Central Depository & Clearing Co., Ltd.) or not. Level 3 valuations are usually performed by respective business departments which manage the financial instruments. The discount rates used in Level 3 valuations ranges from 3.09% to 9.01% (31 December 2018: 3.13% to 8.48%).

A 100-basis point increase/decrease in the discount rate holding other variables constant will result in a decrease/increase in carrying amount of financial assets measured at Level 3 fair values as at 30 June 2018, by RMB434.4 million/RMB 448.0 million, respectively (31 December 2018: RMB203.6 million/RMB 199.7 million).

#### Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

	As at 30 June 2019		As at 31 December 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Debt instruments at amortised costs	<b>179,304,478</b>	<b>180,705,565</b>	184,769,026	185,055,056
Loans and advances to customers	<b>301,659,709</b>	<b>316,436,373</b>	276,943,278	287,978,279
<b>Financial liabilities</b>				
Placements from banks	<b>33,627,214</b>	<b>33,653,286</b>	21,555,660	21,730,877
Due to customers	<b>358,550,255</b>	<b>360,712,247</b>	342,877,165	344,736,646
Debt securities issued	<b>133,040,430</b>	<b>134,354,820</b>	159,823,661	160,573,532

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019

(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (Continued)

The following table gives the information about how the fair values of these financial assets and financial liabilities are determined, in particular, the valuation technique(s) and input(s) used.

Financial assets/ financial liabilities	Fair value at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 30 June 2019	As at 31 December 2018		
Debt instruments at amortised costs	<b>180,705,565</b>	185,055,056	Level 2	Discounted cash flows. Future cash flows are estimated based on contractual amounts, discounted at rates that reflect the credit risk of various counterparties.
Loans and advances to customers	<b>316,436,373</b>	287,978,279	Level 3	Discounted cash flows. Future cash flows are estimated base on contractual amounts and discounted at rates using the yield curve with reference to the PBoC benchmark interest rates and credit spread for specific borrowers.
Placements from banks	<b>33,653,286</b>	21,730,877	Level 3	Discounted cash flows. Future cash flows are estimated based on contractual amounts, discounted at rates with reference to Shanghai Interbank Offered Rate for deposits of similar remaining maturities.
Due to customers	<b>360,712,247</b>	344,736,646	Level 3	Discounted cash flows. Future cash flows are estimated based on contractual amounts and discounted at rates with reference to the PBoC benchmark interest rates for deposits of similar remaining maturities.
Debt securities issued	<b>134,354,820</b>	160,573,532	Level 2	See Note 1.

Note 1: Debt securities traded on China Interbank Bond Market are classified into Level 2. Their fair values are provided by China Central Depository & Clearing Co., Ltd. and determined by using discounted cash flow method. Future cash flows are estimated based on contractual amounts, and then discounted at rates that reflect the credit risk of the issuers.

## Notes to Condensed Consolidated Financial Statements

For the six months ended 30 June 2019  
(Amounts in thousands of Renminbi, unless otherwise stated)

### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

#### **Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis** *(Continued)*

There were no significant transfers between Level 1, Level 2 and Level 3 during the period.

Other financial assets and financial liabilities including balances with central bank, deposits and placements with banks and other financial institutions, borrowing from central bank, placements from banks and financial assets sold under repurchase agreements mostly have terms within one year. Their carrying values approximate their fair values.

### 41. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved by the Board of Directors of the Bank on 29 August 2018.

## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

In accordance with the Hong Kong Listing Rules and Banking (Disclosure) Rules, the Group discloses the unaudited supplementary financial information as follows:

### LIQUIDITY RATIOS, LIQUIDITY COVERAGE RATIOS, NET STABLE FUNDING RATIO AND LEVERAGE RATIO

(Expressed in percentage)

#### Liquidity ratios

	<b>As at 30 June 2019</b>	As at 31 December 2018
RMB current assets to RMB current liabilities	<b>41.9%</b>	50.3%
Foreign currency current assets to foreign currency current liabilities	<b>41.2%</b>	44.6%

#### Average for the six months ended 30 June

	<b>2019</b>	2018
RMB current assets to RMB current liabilities	<b>47.5%</b>	44.9%
Foreign currency current assets to foreign currency current liabilities	<b>37.9%</b>	45.2%

#### Liquidity Coverage Ratios

	<b>As at 30 June 2019</b>	As at 31 December 2018
Qualified high-quality liquid assets	<b>73,915,053.8</b>	106,433,447.8
Net cash outflows in the next 30 days	<b>57,038,533.1</b>	77,798,591.5
Liquidity Coverage Ratios	<b>129.59%</b>	136.81%



## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

### Net Stable Funding Ratio

	<b>As at 30 June 2019</b>	<b>As at 31 March 2019</b>	As at 31 December 2018
Total stable funding available	<b>354,048,931.9</b>	<b>351,117,519.9</b>	348,820,190.9
Total stable funding required	<b>312,582,239.1</b>	<b>314,576,876.2</b>	311,032,571.6
<b>Net Stable Funding Ratio</b>	<b>113.27%</b>	<b>111.62%</b>	112.15%

Pursuant to the Disclosure of Net Stable Funding Ratio Information of Commercial Bank issued by the CBIRC (YinBao JianFa [2019] No.11), our Bank has disclosed relevant information on the net stable funding ratio for the latest three quarters during its initial disclosure.

### Leverage ratio

(Expressed in percentage)

	<b>As at 30 June 2019</b>	As at 31 December 2018
Leverage ratio	<b>6.99%</b>	6.79%

Pursuant to the Leverage Ratio Management of Commercial Bank (Amended) issued by the CBIRC (No. 1 Order of CBRC in 2015), effective from April 2015, a minimum leverage ratio of 4% is required.

The above liquidity ratios and leverage ratios are calculated in accordance with the formula promulgated by CBIRC.

Pursuant to the Leverage Ratio Management of Commercial Bank (Amended) issued by the CBIRC (No. 1 Order of CBRC in 2015), information on leverage ratio of our Bank as of 30 June 2019 is disclosed on the official website of the Bank at <http://www.bank-of-tianjin.com.cn/tzzgxEN/Inford/CA/292502.shtml>.

## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

### CURRENCY CONCENTRATIONS

	US Dollars	Equivalent in Renminbi		Total
		Hong Kong Dollars	Others	
As at 30 June 2019				
Spot assets	<b>16,590,742</b>	<b>252,580</b>	<b>137,078</b>	<b>16,980,400</b>
Spot liabilities	<b>(33,213,772)</b>	<b>(240,610)</b>	<b>(128,117)</b>	<b>(33,582,499)</b>
Net position	<b>16,623,030</b>	<b>11,970</b>	<b>8,961</b>	<b>16,602,099</b>
As at 31 December 2018				
Spot assets	11,964,896	285,476	102,153	12,352,525
Spot liabilities	(18,673,439)	(267,624)	(41,274)	(18,982,337)
Net position	(6,708,543)	17,852	60,879	(6,629,812)

The above information is computed in accordance with the provisions of the CBIRC. The Group has no structural position as at the end of each reporting period.

### INTERNATIONAL CLAIMS

The Group is principally engaged in business operations within mainland China, and regards all claims on third parties outside mainland China as cross-border claims.

Cross-border claims mainly include balances with banks.

Cross-border claims have been disclosed by different countries or geographical areas. A country or geographical area is reported where it constitutes 10% or more of the aggregate amount of cross-border claims, after taking into account any risk transfers. Risk transfer is only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

	<b>As at 30 June 2019</b>	As at 31 December 2018
Deposits with banks		
Asia Pacific excluding mainland China	<b>24,104</b>	20,847
– of which attributed to Hong Kong	<b>9,663</b>	10,125
Europe	<b>219,894</b>	308
North America	<b>1,057,421</b>	449,659
<b>Total</b>	<b>1,301,419</b>	470,814

### OVERDUE ASSETS

Loans and advances to customers which have been overdue are set out as follows:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Below 3 months (inclusive)	<b>12,765,066</b>	3,467,476
Between 3 and 6 months (inclusive)	<b>1,333,532</b>	387,057
Between 6 and 12 months (inclusive)	<b>1,185,489</b>	432,935
Over 12 months	<b>3,270,297</b>	3,612,336
<b>Total</b>	<b>18,554,384</b>	7,899,804
As a percentage of gross loans and advances to customers		
Below 3 months (inclusive)	<b>4.04%</b>	1.21%
Between 3 and 6 months (inclusive)	<b>0.42%</b>	0.13%
Between 6 and 12 months (inclusive)	<b>0.38%</b>	0.15%
Over 12 months	<b>1.04%</b>	1.25%
<b>Total</b>	<b>5.88%</b>	2.74%

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue.

## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

Debt instruments measured at amortised cost which have been overdue are set out as follows:

	<b>As at 30 June 2019</b>	As at 31 December 2018
Below 3 months (inclusive)	<b>776,000</b>	–
Between 3 and 6 months (inclusive)	–	140,000
Between 6 and 12 months (inclusive)	<b>140,000</b>	150,000
Over 12 months	<b>630,052</b>	480,052
Total	<b>1,546,052</b>	770,052

As a percentage of debt instruments measured at amortised cost

	<b>As at 30 June 2019</b>	As at 31 December 2018
Below 3 months (inclusive)	<b>0.43%</b>	–
Between 3 and 6 months (inclusive)	–	0.08%
Between 6 and 12 months (inclusive)	<b>0.08%</b>	0.08%
Over 12 months	<b>0.35%</b>	0.26%
Total	<b>0.86%</b>	0.42%

Debt instruments measured at amortised cost with a specific repayment date are classified as overdue when the principal or interest is overdue.

## Unaudited Supplementary Financial Information

(Amounts in thousands of RMB unless otherwise stated)

### EXPOSURES TO MAINLAND CHINA NON-BANK ENTITIES

	<b>As at 30 June 2019</b>	As at 31 December 2018
On-balance sheet exposure	<b>301,659,709</b>	276,943,278
Off-balance sheet exposure	<b>78,197,360</b>	80,501,966

### DISCLOSURE REQUIREMENTS FOR COMPOSITION OF CAPITAL

In accordance with the disclosures required in Annex 2 – Notice on Enhancing Disclosure Requirements for Composition of Capital (《關於商業銀行資本構成信息披露的監管要求》) of the CBIRC Notice on Issuing Regulatory Documents on Capital Regulation for Commercial Banks (《關於印發商業銀行資本監管配套政策文件的通知》) (Yin Jianfa [2013] No.33) promulgated by the CBRC, the Bank's composition of capital as of 30 June 2019 is disclosed on the official website of the Bank at <http://www.bank-of-tianjin.com.cn/tzzgxEN/Inford/CA/292504.shtml>.

## List of Branches

As of 30 June 2019, details of the branches of the Bank are set out as below:

No.	Name of Branch	Address	Postcode
1	Bank of Tianjin, Head Office Branch	No. 5, Youyi Road, Hexi District, Tianjin	300201
2	Bank of Tianjin, Dongli sub-branch	No. 77, Yuejin Road, Dongli District, Tianjin	300300
3	Bank of Tianjin, Yijing Road sub-branch	2/F, Extension No. 3, Yijing Road, Dongli District, Tianjin	300300
4	Bank of Tianjin, Junliang City sub-branch	No. 1-7, Block 29, Junhua Yard, Xinshi Town, Junliang City, Xingnong Road, Dongli District, Tianjin	300301
5	Bank of Tianjin, Huaming sub-branch	No. 11, Hongshun Road, Huaming Industrial Park, Dongli District, Tianjin	300300
6	Bank of Tianjin, Jinnan sub-branch	No. 1, Ground Floor, Building 2, Jingming Garden, east side of Jingu Road and north side of Xianshuigu Hospital, Xianshuigu Town, Jinnan District, Tianjin	300350
7	Bank of Tianjin, Lushui Road sub-branch	No. 15 & 16, Ground Floor Store, Block 10, Baojujiayuan, Southern side of the Wushui Road, Jinnan District, Tianjin	300000
8	Bank of Tianjin, Jingu Road sub-branch	No. 1-3, Ground Floor, Zonglv Yuan 4, Gelinxiaocheng, west side of Jingu Road, Shuanggang Town, Jinnan District, Tianjin	300350
9	Bank of Tianjin, Xiqing sub-branch	Junction of Guangming Road and Xinhua Road, Yangliuqing, Xiqing District, Tianjin	300380
10	Bank of Tianjin, Zhangjiawo sub-branch	No. 60, Yutai Road, Xiqing District, Tianjin	300380
11	Bank of Tianjin, Zhongbei Town sub-branch	1-A-2-01-05, 1/F New City Center I-A, 3 Wanhui Road, Zhongbei Town, Xiqing District, Tianjin	300393
12	Bank of Tianjin, Dasi Town sub-branch	No. 28 & 30, Liuyang Road, Dasi Town, Xiqing District, Tianjin	300385
13	Bank of Tianjin, Changling Road sub-branch	(Ground Floor, No.102, Apartment block) Block A-F, Yueya Garden, Lingkou Village, Liqizhuang Street, Xiqing District, Tianjin	300381
14	Bank of Tianjin, Beichen sub-branch	1185, 1186, 1187, 2170, 3180, Building 1-3, Changying Commercial Plaza, northwest side at the Junction of Jingjin Road and Longzhou Road, Beichen District, Tianjin	300340
15	Bank of Tianjin, Jingjin Road sub-branch	Extension No. 9-10, No. 352, south at the junction of Jingjin Road and Guoyuan North Road, Beichen District, Tianjin	300400
16	Bank of Tianjin, Xinyibai Avenue sub-branch	North side of Xinyibai Avenue, Beichen District, Tianjin	300420
17	Bank of Tianjin, Wuqing sub-branch	No. 143, Quanwang Road, Wuqing District, Tianjin	301799

## List of Branches

No.	Name of Branch	Address	Postcode
18	Bank of Tianjin, Jinghu sub-branch	Ground Floor, Scientific Research Service Building, Huidareli Group, Jianing Road, Xiazhuzhuang Street, Wuqing District, Tianjin	301700
19	Bank of Tianjin, Huangzhuang sub-branch	Ground Floor, Building 74, Commercial Street, Junction of Weiyi Road and Jingba Road, Huangzhuang Street, Wuqing District, Tianjin	301700
20	Bank of Tianjin, Yongyangxi Road sub-branch	Ground Floor, No. 12-2, Shengshixinyuan, Southern side of Yongyangxi Road, Xincheng, Wuqing District, Tianjin	301799
21	Bank of Tianjin, Baodi sub-branch	No. 52, Nancheng Road, Baodi District, Tianjin	301800
22	Bank of Tianjin, Kaiyuan Road sub-branch	2-113, 2-114, 2-115, 2-213, 2-214, Huifeng Building 2, south side of Nanhuan Road, Baodi District, Tianjin	301800
23	Bank of Tianjin, Jiuyuan sub-branch	South side of Jiuyuan Road, Jiuyuan Industrial Park, Baodi District, Tianjin (Ground Floor, 1/F, Service Building, Jingjinxincheng Industrial Park)	301802
24	Bank of Tianjin, Tianbao Industrial Park sub-branch	North side of Tongtang Road and east side of Tianbao Road, Economic Development Zone, Baodi District, Tianjin (Ground Floor, East Building, No. 6, Nanhuan Road)	301800
25	Bank of Tianjin, Jizhou sub-branch	8-102, Qixing Garden, West of Guangming Road North, Jizhou District, Tianjin	301900
26	Bank of Tianjin, Renmin West Avenue sub-branch	No. 2-188, No. 2-188A, 2-204, Jinding Building, north side of Renmin West Avenue West, Jizhou District, Tianjin	301900
27	Bank of Tianjin, Zhouhewan sub-branch	Extension No. 8, No. 5, Qingchi West Street, Zhouhewan, Xincheng, Jizhou District, Tianjin	301900
28	Bank of Tianjin, Jinghai sub-branch	105 & 106, Building 7, Jinxiujiayuan (location of original Jinghai County Party Committee), Jinghai District, Tianjin	301600
29	Bank of Tianjin, Dongfanghong Road sub-branch	Commercial Area B, Haixinyuan, Dongfanghong Road, Jinghai District, Tianjin	301600
30	Bank of Tianjin, Ninghe sub-branch	No. 66, Guangming Road, Lutai Town, Ninghe District, Tianjin	301500
31	Bank of Tianjin, Panzhuang sub-branch	Panzhuang Village, Panzhuang Town, Ninghe District, Tianjin	301508
32	Bank of Tianjin, First central sub-branch	Kangning Building, Junction of Xikang Road and Hanyang Road, Heping District, Tianjin	300070
33	Bank of Tianjin, Rongsheng sub-branch	No. 179 & 181, Chengdu Road, Heping District, Tianjin	300070
34	Bank of Tianjin, Kaifeng sub-branch	No. 11, Nanma Road, Heping District, Tianjin	300022
35	Bank of Tianjin, Jianye sub-branch	No. 33, Qixiangtai Road, Heping District, Tianjin	300070
36	Bank of Tianjin, Baoli sub-branch	Block B, No. 18, Guizhou Road, Heping District, Tianjin	300051

## List of Branches

No.	Name of Branch	Address	Postcode
37	Bank of Tianjin, Hongtong sub-branch	No. 75, Yingkou Road, Heping District, Tianjin	300040
38	Bank of Tianjin, Laolian sub-branch	No. 95, Jianshe Road, Heping District, Tianjin	300041
39	Bank of Tianjin, Huafeng sub-branch	No. 74, Jianshe Road, Heping District, Tianjin	300040
40	Bank of Tianjin, Jianshe Road sub-branch	No. 82, Jianshe Road, Heping District, Tianjin	300042
41	Bank of Tianjin, Xiangsheng sub-branch	Ground Floor, Block B, Building 5, Changshou Apartment, Rongye Street, Heping District, Tianjin	300021
42	Bank of Tianjin, Jinsheng sub-branch	No. 32, Xinxing Road, Heping District, Tianjin	300070
43	Bank of Tianjin, Jingong sub-branch	No. 72, Jiefang North Road, Heping District, Tianjin	300041
44	Bank of Tianjin, Shiye sub-branch	No. 157, Dagu North Road, Heping District, Tianjin	300040
45	Bank of Tianjin, Dali Road sub-branch	No. 86, Dali Road, Heping District, Tianjin	300050
46	Bank of Tianjin, Small Business Financial Services Center	2/F, No. 86, Dali Road, Heping District, Tianjin	300050
47	Bank of Tianjin, Baoding Road sub-branch	No. 01, Ground Floor, 1/F & No. 01, Ground Floor, 2/F, Tower A, Xinhua Building, No. 33-39, Baoding Road, Heping District, Tianjin	300040
48	Bank of Tianjin, Jinmao Plaza sub-branch	5-5 & 5-6, Jinmao Plaza, Northwest side at the junction of Qingshan Street and Fuan Street, Heping District, Tianjin	300041
49	Bank of Tianjin, Haihe East Road sub-branch	No. 52, Haihe East Road, Hebei District, Tianjin	300010
50	Bank of Tianjin, Second central sub-branch	Zhonghao International Automobile Building, No. 62, Longchang Road, Hexi District, Tianjin	300201
51	Bank of Tianjin, Jinhe sub-branch	No. 676, Dagu South Road, Hexi District, Tianjin	300200
52	Bank of Tianjin, Jincal sub-branch	Donglou Bridge, Dagu South Road, Hexi District, Tianjin	300200
53	Bank of Tianjin, Dagu South Road sub-branch	No. 04-05, Ground Floor, Building 1, Liuyuan Apartment, Dagu South Road, Hexi District, Tianjin	300222
54	Bank of Tianjin, Ruide sub-branch	Ground Floor, Taidayuan, No. 68, Jiulong Road, Hexi District, Tianjin	300204
55	Bank of Tianjin, Jinxi sub-branch	No. 28, Xiamen Road, Hexi District, Tianjin	300203
56	Bank of Tianjin, Xilian sub-branch	Ground Floor, Tianjin Library, Tianjin Culture Center, Pingjiang Road, Hexi District, Tianjin	300201



## List of Branches

No.	Name of Branch	Address	Postcode
57	Bank of Tianjin, Shaoxing Road sub-branch	No. 105, Ground Floor Store, Senmiao Apartment, Pingshan Road, Hexi District, Tianjin	300074
58	Bank of Tianjin, Chentang Park sub-branch	106 Chentang Science and Technology Business Service Center, No. 20, Dongting Road, Hexi District, Tianjin	300220
59	Bank of Tianjin, Jinhua sub-branch	Extension No. 14, No. 16, Heiniucheng Road, Hexi District, Tianjin	300210
60	Bank of Tianjin, Rongcheng sub-branch	No. 75, Heiniucheng Road, Hexi District, Tianjin	300061
61	Bank of Tianjin, Heiniucheng Road sub-branch	202-203, Extension No. 1, Lidabolan, Heiniucheng Road, Hexi District, Tianjin	300381
62	Bank of Tianjin, Donghai sub-branch	No. 33, Huanhu Middle Road, Hexi District, Tianjin	300060
63	Bank of Tianjin, Yinlian sub-branch	No. 26 & 28, Shuangshui Road, Hexi District, Tianjin	300222
64	Bank of Tianjin, Xietong sub-branch	No. 10, Nanjing Road, Hexi District, Tianjin	300042
65	Bank of Tianjin, Huiyuan sub-branch	South Ground Floor, Building 1, Huaxiafuyu Plaza, Jiefang South Road, Hexi District, Tianjin	300202
66	Bank of Tianjin, Guhai Road sub-branch	No. 423, Jiefang South Road, Hexi District, Tianjin	300210
67	Bank of Tianjin, Jiefang South Road sub-branch	No. 473, Jiefang South Road, Hexi District, Tianjin (Ground Floor of Bohai Sea International Commerce Block)	300221
68	Bank of Tianjin, Tianma sub-branch	No. 12, Xiyuan Street, Youyi Road, Hexi District, Tianjin	300061
69	Bank of Tianjin, Tanjiang Road sub-branch	Unit 17, Ground Floor, Chuanshuiyuan Estate (Public Building III), Suijiang Street, Hexi District, Tianjin	300221
70	Bank of Tianjin, Zhujiang Road sub-branch	Junction of Zhujiang Road and Xueyuan Road, Hexi District, Tianjin	300222
71	Bank of Tianjin, Limin Road sub-branch	Ground Floor, Zhuhaili Community, Limin Road, Hexi District, Tianjin	300200
72	Bank of Tianjin, South and North Avenue sub-branch	Door 1, Ground Floor, Building 2, Meining Apartment, South and North Avenue, Hexi District, Tianjin	300210
73	Bank of Tianjin, Meijiang Road sub-branch	No. 35 & 37, Meijiang Road, Hexi District, Tianjin	300221

## List of Branches

No.	Name of Branch	Address	Postcode
74	Bank of Tianjin, Qixiangtai Road sub-branch	Extension No. 11, No. 89, Fenghuangcheng, Junction of Qixiangtai Road and Pingquan Road, Hexi District, Tianjin	300074
75	Bank of Tianjin, Third central sub-branch	Area A2, Shengxinyuan, Nanmenwai Street, Nankai District, Tianjin	300100
76	Bank of Tianjin, Jinhui sub-branch	No. 248, Baidi Road, Nankai District, Tianjin	300192
77	Bank of Tianjin, Xingke sub-branch	No. 200, Anshan West Road, 1895 Tianjin University Architecture and Creation Building, Nankai District, Tianjin	300073
78	Bank of Tianjin, Kemaoy Street sub-branch	No. 428, Anshan West Road, Nankai District, Tianjin	300193
79	Bank of Tianjin, Xinyuan sub-branch	No. 23, Changjiang Road, Nankai District, Tianjin	300190
80	Bank of Tianjin, Changkang sub-branch	Extension No. 18, No. 628, Changjiang Road, Nankai District, Tianjin	300111
81	Bank of Tianjin, Yinshan sub-branch	Ground Floor, Xingtai Apartment, No. 66, Nanfeng Road, Nankai District, Tianjin	300192
82	Bank of Tianjin, Jinshan sub-branch	102-103, No. 1289, Nanma Road, Nankai District, Tianjin	300100
83	Bank of Tianjin, Rongyuan sub-branch	No. 467, Huanghe Road, Nankai District, Tianjin	300110
84	Bank of Tianjin, Guangkaiwuma Road sub-branch	No. 294, Huanghe Road, Nankai District, Tianjin	300110
85	Bank of Tianjin, Nankaiwei Road sub-branch	No. 43, Huanghe Road, Nankai District, Tianjin	300102
86	Bank of Tianjin, Xingnan sub-branch	No. 14, 16 & 18, Huaianhuan Road, Nankai District, Tianjin	300193
87	Bank of Tianjin, Lingbin Road sub-branch	No. 96-98, Lingbin Road, Nankai District, Tianjin	300381
88	Bank of Tianjin, Xianyang Road sub-branch	Ground Floor, Door 3, Building 9, Jialingbeili, Xianyang Road, Nankai District, Tianjin	300122
89	Bank of Tianjin, Huanghe Road sub-branch	Extension No. 10 & 11, No. 65, Xianyang Road, Nankai District, Tianjin	300111
90	Bank of Tianjin, Shuishang Gongyuan Road sub-branch	No. 46, Shuishang Gongyuan West Road, Nankai District, Tianjin	300191
91	Bank of Tianjin, Shuishang Gongyuan East Road sub-branch	Building 7, Yangguang Apartment, Nankai District, Tianjin	300381
92	Bank of Tianjin, Weijin South Road sub-branch	No. 70, Weijin South Road, Nankai District, Tianjin	300381
93	Bank of Tianjin, Tianda 1st sub-branch	Siji Village, Tianjin University, Nankai District, Tianjin	300072

## List of Branches

No.	Name of Branch	Address	Postcode
94	Bank of Tianjin, Xima Road sub-branch	No. 140 & 142, Nankaisanma Road, Nankai District, Tianjin	300101
95	Bank of Tianjin, Yuanyin Road sub-branch	Ground Floor, Building 8, Yuanyinbeili, Yuanyin Road, Wangdingdi, Nankai District, Tianjin	300191
96	Bank of Tianjin, Chengjiang Road sub-branch	Ground Floor, Building 16, Huaningbeili, Chengjiang Road, Nankai District, Tianjin	300190
97	Bank of Tianjin, Keji sub-branch	No. 6, Meiyuan Road, Huayuan Industrial Park, Nankai District, Tianjin	300384
98	Bank of Tianjin, Wanhua sub-branch	No. 148-1, Yingshui Road, Huayuan Industrial Park, New Industrial Park, Tianjin	300384
99	Bank of Tianjin, Haitai Road sub-branch	1/F, Door 4, Block F, Haitai Green Industry Base, Haitai Development 6th Road, High-tech Industrial Park, Tianjin	300384
100	Bank of Tianjin, Haihe Education Park (Beiyang Zone) Sub-branch	No.104, Xinyuan South Road, Tianjin University, Haihe Education Park, Tianjin	300350
101	Bank of Tianjin, Fourth central sub-branch	Ground Floor, 1-3/F, Fujian Building, Huaxing Road, Hedong District, Tianjin	300011
102	Bank of Tianjin, Donglian sub-branch	Tianshan Road, Wanxin Village, Hedong District, Tianjin	300162
103	Bank of Tianjin, Dongxin sub-branch	Extension No. 1, No. 2, No. 40, Jintang Road, Hedong District, Tianjin	300182
104	Bank of Tianjin, Dongyin sub-branch	Extension No. 3, No. 80, Jintang Road, Hedong District, Tianjin	300170
105	Bank of Tianjin, Daqiao Road sub-branch	Outpatient hall, the 3rd Central Hospital, No. 83, Jintang Road, Hedong District, Tianjin	300170
106	Bank of Tianjin, Jintang Road sub-branch	Ground Floor, No. 2, Door 1, Building 2, Youainanli, Zhongshanmen, Jintang Road, Hedong District, Tianjin	300180
107	Bank of Tianjin, Hedong sub-branch	101 & 102, Yitingyuan, Liuwei Road, Hedong District, Tianjin	300012
108	Bank of Tianjin, Jiahua sub-branch	No. 17-5, Jiahuali, Chenglinzhuang Road, Hedong District, Tianjin	300161
109	Bank of Tianjin, Taixing South Road sub-branch	Ground Floor, No. 3, Building 1, Jinwan Apartment, No. 100, Chenglinzhuang Road, Hedong District, Tianjin	300160
110	Bank of Tianjin, Weiguo Road sub-branch	No. 163, Weiguo Road, Hedong District, Tianjin	300250
111	Bank of Tianjin, Chengguang Road sub-branch	No. 71, Taixing South Road, Hedong District, Tianjin	300162
112	Bank of Tianjin, Zhongxin North Road sub-branch	No. 41, Zhongxin North Road, Hedong District, Tianjin	300181
113	Bank of Tianjin, Dongxing Road sub-branch	No. 4, Ground Floor, Building 13, Dieqiao Apartment, Hedong District, Tianjin	300170

## List of Branches

No.	Name of Branch	Address	Postcode
114	Bank of Tianjin, Changzhou Road sub-branch	No. 22, Changzhou Road, Hedong District, Tianjin	300250
115	Bank of Tianjin, Fifth central sub-branch	Ground Floor, Hongji Garden, Shizilin Street, Hebei District, Tianjin	300143
116	Bank of Tianjin, Bada Road sub-branch	No. 23, Minzu Road, Hebei District, Tianjin	300010
117	Bank of Tianjin, Xingbei sub-branch	Ground Floor, Building 1, Huiyingli Community, No. 10, Zengchan Road, Hebei District, Tianjin	300250
118	Bank of Tianjin, Zhenbei sub-branch	Building 2, Shuyuanli, Zhongshan North Road, Hebei District, Tianjin	300241
119	Bank of Tianjin, Zhongshan Road sub-branch	Ground Floor, Zerenli Building, Zhongshan Road, Hebei District, Tianjin	300142
120	Bank of Tianjin, Zhongbei sub-branch	1-2/F, Ground Floor, Building 2, Yuyang Apartment, Junction of Zhongshan Road and Yuewei Road, Hebei District, Tianjin	300140
121	Bank of Tianjin, Jincheng sub-branch	Ground Floor, Fangjingmingju, Junction of Jinzhonghe Street and Zengchan Road, Hebei District, Tianjin	300150
122	Bank of Tianjin, Yuying Road sub-branch	Ground Floor, Training Building, Rolling Stock Plant, Nankou Road, Hebei District, Tianjin	300230
123	Bank of Tianjin, Wuhao Road sub-branch	Ground Floor, No. 17, Cuihuali, Junction of Wuhao Road and Zhenli Road, Hebei District, Tianjin	300150
124	Bank of Tianjin, Beiningwan sub-branch	No. 179, No. 177-183 (odd No.), Yingxian Road, Hebei District, Tianjin	300402
125	Bank of Tianjin, Yuguan Road sub-branch	1/F, No. 376, Yuguan Road, Hebei District, Tianjin	300232
126	Bank of Tianjin, Tiedong Road sub-branch	No. 61-63(A6), Block 10, Beimingxinyuan, Southeast of the intersection of Tiedong Road and Yibai Road, Hebei District, Tianjin	300412
127	Bank of Tianjin, Sixth central sub-branch	No. 187, Qinjian Road, Hongqiao District, Tianjin	300130
128	Bank of Tianjin, Hongxin sub-branch	No. 84, Xiqing Road, Hongqiao District, Tianjin	300122
129	Bank of Tianjin, Hongyin sub-branch	Room 101, Gate 61, Xiangju Apartment, Guangrong Road, Hongqiao District, Tianjin	300130

## List of Branches

No.	Name of Branch	Address	Postcode
130	Bank of Tianjin, Xiangtan Road sub-branch	No. 11, Xiangtan Road, Hongqiao District, Tianjin	300133
131	Bank of Tianjin, Jieyuan Road sub-branch	Ground Floor, 7-102, Minghuali, Jieyuan Road, Hongqiao District, Tianjin	300121
132	Bank of Tianjin, Fuxing Road sub-branch	Ground Floor, No. 16, Kanghuali, Fuxing Road, Hongqiao District, Tianjin	300121
133	Bank of Tianjin, Guanyinhao sub-branch	No. 5, Dongma Road, Nankai District, Tianjin	300090
134	Bank of Tianjin, Binhai branch	E2ABC, No. 20, Plaza East Road, Binhai Finance Street, the Third Street, Economic and Technology Development District, Tianjin	300457
135	Bank of Tianjin, Haibin sub-branch	No. 2048, Shanghai Road, Tanggu District, Tianjin	300450
136	Bank of Tianjin, Hangzhou Road sub-branch	No. 8, Zhongxin North Road, Tanggu District, Tianjin	300451
137	Bank of Tianjin, Tanggu sub-branch	No. 289, 295 & 301, Yingkou Road, Tanggu District, Tianjin	300450
138	Bank of Tianjin, Heping Road sub-branch	No. 9, Heping Road, Tanggu District, Tianjin	300450
139	Bank of Tianjin, Oil North Road sub-branch	No. 79, Dongyan Road, Tanggu District, Tianjin	300452
140	Bank of Tianjin, Chunguang Road sub-branch	No. 617, Xingfujiayuan, Chunguang Road, Tanggu District, Tianjin	300456
141	Bank of Tianjin, Hebei Road sub-branch	No. 25, Hebei Road, Tanggu District, Tianjin	300451
142	Bank of Tianjin, Road No. 3 sub-branch	Door 2, Building 24, Ziyunyuan, No. 3462, Xingang Road No. 3, Tanggu District, Tianjin	300456
143	Bank of Tianjin, Station North Road sub-branch	No. 830 & 836, Station North Road, Tanggu District, Tianjin	300451
144	Bank of Tianjin, Jinzhou Road sub-branch	No. 1024, Jinzhou Road, Tanggu District, Tianjin	300451
145	Bank of Tianjin, Hebin Road sub-branch	No. 228, Hebin Road, Binhai New Village, Bohai Oil, Tanggu District, Tianjin	300452
146	Bank of Tianjin, Hekou Road sub-branch	No. 2-37, Hekou Road, Tanggu District, Tianjin	300452
147	Bank of Tianjin, Zhejiang Road sub-branch	Ground Floor, Door 1, Building 7, Huianli, Tanggu District, Tianjin	300450

## List of Branches

No.	Name of Branch	Address	Postcode
148	Bank of Tianjin, Gangkou Road sub-branch	No. 25, Xingangerhao Road, Tanggu District, Tianjin	300450
149	Bank of Tianjin, Baoshan Road sub-branch	No. 3807, Tangguxin North Road, Binhai New Area, Tianjin	300451
150	Bank of Tianjin, Yuanyang City sub-branch	No. 138, Yuanyang Central Road, Tanggu, Binhai New Area, Tianjin	300450
151	Bank of Tianjin, Guangzhou Road sub-branch	No. 1156, Fuzhou Road, Tanggu, Binhai New Area, Tianjin	300450
152	Bank of Tianjin, Hangu sub-branch	No. 77, Xinkai Middle Road, Hangu, Binhai New Area, Tianjin	300480
153	Bank of Tianjin, Dagang sub-branch	No. 75, Yingbin Street, Dagang District, Tianjin	300270
154	Bank of Tianjin, Xingfu Road sub-branch	East No. 1, No. 666, Xingfu Avenue, Dagangyoutian, Dagang District, Tianjin	300280
155	Bank of Tianjin, Yingxin Street sub-branch	No. 96, Yingxin Street, Dagang, Binhai New Area, Tianjin	300270
156	Bank of Tianjin, Shengli Road sub-branch	Binhai House Trading Center, Dagang District, Junction of Guangming Avenue and Chuangye Road, Dagangyoutian, Tianjin	300280
157	Bank of Tianjin, Xuri Road sub-branch	West side of 1/F, Block B, Commercial Building, Fuyuan Garden, Xuri Road, Dagang, Binhai New Area, Tianjin (West of Haijing 7th Road and north of Xuri Road, Gangdongxincheng, Dagang)	300450
158	Bank of Tianjin, Development Area sub-branch	No. 76, Dongting Road, Economic Development Zone, Tianjin	300457
159	Bank of Tianjin, Tianbao sub-branch	Room 101 & 201, Block B, No. 27, the Second Street, Economic and Technology Development District, Tianjin	300457
160	Bank of Tianjin, the Second Street sub-branch	No. H3-103, 203, G/H Area, TEDA MSD, No. 61, the Second Street, Tianjin Economic-Technological Development Area	300457
161	Bank of Tianjin, the Third Avenue sub-branch	No. 31-6, Building 1, No. 31, the Third Avenue, Tianjin Economic- Technological Development Area	300457
162	Bank of Tianjin, Huanghai Road sub-branch	No. 21-9, the Second Street, Development District, Tianjin	300457
163	Bank of Tianjin, Binhai Hi-tech Zone sub-branch	No. 188, Rixin Road, Binhai Science Park, Binhai Hi-tech Zone, No. 13888, Jinhan Road, Tianjin	300301
164	Bank of Tianjin, Sino-Singapore Eco-city sub-branch	2-1-101 & 201, Tianhexinlehui, No. 276, Hexu Road, SinoSingapore Tianjin Eco-city, Binhai New Area, Tianjin	300467

## List of Branches

No.	Name of Branch	Address	Postcode
165	Bank of Tianjin, Tianjin Free-Trade Zone branch	Building 2, Finance Center, No. 158, West 3rd Road, Tianjin Airport Logistics Processing Zone	300308
166	Bank of Tianjin, Beijing branch	Xuanwumen Building, No. 73, Dongheyan Hutong, Xicheng District, Beijing	100052
167	Bank of Tianjin, Beijing Finance Street sub-branch	Building A33, Erlong Road, Xicheng District, Beijing	100032
168	Bank of Tianjin, Beijing Guangqumen sub-branch	101-02, 1/F, Floor 3, Guangqujiayuan, Dongcheng District, Beijing	100022
169	Bank of Tianjin, Beijing Dongzhimen sub-branch	101, 1/F & 201, 2/F, Building 1, No. 46, Dongzhimenwai Street, Dongcheng District, Beijing	100027
170	Bank of Tianjin, Beijing Dongcheng sub-branch	Ground Floor, No. 8, Chaoyangmennei Street, Dongcheng District, Beijing	100010
171	Bank of Tianjin, Beijing Chaowai sub-branch	No. 0185, Ground Floor & No. 1133 Office, Chaowai SOHO, B6 Chaowai Street, Chaoyang District, Beijing	100020
172	Bank of Tianjin, Beijing Sanyuanqiao sub-branch	Ground Floor, No. 101, 1/F and Office, No. 601, 6/F, Block A, Shenyuan Center, No. B2, East Sanhuan North Road, Chaoyang District, Beijing	100027
173	Bank of Tianjin, Beijing Xinxingqiao sub-branch	Ground Floor, No. 21 and Office, 10/F, Fuxing Road, Haidian District, Beijing	100036
174	Bank of Tianjin, Beijing Zhongguancun sub-branch	Ground Floor, 1-E & 1-F, Yuanzhongyuelai, No. 15, Haidian Middle Street, Haidian District, Beijing	100080
175	Bank of Tianjin, Beijing Xizhimen sub-branch	No. 52, North Street, Xizhimen, Haidian District, Beijing	100082
176	Bank of Tianjin, Beijing Hangtianqiao sub-branch	North side of 1-2, 1/F and 2-5010 & 2-5011, 5/F, No. 100, Xisanhuan North Road, Haidian District, Beijing	100037
177	Bank of Tianjin, Beijing Fengtai sub-branch	Unit 01, F1 and F2, Commercial Building, No. 232 West Shiliuzhuang Street, Fengtai District, Beijing	100070
178	Bank of Tianjin, Beijing Fangshan sub-branch	101, 1/F & 201, 2/F, south side of Building 1 & 2, Zhengtongxili Community, Liangxiang Region, Fangshan District, Beijing	102488
179	Bank of Tianjin, Beijing Daxing sub-branch	North Side, 3-2, No. 32 & 2/F, 3-3, No. 32, Xingye Avenue (Section 3), Daxing District, Beijing	102699
180	Bank of Tianjin, Beijing Tongzhou sub-branch	East Side, 1/F, 8-1-3, No. 61 & North Side, 8-1-9, 2/F, No. 59, Xinhua West Road, Tongzhou District, Beijing	101199
181	Bank of Tianjin, Beijing Shunyi sub-branch	Unit 103 and Unit 203, F1 and F2, No. 1 Building, No.1 Court, Zhanqian Street, Shunyi District, Beijing	101300

## List of Branches

No.	Name of Branch	Address	Postcode
182	Bank of Tianjin, Beijing Changping sub-branch	West side of 1/F and Northwest side of 2/F, Building 2, No. 12, Longshui Road, Changping District, Beijing	102200
183	Bank of Tianjin, Shijiazhuang branch	No. 49, Yuhua East Road, Qiaoxi District, Shijiazhuang, Hebei Province	050000
184	Bank of Tianjin, Baoding branch	No. 3108, Fuxing Middle Road, Baoding, Hebei Province	071000
185	Bank of Tianjin, Baoding Zhuozhou sub-branch	No. 293, Fanyang Middle Road, Zhuozhou, Hebei Province	072750
186	Bank of Tianjin, Tangshan branch	No. 99, Xinhua West Road, Lubei District, Tangshan, Hebei	063000
187	Bank of Tianjin, Tangshan Fenghuangxincheng sub-branch	No. 131 & 133, Xingyuan Road, Lubei District, Tangshan, Hebei	063000
188	Bank of Tianjin, Tangshan Xinhua sub-branch	No. 517, Yuhua West Road, Lubei District, Tangshan, Hebei	063000
189	Bank of Tianjin, Tangshan Square sub-branch	No. 38, Wenhua Road, Lubei District, Tangshan, Hebei	063099
190	Bank of Tianjin, Tangshan Hi-tech District sub-branch	No. 110, Jianshe North Road, Hi-tech Development Zone, Tangshan, Hebei	063020
191	Bank of Tianjin, Tangshan Fengnan sub-branch	No. 82, 84 & 86, Jiaoyu Street, Fengnan District, Tangshan, Hebei	063000
192	Bank of Tianjin, Tangshan Caofeidian sub-branch	No. 198 & 200, Jianshe Avenue, Caofeidian District, Tangshan, Hebei	063299
193	Bank of Tianjin, Tangshan Laoting sub-branch	No. 8, Dazhao Road, Laoting County, Tangshan, Hebei	063000
194	Bank of Tianjin, Tangshan Qianan sub-branch	103, Building 1, Junfuyuan, Huiquan Street, Qianan, Hebei	064000
195	Bank of Tianjin, Tangshan Zunhua sub-branch	No. 1 & 2, Ground Floor, Kaiyuanjiezu, Wenbai Road, Zunhua, Hebei	064200
196	Bank of Tianjin, Shanghai branch	Baojing Business Building No.1859 Expo Avenue, Pudong District, Shanghai	200002
197	Bank of Tianjin, Shanghai Luwan sub-branch	Room 101, 102, 103, 1/F & Room 201-207, 2/F, Building 1, No. 622, Shunchang Road, Huangpu District, Shanghai	200025
198	Bank of Tianjin, Shanghai Xuhui sub-branch	1 & 3/F, No. 2119, Xietu Road, Xuhui District, Shanghai	200032
199	Bank of Tianjin, Shanghai Changning sub-branch	Part of west side of 1/F, No. 2111, Yanan West Road, Changning District, Shanghai	200051
200	Bank of Tianjin, Shanghai Jing'an sub-branch	Street Front Shop, 1-2/F, No. 1056, Changde Road, Jing'an District, Shanghai	200040



## List of Branches

No.	Name of Branch	Address	Postcode
201	Bank of Tianjin, Shanghai Zhabei sub-branch	Unit 01, 1/F, Henghui International Building, No. 556, 558 & 560, Hengfeng Road and Unit 02, 5/F, Henghui International Building, No. 568, Hengfeng Road, Zhabei District, Shanghai	200072
202	Bank of Tianjin, Shanghai Putuo sub-branch	1 & 2/F, No. 108, Guangxin Road, Putuo District, Shanghai	200061
203	Bank of Tianjin, Shanghai Hongkou sub-branch	Room 101, No. 843, Room 102, No. 845-847 & Room 103-104, No. 851, Room 604-606, No. 1, Lane 839, Dalian Road, Hongkou District, Shanghai	200086
204	Bank of Tianjin, Shanghai Lujiazui sub-branch	Room 101 & 1201, China Shipbuilding Tower, No. 1, Pudong Avenue, Pudong New Area, Shanghai	200120
205	Bank of Tianjin, Shanghai Fushan sub-branch	Room 1A, 1/F, No. 450, Fushan Road, Pudong New Area, Shanghai	200122
206	Bank of Tianjin, Shanghai Minhang sub-branch	1/F, No. 1058, Caobao Road, Minhang District, Shanghai	201101
207	Bank of Tianjin, Jinan branch	1-109, Building 2 & 5, Area 1 Sanjianruifuyuan, No. 20999, Jingshi Road, Shizhong District, Jinan	250001
208	Bank of Tianjin, Jinan Shizhong sub-branch	3F, No. 2666, Shop B2-002, No. 2688, Erhuannan Road, Shizhong District, Jinan City	250022
209	Bank of Tianjin, Jinan Lixia sub-branch	Yanjie Building, No. 14958, Courtyard 14966, Jingshi Road, Jinan	250014
210	Bank of Tianjin, Jinan Quancheng sub-branch	Jiefangge Business Center, No. 187, Heihuquan North Road, Lixia District, Jinan	250001
211	Bank of Tianjin, Jinan Dianliu sub-branch	No. 5006-9, Erhuan East Road, Lixia District, Jinan City	250014
212	Bank of Tianjin, Jinan Licheng sub-branch	Building 27, No. 47, Huayuan Road, Licheng District, Jinan	250199
213	Bank of Tianjin, Jinan Huaiyin sub-branch	Building 1 & 2, east side, Ground Floor, Shunchengyuan Community, No. 24916, Jingshi Road, Huaiyin District, Jinan	250022
214	Bank of Tianjin, Jinan Tianqiao sub-branch	No. 965, 975 & 985, Minghu West Road, Jinan	250000
215	Bank of Tianjin, Jinan Binhe sub-branch	Room 101, 1201 Partial, 1202 & 1203, Block A, Binhe Business Center, No. 8888 Qinghe North Road, Tianqiao District, Jinan	250033
216	Bank of Tianjin, Jinan Changqing sub-branch	No. S1-A14, 2345 Ziwei Road, Science and Technology Park, College Town, Changqing District, Jinan	250399

## List of Branches

No.	Name of Branch	Address	Postcode
217	Bank of Tianjin, Jinan Hi-tech District sub-branch	No. 5006, Aoti Middle Road, Hi-tech District, Jinan	250101
218	Bank of Tianjin, Jinan Zhangqiu sub-branch	Shop 104, Building 16, Qilujianqiao Community, No. 35, Mingshuishuangshan Street, Zhangqiu District, Jinan	250299
219	Bank of Tianjin, Dongying branch	No. 55, Fuqian Street, Dongying District, Dongying	257000
220	Bank of Tianjin, Dongying Xicheng sub-branch	Jindu Tower, No. 680-1, Yellow River Road, Dongying District, Dongying City	257061
221	Bank of Tianjin, Taian branch	No. 483, Dongyue Street, Taian, Shandong	271000
222	Bank of Tianjin, Yantai branch	No. 16 Hengshan Road, Economic and Technological Development District, Yantai, Shandong Province	264006
223	Bank of Tianjin, Chengdu branch	No. 688, Tianfu Avenue Middle, Hi-tech District, Chengdu, Sichuan	610041
224	Bank of Tianjin, Chengdu Jingjiang sub-branch	No. 318 & 328, Tongying Street, Jinjiang District, Chengdu, Sichuan	610065
225	Bank of Tianjin, Chengdu Binjiang sub-branch	No. 10, Binjiang West Road, Jinjiang District, Chengdu, Sichuan Province	610021
226	Bank of Tianjin, Chengdu Qingyang sub-branch	No. 53 & Attachment No. 1-2, No. 53, Jinyang Road, Qingyang District, Chengdu, Sichuan	610072
227	Bank of Tianjin, Chengdu Renbei sub-branch	No. 1-3, 6-13 & 15, 1/F, Building 1, No. 1, Section 3, Renmin Middle Road, Qingyang District, Chengdu, Sichuan	610014
228	Bank of Tianjin, Chengdu Wuhou sub-branch	No. 1, 1/F, Building 1, No. 518, Lidu Road, Wuhou District, Chengdu, Sichuan	610047
229	Bank of Tianjin, Chengdu Chenghua sub-branch	No. 69, 71, 73, 75; No. 204 of Building 1, No. 67, Fuqing Road (Section 2), Chenghua District, Chengdu, Sichuan	610057
230	Bank of Tianjin, Luzhou branch	No. 189, Chunjingxia Road, Jiangyang District, Luzhou, Sichuan Province	646000



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