

Bank of Tianjin Co., LTD.*

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



2021 Interim Report

* *Bank of Tianjin Co., Ltd. is not an authorised 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 authorised 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	64
Directors, Supervisors, Senior Management Personnel and Employees	69
Important Events	75
Report on Review of Interim Financial Information	81
Condensed Consolidated Statement of Comprehensive Income	82
Condensed Consolidated Statement of Financial Position	84
Condensed Consolidated Statement of Changes in Equity	86
Condensed Consolidated Statement of Cash Flows	87
Notes to the Condensed Consolidated Financial Statements	89
Unaudited Supplementary Financial Information	132
List of Branches	137

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 the China Banking and Insurance Regulatory Commission
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Taiwan and Macau for the purposes of this interim report
“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 2021
"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	SUN Liguó
Authorised Representatives	SUN Liguó, NGAI Wai Fung
Board Secretary	DONG Xiaodong
Joint Company Secretaries	DONG Xiaodong, 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, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong
Customer Service Telephone	956056
Telephone	86-22-2840 5262
Facsimile	86-22-2840 5518
Email	ir@bankoftianjin.com
Website	www.bankoftianjin.com
Website of Hong Kong Stock Exchange for Publishing H Share Interim Report	www.hkexnews.hk

Company Profile

Date of Initial Registration	6 November 1996
Business License No. of Corporation	120000000007636
Uniform Social Credit Code	911200001030702984
Finance Permit Institution Number	B0108H212000001
Listing Place of H Shares	The Stock Exchange of Hong Kong Limited
Stock Name	Bank of Tianjin
Stock Code	1578
H Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Legal Advisor as to PRC Laws	GRANDALL LAW FIRM (TIANJIN)
Legal Advisor as to Hong Kong Laws	Paul Hastings 22/F, Bank of China Tower 1 Garden Road Hong Kong
Auditors	Domestic Auditor: PricewaterhouseCoopers Zhong Tian LLP Room 01, Unit 507, DBS Bank Tower, 1318 Lu Jia Zui Ring Road, China (Shanghai) Pilot Free Trade Zone International Auditor: PricewaterhouseCoopers 22/F, Prince's Building Central, Hong Kong

Summary of Accounting Data and Financial Indicators

	For the six months ended 30 June		Rate of change (%)
	2021	2020	
	(Amounts in thousands of Renminbi, unless otherwise stated)		
OPERATING RESULTS			
Interest income	15,016,942	15,595,557	(3.7)
Interest expense	(8,643,042)	(9,193,092)	(6.0)
Net interest income	6,373,900	6,402,465	(0.4)
Investment income	1,177,738	857,315	37.4
Fee and commission income	1,130,808	1,386,214	(18.4)
Fee and commission expense	(72,369)	(38,635)	87.3
NET FEE AND COMMISSION INCOME	1,058,439	1,347,579	(21.5)
Net trading (losses)/gains	272,528	(29,021)	(1,039.1)
Net gains arising from derecognition of financial assets measured at amortised cost	44,479	69,353	(35.9)
Other income, gains or losses	52,674	43,713	20.5
OPERATING INCOME			
Operating expenses	(1,987,414)	(1,813,842)	9.6
Impairment losses under expected credit loss (ECL) model, net of reversals	(3,795,735)	(3,744,702)	1.4
Share of results of associates	8,717	10,213	(14.6)
PROFIT BEFORE TAX			
Income tax expense	(497,858)	(470,689)	5.8
PROFIT FOR THE PERIOD			
Profit for the period attributable to:			
Equity holders of the Bank	2,696,658	2,653,604	1.6
Non- controlling interests	10,810	18,780	(42.4)
	2,707,468	2,672,384	1.3
Earnings per share attributable to equity holders of the Bank (Expressed in RMB Yuan per share)			
– Basic and diluted	0.44	0.44	–

Summary of Accounting Data and Financial Indicators

	As of 30 June 2021	As of 31 December 2020	Rate of change (%)
(Amounts in thousands of Renminbi, unless otherwise stated)			
MAJOR INDICATORS OF ASSETS/LIABILITIES			
Total assets	703,327,077	687,760,199	2.3
Of which: loans and advances to customers	306,320,043	295,752,349	3.6
Total liabilities	646,571,661	633,812,209	2.0
Of which: due to customers	391,674,429	355,981,854	10.0
Share capital	6,070,552	6,070,552	–
Equity attributable to equity holders of the Bank	55,926,840	53,130,224	5.3
Total equity	56,755,416	53,947,990	5.2
For the six months ended 30 June			
	2021	2020	Change
PROFITABILITY INDICATORS (%)			
Return on average total assets ⁽¹⁾	0.78	0.79	(0.01)
Return on average equity ⁽²⁾	9.78	10.29	(0.51)
Net interest spread ⁽³⁾	1.88	1.84	0.04
Net interest margin ⁽⁴⁾	2.16	2.16	0.00
Net fee and commission income to operating income	11.79	15.50	(3.71)
Cost-to-income ratio ⁽⁵⁾	20.96	19.71	1.25

Summary of Accounting Data and Financial Indicators

	As of 30 June 2021	As of 31 December 2020	Change
ASSET QUALITY INDICATORS (%)			
Non-performing loan ratio ⁽⁶⁾	2.32	2.16	0.16
Allowance coverage ratio ⁽⁷⁾	158.55	183.45	(24.90)
Allowance to gross loan ratio ⁽⁸⁾	3.67	3.96	(0.29)

	As of 30 June 2021	As of 31 December 2020	Change
CAPITAL ADEQUACY RATIO INDICATORS (%)			
<i>Calculated based on Capital Administrative Measures</i>			
Core tier-one capital adequacy ratio ⁽⁹⁾	11.49	11.12	0.37
Tier-one capital adequacy ratio ⁽¹⁰⁾	11.50	11.12	0.38
Capital adequacy ratio ⁽¹¹⁾	14.55	14.48	0.07
Total equity to total assets	8.07	7.84	0.23

OTHER INDICATORS (%)			
Loan-to-deposit ratio ⁽¹²⁾	81.81	87.06	(5.25)
Liquidity ratio ⁽¹³⁾	60.12	60.57	(0.45)
Percentage of loans to the single largest customer ⁽¹⁴⁾	4.95	4.35	0.60
Percentage of loans to the top ten customers ⁽¹⁵⁾	34.25	32.79	1.46

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 interests).
- (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 (excluding interests) 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 as of 31 December 2020 and 30 June 2021 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 CBIRC.
- (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 2021, in respect of the pace of global economic recovery, those economies who were the first to get the COVID-19 pandemic under control with leading vaccination rates experienced rapid economic recovery, while the pattern of global economic recovery was uneven. China's coordinated efforts to promote both COVID-19 prevention and control as well as economic and social development at home and abroad boosted its economy to recover and grow steadily. China actively promoted self-reliance in science and technology with more efforts made on the reform and opening up. People's livelihood were safeguarded effectively, new achievements were made in terms of high-quality development, and the overall social situation remains stable. The main macro indices ran within a reasonable range, demonstrating the great potential and resilience of China's economic development.

Looking ahead to the second half of 2021, with the COVID-19 pandemic still evolving globally, the external environment is becoming more complex and severe, and the domestic economic recovery remains unstable and unbalanced. In the second half of this opening year of its "14th Five-Year Plan", China will stick to the general keynote of seeking progress in a stable manner while striving to fully, accurately and comprehensively implement the new development concept, deepen the structural reform on the supply side, accelerate the construction of a new development pattern, and promote its high-quality development. Chinese macroeconomic policies will focus on the cross-cycle adjustment and keep their continuity, stability, and sustainability. China will coordinate the convergence of both 2021 and 2022 macroeconomic policies to ensure the economy operates within a reasonable range. China's monetary policy will try to maintain a reasonable abundance of liquidity, continue to perform the function of structural and precise drip irrigation, provide targeted support to the key areas and weak links of its real economy, and constantly support the recovery of SMEs and those enterprises which had business setback. Chinese fiscal policy will continue to be active and serve to enhance the effectiveness of the policy while adhering to the "three maintenances" philosophy at basic level. China will reasonably control the investment within the budget and the issuance speed of local government bonds, coordinate support for people's livelihood and the construction of major projects under the "14th Five-Year Plan", and increase investment in technological transformation. Under the guidance of the policy, financial institutions will focus more attentively on serving the real economy, i.e., supporting high-tech manufacturing industries (such as new energy vehicles, high-end equipment, digital information and chips), green and environmental projects (such as carbon peaking and carbon neutrality) and SMEs, and accelerating the transformation and upgrading of the industry.

In the face of challenges and opportunities, the Bank will align itself with the central government's financial policies and regulatory requirements, combine its pursuit of development with serving national strategies, and base itself in Tianjin while expanding into key regions such as Beijing-Tianjin-Hebei, Binhai New Area, Xiong'an New Area, Yangtze River Economic Zone and Chengdu-Chongqing Twin City Economic Circle, actively building up its core competitiveness under the guidance of its own "14th Five-Year Plan", so as to enhance its economic efficiency and overall strength.

Management Discussion and Analysis

II CORPORATE STRATEGIES

In the first half of 2021 and at the intersection of “The Two Centenaries” when we were facing “the world’s unprecedented changes in a century”, the Bank sought guidance from the 14th Five-Year Plan and the 2035 Vision Outline of the National Economic and Social Development of the People’s Republic of China while focusing on the strategic objectives of its own “14th Five-Year Plan”, striving to consolidate the foundation of its refinement management, and relentlessly promoting the innovation in all business segments, with the aim of achieving high-quality development.

Formulating the Strategic Planning of “14th Five-Year Plan” to determine the direction of our future navigation. Based on the full assessment on its Strategic Planning of “13th Five-Year Plan” with careful analysis and judgement of the future development trend and external environment, the Party Committee of the Bank’s Head Office called on all its people to contribute their thoughts and suggestions in formulating the Bank’s Strategic Planning of “14th Five-Year”, which is centered on the “One, Six, Two, Ten, Four, Eight” visions, i.e. clinging to the “One Development Vision” (to become a socialist modernised urban commercial bank) and developing into a bank with “Six Dimensions” (a mainstream bank in Beijing, Tianjin and Hebei, a bank of integrity and compliance, a value-driven bank, a bank providing excellent experience, a bank of care for its employees, and a bank of dual-track drive); insisting on the “Two Strategies” (Reform + Innovation), accelerating the construction of the “Ten Projects (3.0)” (practically strengthening the Party’s overall leadership of enterprises, constantly enhancing the modern financial enterprise system with Chinese characteristics, proactively and stably deepening the mixed ownership reform, realising a stable growth for various businesses, winning the combat against systemic risks, continuing advancing the IT planning of “Two major strategic objectives, Two systems, Three platforms and Four capabilities”, reshaping operation system and restructuring of smart outlets, strengthening infrastructures, promoting refined management and improving brand establishment and corporate culture construction) and adhering to the “Four Working Principles” (high-quality development, bottom-line thinking in prevention and control of systemic risks, reform and innovation, the Party’s overall leadership of the state-owned enterprises and establishment of a modern enterprise system); properly handling the “Eight Major Relationships” (relationship between the Party’s building and production & operation, relationship between our own development and support for the real economy, relationship between innovation and compliant operation, relationship between current year results and infrastructure construction, relationship between enlarging increment and solidifying inventory, relationship between optimising asset increment and resolving historical risk inventory, relationship between business development and safe operation, and relationship between strict control and tender care); setting a clear development goal and creating a scientific development roadmap.

Generally advancing the construction of the “Year of Refined Management”, and seeking efficiency from management. As a key task in the opening year of its Strategic Planning of “14th Five-Year Plan”, the Bank has formulated a four-stage implementation plan on refined management, i.e. identification of problems, rectification for improvement, consolidation of achievements and examination & assessment for acceptance, and has made thorough arrangement among all departments, branches and subsidiaries for the implementation of the “Year of Refined Management” in terms of achieving targets, benchmarking with peers, rectification for improvement, and performance assessment. In the first half of 2021, the Bank completed 22 specific implementation plans for the “Year of Refined Management”, specifying 1,100 initiatives and identifying 6,159 deliverables, which effectively improved the Bank’s expertise in corporate governance, business expansion and internal operations, and significantly improved the effectiveness of internal management.

Management Discussion and Analysis

Under the guidance of the “Reform + Innovation” development ideology, the Bank has achieved significant development in all its business lines. Our Corporate Business Department continued to promote the “Four Tailor-made Approaches” to improve quality and efficiency as well as the optimisation of its “Four-in-One” corporate customer service model with increased deposit marketing efforts. As at the end of June 2021, the Bank’s corporate deposits reached RMB266.33 billion, representing a year-on-year growth of 5.4% compared with the end of 2020. Our transaction banking business continued to advance its product innovation, and driven by its innovative businesses such as the “BOT E-chain (天銀E鏈)” supply chain products, cash management products and free trade business, the Bank’s transaction banking business invested a total of RMB50.7 billion in the first half of 2021, representing a year-on-year increase of 50% compared with the first half of 2020. In terms of personal finance business, our efforts to turn the Bank into a Citizens’ Bank has reached a new stage, with personal deposits breaking through the RMB100 billion bottleneck, reaching RMB105.61 billion as at the end of June 2021, representing an increase of 20.3% from the beginning of the year; we were also actively developing the third-generation social security card market, with a total of 226,400 cards issued, ranking second in Tianjin City in respect of the cumulative number of cards issued; our credit card business focused on young customers, with a total of 1.2 million cards issued by the Bank as of the end of June 2021, representing an increase of 12.5%; we stepped up the promotion of “Smart Xiao Er (智慧小二)” financial scenario ecosystem, with 121,200 merchants registered at the end of June 2021, representing an increase of 28.2% from the beginning of the year. In terms of inclusive finance business, we actively promoted the implementation of regulatory requirements. As at the end of June 2021, the balance of inclusive loans for SMEs was RMB27,499.2 million, representing an increase of 7.8% compared to that of 31 December 2020. Number of clients for inclusive loans to SMEs increased by 16.3% to 590,215. We started with SMEs online self-operated loans to expand the coverage of our services to farmers and increase the extension of agriculture-related loans. As of 30 June 2021, our inclusive agriculture-related loan balance amounted to RMB2,981.3 million, among which, the agriculture-related loan balance in Tianjin reached RMB1,324.7 million, representing an increase of 29.1% as compared to that of 31 December 2020. Our financial market business adhered to the philosophy of “Return to Our Origins” while actively implementing the material decisions of the Central Government, such as “Carbon Peaking”, “Carbon Neutrality” and Beijing-Tianjin-Hebei joint development strategy. In the first half of 2021, the Bank underwrote more than RMB79 billion in aggregate of national bonds, local government bonds and policy bank bonds, including the first “Carbon Neutrality” bond of RMB1.26 billion issued by China Development Bank (CDB) in which we acted as the lead underwriter, and the “Beijing-Tianjin-Hebei Joint Development” bond of RMB1 billion under the theme of “Petal” issued by CDB. We also completed a total ESG bond investment of RMB3.525 billion, including green bonds, and we ranked top ten among the green bonds investors of the urban and rural commercial banks, which was announced by the National Association of Inter-bank Market Transactions. Our investment banking business focused on bond underwriting as its core, and achieved rapid growth. In the first half of 2021, our investment banking business recorded a leading underwriting scale of RMB57.5 billion, representing a year-on-year increase of 692%, ranking 23rd in the national banking industry, up by 15 places from

Management Discussion and Analysis

the same period last year; our underwriting of financial bonds and credit asset securitisation as a lead underwriter both ranked 2nd among domestic urban commercial banks, and our underwriting of asset-backed notes as a lead underwriter ranked 3rd among domestic urban commercial banks. The transformation of our asset management business has been progressing steadily. As at the end of June 2021, the percentage of net-value wealth management products issued by the Bank increased to 94% from 89% at the beginning of the year. In the “2021 Top 1000 World Banks” list published by The Banker, a UK publication, we ranked at 194th among the banks worldwide in terms of tier-one capital, which is 8 places higher compared to our ranking in 2020.

In the first half of 2021, the Bank recorded an operating income of RMB8.98 billion, representing a year-on-year increase of 3.3%; a profit before provision of RMB7.00 billion, representing a year-on-year increase of 1.6%; an impairment loss of RMB3.80 billion, representing a slight year-on-year increase of 1.4%; and net profit of RMB2.71 billion, representing a year-on-year increase of 1.3%. On the asset side, we further increased our support to the real economy, with the loan size increasing by 3.6% from the beginning of the year to RMB306.32 billion at the end of June 2021, driving asset size up by 2.3% from the beginning of the year to RMB703.33 billion; we further reduced fees and costs for the real economy, with the average yield on customer loans and advances decreasing by 56 basis points as compared to the same period in 2020. On the liabilities side, our deposits increased significantly by 10.0% to RMB391.67 billion from the beginning of the year, leading to a 2.0% increase in liabilities to RMB646.57 billion from the beginning of the year; the average interest payment ratio of interest-bearing liabilities further decreased by 31 basis points to 2.74% compared with the same period in 2020. Driven by the lower cost of debt, the Bank’s net interest spread for the first half of 2021 was 1.88%, up by 4 basis points from the same period in 2020. As of 30 June 2021, the Bank’s capital adequacy ratio, tier-one capital adequacy ratio and core tier-one capital adequacy ratio were 14.55%, 11.50% and 11.49%, respectively, representing an increase of 0.07, 0.38 and 0.37 percentage points as compared with the end of 2020; the ratio of non-performing loans was 2.32%, and the provision coverage ratio was 158.55%, both in compliance with regulatory requirements.

In the second half of 2021, we will insist on the normalised management of COVID-19 prevention and control, strictly implement various pandemic prevention measures, and adhere to the new development concept known as “putting quality first and giving priority to performance”. We will remain adhering to the guidance of the Strategic Planning of “14th Five-Year Plan”, deeply integrate refined management with our business operation, internal management and customer service, seek efficiency from management, quality and services, and strive for improvement on both operation development and management service.

Management Discussion and Analysis

III ANALYSIS OF THE INCOME STATEMENT

	For the six months ended 30 June		Rate of change (%)
	2021	2020	
	<i>(Amounts in thousands of RMB, unless otherwise stated)</i>		
Interest income	15,016,942	15,595,557	(3.7)
Interest expense	(8,643,042)	(9,193,092)	(6.0)
NET INTEREST INCOME	6,373,900	6,402,465	(0.4)
Investment income	1,177,738	857,315	37.4
Fee and commission income	1,130,808	1,386,214	(18.4)
Fee and commission expense	(72,369)	(38,635)	87.3
NET FEE AND COMMISSION INCOME	1,058,439	1,347,579	(21.5)
Net trading (losses)/gains	272,528	(29,021)	(1,039.1)
Net gains arising from derecognition of financial assets measured at amortised cost	44,479	69,353	(35.9)
Other income, gains or losses	52,674	43,713	20.5
OPERATING INCOME	8,979,758	8,691,404	3.3
Operating expenses	(1,987,414)	(1,813,842)	9.6
Impairment losses under expected credit loss (ECL) model, net of reversals	(3,795,735)	(3,744,702)	1.4
Share of results of associates	8,717	10,213	(14.6)
PROFIT BEFORE TAX	3,205,326	3,143,073	2.0
Income tax expense	(497,858)	(470,689)	5.8
PROFIT FOR THE PERIOD	2,707,468	2,672,384	1.3

For the six months ended 30 June 2021, the Bank's profit before tax increased by 2.0% from RMB3,143.1 million for the six months ended 30 June 2020 to RMB3,205.3 million, and the profit for the same period increased by 1.3% from RMB2,672.4 million for the six months ended 30 June 2020 to RMB2,707.5 million.

Management Discussion and Analysis

1 Net Interest Income⁽¹⁾, Net Interest Spread and Net Interest Margin

For the six months ended 30 June 2021, the Bank's net interest income amounted to RMB6,373.9 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 RMB1,177.7 million. The sum of two was RMB7,551.6 million, an increase of 4.0% as compared to the figure as at 30 June 2020 measured in the same standard. Our net interest spread increased from 1.84% for the six months ended 30 June 2020 to 1.88% for the six months ended 30 June 2021, mainly because the average cost of our interest-bearing liabilities dropped by 0.31 percentage points to 2.74%. Our net interest margin for the six months ended 30 June 2021 was 2.16%, which is at the same level for the corresponding period in 2020.

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

Management Discussion and Analysis

The following tables set forth the average balance of the Bank's 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 2020 and 2021.

	For the six months ended 30 June					
	2021			2020		
	Average balance	Interest income/expense ^(B)	Average yield/cost (%)	Average balance	Interest income/expense ^(B)	Average yield/cost (%)
<i>(Amounts in millions of RMB, except for percentages)</i>						
Interest-earning assets						
Loans and advances to customer	306,318.4	9,701.9	6.33	286,031.0	9,859.1	6.89
Investment securities and other financial assets, including	317,745.4	5,887.3	3.71	311,584.0	5,984.9	3.84
– Asset management plans and trust plans, funds and wealth management products and other assets ⁽¹⁾	115,071.1	2,269.6	3.94	141,754.5	2,928.9	4.13
– Debt securities investment	202,674.3	3,617.7	3.57	169,829.5	3,056.0	3.60
Amounts due from banks and other financial institutions ⁽²⁾	23,802.5	311.3	2.62	25,209.3	299.1	2.37
Deposits with banks and other financial institutions	11,366.9	13.0	0.23	9,532.2	29.9	0.63
Balances with central bank	41,454.6	282.2	1.36	40,550.4	282.7	1.39
Total interest-earning assets (include assets at FVTPL)	700,687.8	16,195.7	4.62	672,906.9	16,455.7	4.89
Allowance for impairment losses	(16,798.7)			(17,017.8)		
Non-interest-earning assets ⁽³⁾	23,751.8			21,674.6		
Total assets	707,640.9	16,195.7	4.58	677,563.7	16,455.7	4.86

Management Discussion and Analysis

	For the six months ended 30 June					
	2021			2020		
	Average balance	Interest income/expense ⁽⁸⁾	Average yield/cost (%)	Average balance	Interest income/expense ⁽⁸⁾	Average yield/cost (%)
<i>(Amounts in millions of RMB, except for percentages)</i>						
Interest-bearing liabilities						
Due to customers	363,768.3	4,871.3	2.68	344,499.7	5,224.9	3.03
Deposits from banks and other financial institutions	44,220.6	636.5	2.88	44,027.1	644.6	2.93
Amounts due to banks and other financial institutions ⁽⁴⁾	92,303.2	961.7	2.08	61,313.3	602.1	1.96
Debt securities issued	108,374.7	1,899.0	3.50	111,189.0	2,025.8	3.64
Lease liabilities	1,037.0	23.5	4.53	1,195.7	26.1	4.37
Borrowings from central bank	20,807.6	252.1	2.42	41,507.5	672.4	3.24
Total interest-bearing liabilities (include liabilities at FVTPL)	630,511.4	8,644.1	2.74	603,732.3	9,195.9	3.05
Non-interest-bearing liabilities ⁽⁵⁾	20,402.0			19,495.2		
Total liabilities	650,913.4	8,644.1	2.66	623,227.5	9,195.9	2.95
Net interest income		7,551.6			7,259.8	
Net interest spread⁽⁶⁾			1.88			1.84
Net interest margin⁽⁷⁾			2.16			2.16

Notes:

- (1) Also consists of other debt financing products.
- (2) Consists of financial assets held under resale agreements and placements with banks and other financial institutions.
- (3) Consists of cash, interest receivables, property and equipment, intangible assets, other receivables, repossessed assets, deferred tax assets, derivative financial assets, right-of-use assets and interests in associates, etc.
- (4) Consists of financial assets sold under repurchase agreements, financial liabilities held for trading and placements from banks and other financial institutions.
- (5) Consists of interest payables, sundry taxes payable, other payables, salaries and benefits payables, dividends payable and derivative financial liabilities, etc.
- (6) Calculated as the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities.
- (7) Calculated by dividing net interest income by the daily average balance of total interest-earning assets.
- (8) Includes net interest 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 2021, our interest income (includes interest income at FVTPL) decreased by 1.6% to RMB16,195.7 million from RMB16,455.7 million for the six months ended 30 June 2020, which was primarily attributable to the fact that the average yield of our interest-earning assets decreased by 27 basis points from 4.89% for the six months ended 30 June 2020 to 4.62% for the six months ended 30 June 2021.

Interest income from loans and advances to customers

For the six months ended 30 June 2021, interest income from loans and advances to customers decreased by 1.6% from RMB9,859.1 million for the six months ended 30 June 2020 to RMB9,701.9 million for the six months ended 30 June 2021, which was primarily attributable to the fact that the average yield of loans and advances to customers decreased by 56 basis points from 6.89% for the six months ended 30 June 2020 to 6.33% for the six months ended 30 June 2021. The decrease in the average yield of our loans and advances to customers was primarily due to the Bank's continuous implementation of the national policy that encourages a reduction in financing costs of real economy, which reduced the interest rates for loans and served the real economy.

Interest income from asset management plans and trust plans, funds and wealth management products and other assets

For the six months ended 30 June 2021, interest income from asset management plans and trust plans, funds and wealth management products and other assets decreased by 22.5% from RMB2,928.9 million for the six months ended 30 June 2020 to RMB2,269.6 million for the six months ended 30 June 2021, primarily due to the fact that the average balance of our asset management plans and trust plans, funds and wealth management products and other assets decreased by 18.8% from RMB141,754.5 million for the six months ended 30 June 2020 to RMB115,071.1 million for the six months ended 30 June 2021. The decrease in average balance of asset management plans and trust plans, funds and wealth management products and other assets was primarily due to the Bank's strict compliance with regulatory requirements as well as its proactive efforts regarding decreasing investments in non-standardised debt assets such as asset management plans and trust plans.

Management Discussion and Analysis

Interest income from debt securities investment

Interest income from debt securities investment increased by 18.4% from RMB3,056.0 million for the six months ended 30 June 2020 to RMB3,617.7 million for the six months ended 30 June 2021, principally due to the fact that the average balance of our debt securities investment increased by 19.3% from RMB169,829.5 million for the six months ended 30 June 2020 to RMB202,674.3 million for the six months ended 30 June 2021. The increase in the average balance of our debt securities investment was primarily because the Bank enhanced the allocation of standardised bond products and improved the reserve level of high quality current assets while continuously supporting national and local economic construction and development as well as financing demands from entities.

Interest income from amounts due from banks and other financial institutions

Interest income from amounts due from banks and other financial institutions increased by 4.1% from RMB299.1 million for the six months ended 30 June 2020 to RMB311.3 million for the six months ended 30 June 2021, principally due to the fact that the average yield of amounts due from banks and other financial institutions increased by 25 basis points from 2.37% for the six months ended 30 June 2020 to 2.62% for the six months ended 30 June 2021. The increase in the average yield of our amounts due from banks and other financial institutions was mainly because the Bank proactively optimised its asset structure to increase the return on assets.

Interest income from deposits with banks and other financial institutions

Interest income from deposits with banks and other financial institutions decreased by 56.5% from RMB29.9 million for the six months ended 30 June 2020 to RMB13.0 million for the six months ended 30 June 2021, principally due to the fact that the average yield of deposits with banks and other financial institutions decreased by 40 basis points from 0.63% for the six months ended 30 June 2020 to 0.23% for the six months ended 30 June 2021.

Interest income from balances with central bank

Interest income from balances with central bank decreased by 0.2% from RMB282.7 million for the six months ended 30 June 2020 to RMB282.2 million for the six months ended 30 June 2021, primarily due to the fact that the average yield of balances with central bank decreased by 3 basis points from 1.39% for the six months ended 30 June 2020 to 1.36% for the six months ended 30 June 2021.

Management Discussion and Analysis

3 Interest Expense

Our interest expense (including interest expense at FVTPL) decreased by 6.0% from RMB9,195.9 million for the six months ended 30 June 2020 to RMB8,644.1 million for the six months ended 30 June 2021, primarily due to the fact that the average cost of these interest-bearing liabilities decreased by 31 basis points from 3.05% for the six months ended 30 June 2020 to 2.74% for the six months ended 30 June 2021.

Interest expense on due to customers

Our interest expense on due to customers decreased by 6.8% from RMB5,224.9 million for the six months ended 30 June 2020 to RMB4,871.3 million for the six months ended 30 June 2021, primarily due to the fact that the average cost of due to customers decreased by 35 basis points from 3.03% for the six months ended 30 June 2020 to 2.68% for the six months ended 30 June 2021. The decrease in our average cost of due to customers was primarily because the Bank proactively adjusted and optimised the debt structure and focused on marketing low-interest deposits (including deposits for settlement purposes) to enhance the quality of its debts.

Interest expense on deposits from banks and other financial institutions

Our interest expense on deposits from banks and other financial institutions decreased by 1.3% from RMB644.6 million for the six months ended 30 June 2020 to RMB636.5 million for the six months ended 30 June 2021, primarily due to the fact that the cost of our deposits from banks and other financial institutions decreased by 5 basis points from 2.93% for the six months ended 30 June 2020 to 2.88% for the six months ended 30 June 2021. The decrease in the average cost of the deposits from banks and other financial institutions was primarily due to the Bank's reasonable allocation of debts at a proper time, leading to a lower cost.

Interest expense on amounts due to banks and other financial institutions

Our interest expense on amounts due to banks and other financial institutions increased by 59.7% from RMB602.1 million for the six months ended 30 June 2020 to RMB961.7 million for the six months ended 30 June 2021, primarily due to the fact that the increase of 50.5% in the average balance of our amounts due to banks and other financial institutions from RMB61,313.3 million for the six months ended 30 June 2020 to RMB92,303.2 million for the six months ended 30 June 2021, and the average cost of amounts due to banks and other financial institutions increased by 12 basis points from 1.96% for the six months ended 30 June 2020 to 2.08% for the six months ended 30 June 2021. The increase in the average balance of our amounts due to banks and other financial institutions was primarily because the Bank actively adjusted its debt structure, which increased the scale of such debt. The increase in the average cost of our amounts due to banks and other financial institutions was primarily due to an increase in market interest rate.

Management Discussion and Analysis

Interest expense on debt securities issued

Our interest expense on debt securities issued decreased by 6.3% from RMB2,025.8 million for the six months ended 30 June 2020 to RMB1,899.0 million for the six months ended 30 June 2021, primarily due to the fact that the decrease of 2.5% in the average balance of our debt securities issued from RMB111,189.0 million for the six months ended 30 June 2020 to RMB108,374.7 million for the six months ended 30 June 2021, and the average cost of debt securities issued decreased by 14 basis points from 3.64% for the six months ended 30 June 2020 to 3.50% for the six months ended 30 June 2021. The decrease in the average balance of our debt securities issued was primarily due to our Bank's reduction in the scale of corresponding liabilities. The decrease in the average cost of the debt securities issued was primarily due to lowering costs as a result of the Bank's reasonable allocation of debts at a proper time.

Interest expense on lease liabilities

For the six months ended 30 June 2021, our interest expense on lease liabilities amounted to RMB23.5 million, representing a decrease of 10.0% from RMB26.1 million for the six months ended 30 June 2020, primarily due to the fact that the decrease of 13.3% in the average balance of our lease liabilities from RMB1,195.7 million for the six months ended 30 June 2020 to RMB1,037.0 million for the six months ended 30 June 2021.

Interest expense on borrowings from central bank

Our interest expense on borrowings from central bank decreased by 62.5% from RMB672.4 million for the six months ended 30 June 2020 to RMB252.1 million for the six months ended 30 June 2021, primarily due to the fact that the decrease of 49.9% in the average balance of the borrowings from central bank from RMB41,507.5 million for the six months ended 30 June 2020 to RMB20,807.6 million for the six months ended 30 June 2021, and the average cost of borrowings from central bank decreased by 82 basis points from 3.24% for the six months ended 30 June 2020 to 2.42% for the six months ended 30 June 2021.

4 Investment Income

The Bank adopted the IFRS 9 since 1 January 2018. Certain financial assets measured at amortised cost under the original standard were reclassified to financial assets measured at FVTPL under the new standard, and interests arising from the corresponding assets were also reclassified from interest income to investment income for accounting purpose.

Investment income represents gains from investment in financial instruments measured at FVTPL, mainly including debt securities investment, funds, asset management plans and trust plans and wealth management products and expense on financial liabilities held for trading measured at FVTPL. Our investment income for the six months ended 30 June 2021 was RMB1,177.7 million, representing an increase of 37.4% as compared to the investment income of RMB857.3 million for the six months ended 30 June 2020, which was primarily due to the increase in the investment yield and scale of investment measured at FVTPL as a result of the Bank's proactive asset structure adjustment.

Management Discussion and Analysis

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 2020 and 2021.

	For the six months ended 30 June			
	2021	2020	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Fee and commission income				
Settlement and clearing fees	85.5	88.2	(2.7)	(3.1)
Wealth management service fees	467.0	816.6	(349.6)	(42.8)
Acceptance and guarantee commitment fees	37.0	31.3	5.7	18.2
Agency commission and underwriting service fees	439.9	303.9	136.0	44.8
Bank card fees	21.5	57.6	(36.1)	(62.7)
Consultancy fees	78.3	87.2	(8.9)	(10.2)
Others	1.6	1.4	0.2	14.3
Subtotal	1,130.8	1,386.2	(255.4)	(18.4)
Fee and commission expense	(72.4)	(38.6)	(33.8)	87.6
Net fee and commission income	1,058.4	1,347.6	(289.2)	(21.5)

Our net fee and commission income decreased by 21.5% from RMB1,347.6 million for the six months ended 30 June 2020 to RMB1,058.4 million for the six months ended 30 June 2021. The decrease was primarily due to a decrease in wealth management service fees.

6 Net Trading (Losses)/gains

Net trading (losses)/gains arise from realised and unrealised profit and loss of financial assets measured at FVTPL and the net disposal gains and losses of debt instruments measured at fair value through other comprehensive income ("FVTOCI"). Our net trading gains for the six months ended 30 June 2021 was RMB272.5 million, and our net trading losses for the six months ended 30 June 2020 was RMB29.0 million, which was primarily because of the increase in the fair value of financial assets which caused by market fluctuation.

Management Discussion and Analysis

7 Operating Expenses

The following table sets forth the principal components of our operating expenses for the six months ended 30 June 2020 and 2021.

	For the six months ended 30 June			
	2021	2020	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Operating expenses				
Staff costs	1,172.2	1,114.2	58.0	5.2
Sundry taxes	105.5	100.9	4.6	4.6
Other general and administrative expenses	172.3	161.6	10.7	6.6
Office expenses	97.5	82.5	15.0	18.2
Rental and property management expenses	50.4	31.4	19.0	60.5
Depreciation and amortisation	389.5	323.2	66.3	20.5
Total operating expenses	1,987.4	1,813.8	173.6	9.6
Cost-to-income ratio⁽¹⁾	20.96%	19.71%	–	1.25

Note:

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

Our operating expenses increased by 9.6% from RMB1,813.8 million for the six months ended 30 June 2020 to RMB1,987.4 million for the six months ended 30 June 2021. The increase was primarily due to an increase in depreciation and amortisation.

For the six months ended 30 June 2020 and 2021, our cost-to-income ratio (excluding sundry taxes) was 19.71% and 20.96%, respectively.

Management Discussion and Analysis

Staff costs

Staff costs are the largest component of our operating expenses, which amounted to RMB1,172.2 million for the six months ended 30 June 2021, representing an increase of 5.2% as compared to RMB1,114.2 million for the six months ended 30 June 2020. The following table sets forth the principal components of staff costs for the periods indicated.

	For the six months ended 30 June			
	2021	2020	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Salaries, bonuses and allowances	849.6	893.8	(44.2)	(4.9)
Social insurance	150.9	54.3	96.6	177.9
Housing funds	64.3	59.0	5.3	9.0
Employee benefits	26.7	22.9	3.8	16.6
Labour union fees and staff education expenses	18.3	17.9	0.4	2.2
Contribution to annuity funds	62.4	66.3	(3.9)	(5.9)
Total	1,172.2	1,114.2	58.0	5.2

Sundry taxes

Sundry taxes amounted to RMB105.5 million for the six months ended 30 June 2021, representing an increase of 4.6% from RMB100.9 million for the six months ended 30 June 2020.

Office expenses and rental and property management expenses

The office expenses and rental and property management expenses amounted to RMB147.9 million for the six months ended 30 June 2021, representing an increase of 29.9% from RMB113.9 million for the six months ended 30 June 2020.

Other general and administrative expenses

Our other general and administrative expenses amounted to RMB172.3 million for the six months ended 30 June 2021, representing an increase of 6.6% from RMB161.6 million for the six months ended 30 June 2020.

Depreciation and amortisation

Depreciation and amortisation, including right-of-use assets, amounted to RMB389.5 million for the six months ended 30 June 2021, representing an increase of 20.5% from RMB323.2 million for the six months ended 30 June 2020, mainly due to the increase in the Bank's investments in the technological infrastructure construction, which increased the depreciation of fixed assets.

Management Discussion and Analysis

8 Impairment Losses under expected credit loss (ECL) Model, Net of Reversals

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

	For the six months ended 30 June			
	2021	2020	Change in amount	Rate of change (%)
	<i>(Amounts in millions of RMB, except for percentages)</i>			
Loans and advances to customers at amortised costs	3,268.9	3,526.8	(257.9)	(7.3)
Loans and advances to customers measured at FVTOCI	7.1	14.7	(7.6)	(51.7)
Credit commitments	30.0	(43.5)	73.5	(169.0)
Debt instruments at amortised costs	554.3	203.7	350.6	172.1
Debt instruments measured at FVTOCI	1.6	(0.0)	1.6	–
Deposits with banks and other financial institutions	(1.2)	5.7	(6.9)	(121.1)
Placements with banks and other financial institutions	(62.8)	1.7	(64.5)	(3,794.1)
Other assets	(2.2)	35.6	(37.8)	(106.2)
Total	3,795.7	3,744.7	51.0	1.4

Our impairment losses under ECL model, net of reversals for the six months ended 30 June 2021 were RMB3,795.7 million, representing an increase of 1.4% as compared to RMB3,744.7 million for the six months ended 30 June 2020, which was primarily due to the Bank's increased overall provision for assets and more adequate provision for impairment, reflecting the prudence of the Bank for impairment provision.

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			
	2021	2020	Change in amount	Rate of change (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Profit before tax	3,205.3	3,143.1	62.2	2.0
Tax calculated at applicable statutory tax rate of 25%	801.3	785.8	15.5	2.0
Income tax at concessionary rate	(3.0)	(3.1)	0.1	(3.2)
Income tax adjustment for prior years	5.5	2.5	3.0	120.0
Tax effect of expenses not deductible for tax purpose	0.4	10.2	(9.8)	(96.1)
Tax effect of income not taxable for tax purpose ⁽¹⁾	(306.3)	(324.7)	18.4	(5.7)
Income tax expense	497.9	470.7	27.2	5.8

Note:

- (1) The income not taxable for tax purpose 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 2021 were RMB497.9 million, representing an increase of 5.8% as compared to RMB470.7 million for the six months ended 30 June 2020. The increase was mainly due to an increase in profit before tax.

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 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
ASSETS				
Gross loans and advances to customers	317,892.7	45.2	307,822.4	44.8
Allowance for impairment losses	(11,572.7)	(1.6)	(12,070.1)	(1.8)
Loans and advances to customers, net	306,320.0	43.6	295,752.3	43.0
Investment securities and other financial assets, net	318,960.3	45.4	312,323.2	45.4
Financial assets held under resale agreements	600.2	0.1	600.2	0.1
Cash and balances with central bank	45,357.0	6.4	47,831.5	7.0
Deposits with banks and other financial institutions	6,741.1	1.0	7,831.2	1.1
Placements with banks and other financial institutions	13,181.3	1.9	10,693.2	1.6
Derivative financial assets	19.4	0.0	9.7	0.0
Other assets ⁽¹⁾	12,147.8	1.6	12,718.9	1.8
TOTAL ASSETS	703,327.1	100.0	687,760.2	100.0

Note:

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

As of 30 June 2021, our total assets amounted to RMB703,327.1 million, representing an increase of 2.3% as compared to RMB687,760.2 million as of 31 December 2020. The increase was primarily due to an increase in loans and advances to customers and investment securities and other financial assets.

Management Discussion and Analysis

Loans and advances to customer

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

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Corporate loans	146,320.7	46.0	145,451.5	47.2
Personal loans	131,580.8	41.4	134,982.3	43.9
Discounted bills	34,141.4	10.8	24,267.3	7.9
Finance lease receivables	5,849.8	1.8	3,121.3	1.0
Total	317,892.7	100.0	307,822.4	100.0

Corporate loans

Our corporate loans amounted to RMB146,320.7 million as of 30 June 2021, representing an increase of 0.6% as compared to RMB145,451.5 million as of 31 December 2020.

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

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Short-term loans (one year or less)	42,771.6	29.2	43,609.7	30.0
Medium and long-term loans (over one year)	103,549.1	70.8	101,841.8	70.0
Total corporate loans	146,320.7	100.0	145,451.5	100.0

Short-term loans as a percentage of our corporate loan portfolio decreased from 30.0% as of 31 December 2020 to 29.2% as of 30 June 2021 and our medium and long-term loans as a percentage of our corporate loan portfolio increased from 70% as of 31 December 2020 to 70.8% as of 30 June 2021. The changes in the above percentages of our corporate loan portfolio were primarily due to the fact that the Bank further adjusted and optimised the credit structure.

Management Discussion and Analysis

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

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Working capital loans	64,322.6	44.0	73,449.8	50.5
Fixed asset loans	66,536.8	45.5	61,635.8	42.4
Trade finance	8,431.1	5.8	6,836.5	4.7
Others ⁽¹⁾	7,030.2	4.7	3,529.4	2.4
Total corporate loans	146,320.7	100.0	145,451.5	100.0

Note:

(1) Consist primarily of advances under bank acceptances and letters of credit issued by us and corporate overdraft.

Our working capital loans amounted to RMB64,322.6 million as of 30 June 2021, representing a decrease of 12.4% as compared to RMB73,449.8 million as of 31 December 2020, which was primarily due to the fact that the Bank further adjusted and optimised the credit structure.

Our fixed assets loans amounted to RMB66,536.8 million as of 30 June 2021, representing an increase of 8.0% as compared to RMB61,635.8 million as of 31 December 2020, which was primarily due to the fact that the Bank further adjusted and optimised the credit structure.

Our trade finance amounted to RMB8,431.1 million as of 30 June 2021, representing an increase of 23.3% as compared to RMB6,836.5 million as of 31 December 2020, which was primarily because the Bank fully exploited the light features of transaction banking, constantly optimised the asset-liability structure, improved the scale and quality of income, which leveraged the role of product managers in the “four-in-one” marketing system and facilitated the continuous growth of transaction banking business.

Our other corporate loans amounted to RMB3,529.4 million and RMB7,030.2 million as of 31 December 2020 and 30 June 2021, respectively.

Management Discussion and Analysis

Personal loans

Our personal loans amounted to RMB131,580.8 million as of 30 June 2021, representing a decrease of 2.5% as compared to RMB134,982.3 million as of 31 December 2020. This decrease was mainly attributable to a decrease in 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 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Personal consumption loans	76,851.0	58.4	86,895.0	64.3
Residential mortgage loans	28,368.2	21.6	25,506.2	18.9
Personal business loans	24,077.5	18.3	20,339.4	15.1
Credit card overdrafts	2,284.1	1.7	2,241.7	1.7
Total personal loans	131,580.8	100.0	134,982.3	100.0

Our personal consumption loans amounted to RMB76,851.0 million as of 30 June 2021, representing a decrease of 11.6% as compared to RMB86,895.0 million as of 31 December 2020, primarily because the Bank proactively adjusted the loan structure, leading to a decrease in the amount of personal consumption loans.

Our residential mortgage loans amounted to RMB28,368.2 million as of 30 June 2021, representing an increase of 11.2% as compared to RMB25,506.2 million as of 31 December 2020. The increase in our residential mortgage loans was primarily due to the fact that based on the strict control over regulatory requirements on the concentration of the real estate, our mortgage lending has gradually increased.

Management Discussion and Analysis

Our personal business loans amounted to RMB24,077.5 million as of 30 June 2021, representing an increase of 18.4% as compared to RMB20,339.4 million as of 31 December 2020. The increase in our personal business loans was primarily due to the fact that the Bank effectively implemented the CPC Central Committee's financial policy to support the development of small and micro enterprises and individual entrepreneurs, and fully exploited PBoC's financial policies of "stabilising operations of enterprises and securing employment". Focusing on online loan products such as "e-loans for taxpayers"(銀稅e貸), "e-loans for supermarkets"(商超e貸) and "Tianhangyongbei-Microfinance" (天行用唄 - 小微商戶經營貸) targeting individuals, we continued to optimise our products and increase promotion efforts so as to improve our finance services. As such, our business scale and client base in this sector realised a stable growth.

Our credit card overdrafts amounted to RMB2,241.7 million and RMB2,284.1 million as of 31 December 2020 and 30 June 2021, primarily due to the fact that in 2021, the Bank fully implemented the dual-track strategy of "reform + innovation", devoted to create the "brand image of citizen's bank", focused on young and high-quality customers and continuously expanded our Internet channels to attract credit card customers. We have launched the new product of "Bank of Tianjin Jingdong PLUS Co-branded credit card" (天津銀行京東PLUS聯名信用卡), by which we facilitated and increased credit card's transaction amount and the growth of credit card overdraft through integrated online and offline marketing activities.

Finance lease receivables

As of 30 June 2021, we recorded an increase of 87.4% in our finance lease receivables from RMB3,121.3 million as of 31 December 2020 to RMB5,849.8 million, was primarily due to an increase in the amount of assets under finance lease in the first half of 2021.

Discounted bills

Our discounted bills increased by 40.7% from RMB24,267.3 million as of 31 December 2020 to RMB34,141.4 million as of 30 June 2021, primarily due to the fact that the Bank proactively adjusted the asset structure to increase the scale of such business.

Investment securities and other financial assets

As of 30 June 2021, the balance of our investment securities and other financial assets amounted to RMB318,960.3 million, representing an increase of 2.1% as compared to RMB312,323.2 million as of 31 December 2020. The increase was primarily due to the further adjustment in our asset portfolio which continuously reduced allocation to assets management plans and trust plans and other investment businesses of other financial institutions while increasing the business scales in debt securities that were highly liquid and standardised.

Management Discussion and Analysis

The following table sets forth the components of our investment securities and other financial assets as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Debt securities				
Debt securities measured at amortised cost	136,132.8	42.7	129,632.0	41.3
Debt securities measured at FVTOCI	55,755.4	17.5	54,908.5	17.6
Debt securities measured at FVTPL	16,291.2	5.0	6,129.6	2.0
Allowance for impairment losses	(739.7)	(0.2)	(202.8)	(0.1)
Subtotal	207,439.7	65.0	190,467.3	60.8
Funds	19,901.8	6.2	22,051.8	7.1
Wealth management products issued by other financial institutions				
	305.5	0.1	305.4	0.1
Asset management plans and trust plans and other debt financing products, net				
Asset management plans and trust plans	76,195.2	23.9	86,763.0	27.8
Other debt financing products	16,882.8	5.3	14,531.1	4.7
Allowance for impairment losses	(3,846.1)	(1.2)	(3,828.7)	(1.2)
Subtotal	89,231.9	28.0	97,465.4	31.3
Equity investments				
Equity investments measured at FVTPL	516.7	0.2	468.6	0.2
Equity investments measured at FVTOCI	1,564.7	0.5	1,564.7	0.5
Subtotal	2,081.4	0.7	2,033.3	0.7
Total investment securities and other financial assets, net				
	318,960.3	100.0	312,323.2	100.0

Management Discussion and Analysis

Debt securities

The following table sets forth the components of our debt securities as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
PRC government bonds	69,092.1	33.2	65,170.7	34.2
Debt securities issued by PRC policy banks	66,867.3	32.1	75,766.1	39.8
Debt securities issued by PRC corporate issuers	38,825.9	18.7	24,080.4	12.6
Debt securities issued by PRC banks and other financial institutions	9,820.1	4.7	3,659.3	1.9
Asset-backed securities	23,574.0	11.3	21,993.6	11.5
Total	208,179.4	100.0	190,670.1	100.0

Our holding of debt securities issued by PRC government increased by 6.0% from RMB65,170.7 million as of 31 December 2020 to RMB69,092.1 million as of 30 June 2021. The increase was primarily due to the Bank's proper adjustment in the asset structure, which increased the scale of deployment of high-quality current assets.

Our holding of debt securities issued by PRC policy banks decreased by 11.7% from RMB75,766.1 million as of 31 December 2020 to RMB66,867.3 million as of 30 June 2021. The decrease was primarily due to the Bank's proper adjustment in the asset structure, which decreased the scale of deployment of such assets.

Our holding of debt securities issued by PRC corporate issuers increased by 61.2% from RMB24,080.4 million as of 31 December 2020 to RMB38,825.9 million as of 30 June 2021, primarily because the Bank stepped up its efforts in financing entities based on its philosophy of returning to its origins, thus an overall slight increase in the proportion of corporate bonds was recorded.

Our holding of debt securities issued by PRC banks and other financial institutions increased by 168.4% from RMB3,659.3 million as of 31 December 2020 to RMB9,820.1 million as of 30 June 2021, which reflected the Bank's proper adjustment in the asset structure in an effort to increase the scale of deployment of financial bond assets.

Our holding of asset-backed securities increased by 7.2% from RMB21,993.6 million as of 31 December 2020 to RMB23,574.0 million as of 30 June 2021.

Management Discussion and Analysis

Distribution of investment securities and other financial assets by investment intention

The following table sets forth the distribution of our investment securities and other financial assets by our investment intention as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Debt instruments at amortised costs	185,068.5	58.0	187,348.8	60.0
Financial assets measured at FVTOCI	57,415.7	18.0	59,488.0	19.0
Financial assets measured at FVTPL	76,476.1	24.0	65,486.4	21.0
Total	318,960.3	100.0	312,323.2	100.0

Financial assets held under resale agreements

The table below sets forth the distribution of our financial assets held under resale agreements by collateral type as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Analysed by collateral type:				
Bills	993.5	100.0	993.5	100.0
Allowance for impairment losses	(393.3)		(393.3)	
Net amount	600.2		600.2	

Our financial assets held under resale agreements amounted to RMB600.2 million as of 30 June 2021, which is the same as compared to that as of 31 December 2020.

Management Discussion and Analysis

Other components of our assets

Other components of our assets primarily consist of (i) cash and balances 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 balances with central bank amounted to RMB45,357.0 million as of 30 June 2021, representing a decrease of 5.2% as compared to RMB47,831.5 million as of 31 December 2020.

Our deposits with banks and other financial institutions amounted to RMB6,741.1 million as of 30 June 2021, representing a decrease of 13.9% as compared to RMB7,831.2 million as of 31 December 2020. The decrease was primarily due to our Bank's active adjustment in the asset structure and proper decrease of the asset scale of deposits with banks and other financial institutions.

Our placements with banks and other financial institutions amounted to RMB13,181.3 million as of 30 June 2021, representing an increase of 23.3% as compared to RMB10,693.2 million as of 31 December 2020. The increase was primarily due to our Bank's active adjustment of the asset structure and proper increase of the asset scale of placements with banks and other financial institutions.

Our derivative financial assets amounted to RMB19.4 million as of 30 June 2021, representing an increase of 100.0% as compared to RMB9.7 million as of 31 December 2020. The increase was primarily due to a year-on-year increase in the changes in fair value which was mainly due to 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, etc. Our other assets decreased by 4.5% from RMB12,718.9 million as of 31 December 2020 to RMB12,147.8 million as of 30 June 2021.

Pledge of assets

As of 30 June 2021, the details of pledge of our assets are set out in note 42 to the condensed consolidated financial statements in this interim report.

Management Discussion and Analysis

2 Liabilities

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

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Due to customers	391,674.4	60.6	355,981.9	56.2
Debt securities issued	99,661.5	15.5	108,711.6	17.1
Deposits from banks and other financial institutions	45,393.4	7.0	47,492.0	7.5
Financial assets sold under repurchase agreements	58,689.8	9.1	60,492.7	9.5
Placements from banks and other financial institutions	18,287.8	2.8	25,809.8	4.1
Financial liabilities held for trading	894.1	0.1	472.8	0.1
Borrowings from central bank	22,862.7	3.5	25,318.8	4.0
Income tax payable	172.7	0.0	437.6	0.1
Derivative financial liabilities	233.2	0.0	675.0	0.1
Other liabilities ⁽¹⁾	8,702.1	1.4	8,420.0	1.3
TOTAL LIABILITIES	646,571.7	100.0	633,812.2	100.0

Note:

- (1) Consist primarily of lease liabilities, other payables, settlement payable, salaries and benefits payables, dividends payable and sundry taxes payable, etc.

As of 30 June 2021, our total liabilities were RMB646,571.7 million, representing an increase of 2.0% as compared to RMB633,812.2 million as of 31 December 2020.

Management Discussion and Analysis

Due to customers

As of 30 June 2021, our due to customers amounted to RMB391,674.4 million, representing an increase of 10.0% as compared to RMB355,981.9 million as of 31 December 2020.

The following table sets forth our due to customers by product type and maturity profile of deposits as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Corporate deposits				
Demand	179,072.2	45.7	174,256.3	49.0
Time ⁽¹⁾	87,261.8	22.3	78,449.5	22.0
Subtotal	266,334.0	68.0	252,705.8	71.0
Personal deposits				
Demand	23,218.0	6.0	19,588.6	5.5
Time ⁽¹⁾	82,389.9	21.0	68,220.1	19.2
Subtotal	105,607.9	27.0	87,808.7	24.7
Others⁽²⁾	19,732.5	5.0	15,467.4	4.3
Total due to customers	391,674.4	100.0	355,981.9	100.0

Notes:

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

Management Discussion and Analysis

Our corporate deposits increased by 5.4% from RMB252,705.8 million as of 31 December 2020 to RMB266,334.0 million as of 30 June 2021. The increase in our corporate deposits was primarily due to the fact that the Bank implemented the full-process management for our corporate deposits customers to improve the refined management of deposits and accurate marketing, enhance our customer acquisition capabilities, stabilise our customer base and increase the deposits contributions.

Our personal deposits increased by 20.3% from RMB87,808.7 million as of 31 December 2020 to RMB105,607.9 million as of 30 June 2021. The increase in our personal deposits was primarily due to the increase in the sales of our major time deposit products such as “Happy certificates of deposit (幸福存單)” and “Large-denomination certificates of deposit (大額存單)”. The Bank adjusted the product elements in accordance with customers’ needs, changed the single wealth management sales mindset of the sales staff in a timely manner, and guided customers to purchase the Bank’s large-denomination certificates of deposit, happy certificates of deposit and agency trust products by providing wealth asset allocation to retain demand deposits and enhance the comprehensive service capability to cope with market changes. The Bank’s personal deposits rised rapidly, and the scale of which has successfully exceeded a hundred billion, reaching a new level.

Debt securities issued

As of 30 June 2021, our debt securities issued amounted to RMB99,661.5 million, representing a decrease of 8.3% as compared to RMB108,711.6 million as of 31 December 2020. The decrease in our debt securities issued was primarily due to our Bank’s active adjustment of the liability structure and extension to more financing channels to get other fund support.

Deposits from banks and other financial institutions

As of 30 June 2021, our deposits from banks and other financial institutions amounted to RMB45,393.4 million, representing a decrease of 4.4% as compared to RMB47,492.0 million as of 31 December 2020. The decrease in our deposits from banks and other financial institutions primarily reflected our Bank’s active adjustment of the liability structure and extension to more financing channels to get other fund support.

Financial assets sold under repurchase agreements

As of 30 June 2021, our financial assets sold under repurchase agreements amounted to RMB58,689.8 million, representing a decrease of 3.0% as compared to RMB60,492.7 million as of 31 December 2020. The decrease in our financial assets sold under repurchase agreements was primarily due to our Bank’s active adjustment of the liability structure and extension to more financing channels to get other fund support.

Management Discussion and Analysis

Placements from banks and other financial institutions

As of 30 June 2021, our placements from banks and other financial institutions amounted to RMB18,287.8 million, representing a decrease of 29.1% as compared to RMB25,809.8 million as of 31 December 2020. The decrease in our placements from banks and other financial institutions was primarily due to our Bank's active adjustment of the liability structure and extension to more financing channels to get other fund support.

Financial liabilities held for trading

As of 30 June 2021, our financial liabilities held for trading amounted to RMB894.1 million, representing an increase of 89.1% as compared to RMB472.8 million as of 31 December 2020. The increase in our financial liabilities held for trading was primarily due to our Bank's active adjustment of the business structure which increased the scale of this business.

Borrowings from central bank

As of 30 June 2021, our borrowings from central bank amounted to RMB22,862.7 million, representing a decrease of 9.7% as compared to RMB25,318.8 million as of 31 December 2020. The decrease in our borrowings from central bank was primarily due to our Bank's active adjustment of the liability structure and extension to more financing channels to get other fund support.

Income tax payable

As of 30 June 2021, our income tax payable amounted to RMB172.7 million, representing a decrease of 60.5% as compared to RMB437.6 million as of 31 December 2020.

Derivative financial liabilities

As of 30 June 2021, our derivative financial liabilities amounted to RMB233.2 million, representing a decrease of 65.5% as compared to RMB675.0 million as of 31 December 2020.

Other liabilities

Our other liabilities mainly include lease liabilities, other payables, settlement payable, salaries and benefits payable, dividends payable and sundry taxes payable, etc. Our other liabilities increased by 3.4% from RMB8,420.0 million as of 31 December 2020 to RMB8,702.1 million as of 30 June 2021.

Contingent liabilities

As of 30 June 2021, details of the Bank's contingent liabilities are set out in note 40 to the condensed consolidated financial statements 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 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
EQUITY				
Share capital	6,070.6	10.7	6,070.6	11.3
Capital reserve	10,731.1	18.9	10,731.1	19.9
Investment revaluation reserve	(291.0)	(0.5)	(390.9)	(0.7)
Surplus reserve	3,352.5	5.9	3,352.5	6.2
General reserve	9,213.6	16.2	9,213.6	17.1
Retained earnings	26,850.0	47.3	24,153.3	44.7
Equity attributable to equity holders of the Bank	55,926.8	98.5	53,130.2	98.5
Non-controlling interests	828.6	1.5	817.8	1.5
TOTAL EQUITY	56,755.4	100.0	53,948.0	100.0

As of 30 June 2021, our shareholders' equity amounted to RMB56,755.4 million, representing an increase of 5.2% as compared to RMB53,948.0 million as of 31 December 2020. As of 30 June 2021, our equity attributable to equity holders of the Bank was RMB55,926.8 million, representing an increase of 5.3% as compared to RMB53,130.2 million as of 31 December 2020. The increase in the shareholders' equity for the six months ended 30 June 2021 was mainly due to the increase in our retained earnings.

Management Discussion and Analysis

V ANALYSIS OF OFF-BALANCE SHEET ITEMS

The following table sets forth the contractual amounts of our credit commitments as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021	As of 31 December 2020
	<i>(Amounts in millions of RMB)</i>	
Acceptances	28,537.0	24,312.1
Undrawn corporate loans limit	19,748.5	20,591.2
Undrawn credit card limit	14,030.0	13,950.7
Letters of credit	11,453.0	7,921.4
Letters of guarantee	1,383.3	944.6
Total	75,151.8	67,720.0

Management Discussion and Analysis

VI ANALYSIS

Distribution of loans by five-category loan classification

The following table sets forth the distribution of our loans by the five-category loan classification as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total ⁽¹⁾ (%)	Amount	% of the total ⁽¹⁾ (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Normal	293,146.5	92.22	286,945.6	93.22
Special mention	17,447.2	5.48	14,297.3	4.64
Subtotal	310,593.7	97.70	301,242.9	97.86
Substandard	4,282.9	1.35	4,001.3	1.30
Doubtful	2,463.3	0.78	2,008.5	0.65
Loss	552.8	0.17	569.7	0.19
Subtotal	7,299.0	2.30	6,579.5	2.14
Gross loans and advances to customers	317,892.7	100.0	307,822.4	100.0

As of 30 June 2021, according to the five-category loan classification, the normal loans amounted to RMB293,146.5 million, accounted for 92.22% of all the loans of the Bank, representing an increase of RMB6,200.9 million as compared to that as of 31 December 2020. Loans classified as special mention were RMB17,447.2 million, accounted for 5.48% of all loans, representing an increase of RMB3,149.9 million as compared to that as of 31 December 2020. The non-performing loans were RMB7,299.0 million, representing an increase of RMB719.5 million as compared to that as of 31 December 2020 with a non-performing loan ratio⁽¹⁾ of 2.30%, representing an increase of 0.16 percentage point as compared to that as of 31 December 2020, primarily due to weakened repayment ability of individual corporate customers and individual customers of the Bank.

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 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Real estate	34,808.1	22.9	35,926.5	24.2
Leasing and business services	29,402.0	19.3	23,428.4	15.8
Manufacturing	23,700.8	15.6	23,253.0	15.7
Construction	20,331.4	13.4	17,593.5	11.8
Water, environment and public utilities management	15,440.3	10.1	11,727.5	7.9
Wholesale and retail	15,196.0	10.0	22,138.6	14.9
Transportation, storage and postal services	3,066.3	2.0	3,188.2	2.1
Production and supply of electricity, heat, gas and water	2,720.3	1.8	2,603.0	1.8
Finance	2,063.6	1.4	3,103.9	2.1
Resident services, repair and other services	1,158.5	0.8	1,061.7	0.7
Culture, sports and entertainment	825.7	0.5	881.9	0.6
Agriculture, forestry, animal husbandry and fishery	778.5	0.5	1,016.5	0.7
Information transmission, software and information technology services	705.4	0.5	679.7	0.5
Accommodation and catering	684.9	0.4	744.3	0.5
Health and social services	461.2	0.3	354.3	0.2
Scientific research and technical services	426.3	0.3	456.4	0.3
Mining	344.6	0.2	366.7	0.2
Education	56.6	0.0	48.7	0.0
Total corporate loans⁽¹⁾	152,170.5	100.0	148,572.8	100.0

Note:

(1) Consist of finance lease receivables.

In the first half of 2021, the Bank actively supported the development of the real economy with its loans structure further optimised. As of 30 June 2021, loans provided to customers in the industries of (i) real estate, (ii) leasing and business services, (iii) manufacturing, (iv) construction, and (v) water, environment and public utilities management, respectively, representing the top five largest components of the Bank's corporate loans. As of 30 June 2021 and 31 December 2020, the balance of loans provided to the corporate customers in these five industries were RMB123,682.6 million and RMB111,928.9 million, respectively, accounting for 81.3% and 75.4% of the total corporate loans issued by the Bank, respectively.

Management Discussion and Analysis

Distribution of Non-Performing Corporate Loans by Industry

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

	As of 30 June 2021			As of 31 December 2020		
	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)
<i>(Amounts in millions of RMB, except for percentages)</i>						
Manufacturing	2,213.0	50.4	9.34	1,722.9	45.6	7.41
Wholesale and retail	1,623.4	37.0	10.68	1,620.3	43.0	7.32
Construction	174.8	4.0	0.86	208.6	5.5	1.19
Transportation, storage and postal services	118.8	2.7	3.87	41.8	1.1	1.31
Leasing and business services	102.5	2.3	0.35	47.5	1.3	0.20
Accommodation and catering	74.5	1.7	10.87	74.5	2.0	10.01
Real estate	49.8	1.1	0.14	19.2	0.5	0.05
Agriculture, forestry, animal husbandry and fishery	30.3	0.7	3.90	30.3	0.8	2.98
Scientific research and technical services	5.9	0.1	1.38	5.9	0.2	1.29
Total non-performing corporate loans⁽²⁾	4,393.0	100.0	2.89	3,771.0	100.0	2.54

Notes:

- (1) Calculated by dividing non-performing loans to corporate customers in each industry by gross loans to corporate customers (interests included) 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 ratios for our corporate loans in the manufacturing industry were 7.41% and 9.34% as of 31 December 2020 and 30 June 2021, respectively. As of 31 December 2020 and 30 June 2021, non-performing corporate loans to borrowers in this industry accounted for 45.6% and 50.4% of our total non-performing corporate loans, respectively. The increase in the non-performing loan ratio for our corporate loans to borrowers in the manufacturing industry was primarily due to the weakened repayment ability of the Bank's individual corporate customers.

The non-performing loan ratios for our corporate loans in the wholesale and retail industry were 7.32% and 10.68% as of 31 December 2020 and 30 June 2021, respectively. As of 31 December 2020 and 30 June 2021, non-performing corporate loans to borrowers in this industry accounted for 43.0% and 37.0% 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 the Bank's individual corporate customers.

As of 30 June 2021, the Bank's balance of non-performing corporate loans from the construction industry decreased by 16.2% as compared with the beginning of the year. The non-performing loan ratios for our corporate loans in the construction industry were 1.19% and 0.86% as of 31 December 2020 and 30 June 2021, respectively. As of 31 December 2020 and 30 June 2021, non-performing corporate loans to borrowers in this industry accounted for 5.5% and 4.0% of our total non-performing corporate loans, respectively. The decrease in our non-performing loan ratio for our corporate loans to borrowers in the construction industry was primarily because the Bank strengthened the collection and resolution of non-performing loans.

The non-performing loan ratios for our corporate loans in the transportation, storage and postal services industry were 1.31% and 3.87% as of 31 December 2020 and 30 June 2021, respectively. As of 31 December 2020 and 30 June 2021, non-performing corporate loans to borrowers in this industry accounted for 1.1% and 2.7% of our total non-performing corporate loans. The increase in our non-performing loan ratio for our corporate loans to borrowers in the transportation, storage and postal services industry was primarily due to the weakened repayment ability of the Bank's individual corporate customers.

The non-performing loan ratios for our corporate loans in the leasing and business services were 0.20% and 0.35% as of 31 December 2020 and 30 June 2021, respectively. As of 31 December 2020 and 30 June 2021, non-performing corporate loans to borrowers in this industry accounted for 1.3% and 2.3% of our total non-performing corporate loans, respectively. The increase in our non-performing loan ratio for our corporate loans to borrowers in the industry primarily reflected the weakened repayment ability of the Bank's individual corporate customers.

Management Discussion and Analysis

Distribution of Non-Performing Loans by Product Type

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

	As of 30 June 2021			As of 31 December 2020		
	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)
<i>(Amounts in millions of RMB, except for percentages)</i>						
Corporate loans⁽²⁾						
Working capital loans	4,073.6	55.8	6.33	3,508.9	53.3	4.78
Fixed asset loans	160.4	2.2	0.24	129.2	2.0	0.21
Trade finance	0.0	0.0	0.00	0.0	0.0	0.00
Others ⁽³⁾	159.0	2.2	2.26	132.9	2.0	3.77
Subtotal	4,393.0	60.2	2.89	3,771.0	57.3	2.54
Discounted bills	0.0	0.0	0.00	0.0	0.0	0.00
Subtotal	0.0	0.0	0.00	0.0	0.0	0.00
Personal loans						
Personal consumption loans	1,988.0	27.2	2.59	2,092.4	31.8	2.41
Personal business loans	758.3	10.4	2.67	572.9	8.7	2.82
Residential mortgage loans	113.2	1.6	0.47	100.0	1.5	0.39
Credit card overdrafts	46.5	0.6	2.04	43.2	0.7	1.93
Subtotal	2,906.0	39.8	2.21	2,808.5	42.7	2.08
Total non-performing loans	7,299.0	100.0	2.30	6,579.5	100.0	2.14

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 2.54% as of 31 December 2020 to 2.89% as of 30 June 2021, with a 16.5% increase in our non-performing corporate loans from RMB3,771.0 million to RMB4,393.0 million. The increase in our non-performing corporate loans was primarily due to the weakened repayment ability of the Bank's individual corporate customers.

The non-performing loan ratio for our personal loans increased from 2.08% as of 31 December 2020 to 2.21% as of 30 June 2021, with a 3.5% increase in our non-performing personal loans from RMB2,808.5 million as of 31 December 2020 to RMB2,906.0 million as of 30 June 2021. The increase in the non-performing loan ratio for our personal loans was primarily due to the weakened repayment ability of the Bank's individual customers.

Distribution of non-performing loans by geographical region

The following table sets forth the distribution of our non-performing loans by geographical region as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021			As of 31 December 2020		
	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)	Amount	% of the total (%)	NPL ratio ⁽¹⁾ (%)
<i>(Amounts in millions of RMB, except for percentages)</i>						
Tianjin	1,114.3	15.3	0.82	1,463.0	22.2	1.16
Beijing	273.3	3.7	1.73	514.7	7.8	3.24
Shandong Province	1,778.4	24.4	4.86	1,175.0	17.9	3.31
Shanghai	1,988.9	27.2	2.57	1,960.3	29.8	2.43
Hebei Province	1,016.8	13.9	3.72	808.1	12.3	3.09
Sichuan Province	1,108.3	15.2	4.59	641.3	9.7	2.81
Others	19.0	0.3	1.95	17.1	0.3	1.81
Total non-performing loans	7,299.0	100.0	2.30	6,579.5	100.0	2.14

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 the distribution of our loans and advances to customers by type of collateral as of 31 December 2020 and 30 June 2021.

	As of 30 June 2021		As of 31 December 2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Unsecured loan	148,591.0	46.7	118,069.5	38.4
Guaranteed loan	68,817.5	21.7	96,701.7	31.4
Collateralised loans ⁽¹⁾	78,829.1	24.8	70,600.8	22.9
Pledged loans ⁽¹⁾	21,655.1	6.8	22,450.4	7.3
Gross loans and advances to customers	317,892.7	100.0	307,822.4	100.0

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 2021, the Bank's total loans to its largest single borrower accounted for 4.95% of its regulatory capital while total loans to its top ten customers accounted for 34.25% of its regulatory capital, which were in compliance with regulatory requirements.

a. Indicators of concentration

Major regulatory indicators	Regulatory standard	As of 30 June 2021	As of 31 December 2020
Loan concentration ratio for the largest single customer (%)	<=10	4.95	4.35
Loan concentration ratio for the top ten customers (%)	<=50	34.25	32.79

Note: The data above are calculated in accordance with the formula promulgated by the CBIRC.

Management Discussion and Analysis

b. Loans to top ten single borrowers

The following table sets forth our loan balance to our top ten largest single borrowers as of the date indicated.

Borrower	Industry	As of 30 June 2021			Classification
		Balance	% of the total loans (%)	% of regulatory capital ⁽¹⁾ (%)	
<i>(Amounts in millions of RMB, except for percentages)</i>					
Borrower A	Manufacturing	3,488.5	1.1	4.95	Normal
Borrower B	Construction	2,998.5	1.0	4.26	Normal
Borrower C	Real estate	2,956.0	0.9	4.20	Normal
Borrower D	Leasing and business services	2,818.8	0.9	4.00	Normal
Borrower E	Manufacturing	2,254.7	0.7	3.20	Normal
Borrower F	Manufacturing	2,228.0	0.7	3.16	Normal
Borrower G	Construction	1,960.0	0.6	2.78	Normal
Borrower H	Leasing and business services	1,895.0	0.6	2.69	Normal
Borrower I	Leasing and business services	1,824.8	0.6	2.59	Normal
Borrower J	Real estate	1,697.5	0.5	2.42	Normal
Total		24,121.8	7.6	34.25	

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 PRC GAAP.

As of 30 June 2021, balance of loans to the largest single borrower of the Bank was RMB3,488.5 million, accounting for 1.1% of the total amount of loans of the Bank, and the total amount of loans to the top ten single borrowers was RMB24,121.8 million, representing 7.6% of the total amount of loans of the Bank.

Management Discussion and Analysis

Aging schedule of loans past due

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

Past due	As of 30 June 2021		As of 31 December 2020	
	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	6,439,904	2.03	4,577,681	1.49
Past due 90 days to 1 year	4,909,709	1.54	5,496,738	1.78
Past due 1 to 3 years	1,836,446	0.58	1,531,285	0.50
Past due more than 3 years	701,256	0.22	679,052	0.22
Total	13,887,315	4.37	12,284,756	3.99

Changes to allowance for impairment losses of loans

The allowance for impairment losses of loans decreased by 4.1% from RMB12,070.1 million as of 31 December 2020 to RMB11,572.7 million as of 30 June 2021. The decrease was primarily due to the Bank's strengthened efforts to write off non-performing assets.

	As of 30 June 2021		As of 31 December 2020	
	Amount	NPL ratio ⁽²⁾ (%)	Amount	NPL ratio ⁽²⁾ (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Beginning of the period	12,070.1	2.14	12,716.4	1.96
Net provisions for the period ⁽¹⁾	3,268.9		7,297.5	
Write-off and transfers	(3,930.5)		(8,126.5)	
Recovery	243.1		297.5	
Other changes	(78.9)		(114.8)	
End of the period	11,572.7	2.30	12,070.1	2.14

Notes:

(1) Represent the net amount of allowance for impairment losses recognised 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 categorise such information by geographical regions. The following table sets forth the total operating income of each of the geographical regions for the periods indicated.

	Six months ended 30 June			
	2021		2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Tianjin	5,281.7	58.8	4,619.0	53.1
Shanghai	1,573.3	17.5	1,508.8	17.4
Shandong Province	752.1	8.4	679.8	7.8
Sichuan Province	580.7	6.5	718.2	8.3
Hebei Province	416.8	4.6	337.2	3.9
Beijing	336.9	3.8	790.8	9.1
Others	38.3	0.4	37.6	0.4
Total	8,979.8	100.0	8,691.4	100.0

Business segment report

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

	Six months ended 30 June			
	2021		2020	
	Amount	% of the total (%)	Amount	% of the total (%)
<i>(Amounts in millions of RMB, except for percentages)</i>				
Corporate banking	2,858.2	31.8	2,940.0	33.8
Personal banking	3,485.5	38.8	3,135.2	36.1
Treasury operations	2,607.2	29.0	2,585.2	29.7
Others ⁽¹⁾	28.9	0.4	31.0	0.4
Total	8,979.8	100.0	8,691.4	100.0

Note:

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

Management Discussion and Analysis

VIII ANALYSIS ON CAPITAL ADEQUACY RATIO

As of 30 June 2021, capital adequacy ratio was 14.55%, 0.07 percentage point higher than that at the end of 2020, while tier-one capital adequacy ratio and core tier-one capital adequacy ratio were 11.50% and 11.49%, respectively, representing 0.38 and 0.37 percentage point higher than those at the end of 2020.

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

	As of 30 June 2021	As of 31 December 2020
<i>(Amounts in millions of RMB, except for percentages)</i>		
Core capital		
– Share capital	6,070.6	6,070.6
– Capital reserve and investment revaluation reserve	10,440.1	10,340.2
– Surplus reserve	3,352.5	3,352.5
– General reserve	9,213.6	9,213.6
– Retained earnings	26,850.0	24,153.3
– Non-controlling interests that may be included	264.6	213.8
Total core capital	56,191.4	53,344.0
Core tier-one capital	56,191.4	53,344.0
Core tier-one capital deductible items	(567.6)	(484.8)
Net core tier-one capital	55,623.8	52,859.2
Net tier-one capital	55,659.1	52,887.7
Tier-two capital		
– Net tier-two capital instruments and related premiums	10,420.0	10,420.0
– Surplus allowance for impairment losses on loans	4,273.6	5,490.6
– Non-controlling interests that may be included	70.6	57.0
Total tier-two capital	14,764.2	15,967.6
Net capital	70,423.3	68,855.3
Total risk-weighted assets	484,119.9	475,546.0
Core tier-one capital adequacy ratio <i>(expressed in percentage)</i>	11.49	11.12
Tier-one capital adequacy ratio <i>(expressed in percentage)</i>	11.50	11.12
Capital adequacy ratio <i>(expressed in percentage)</i>	14.55	14.48

As of 30 June 2021, the Bank's leverage ratio was 7.54%.

	As of 30 June 2021	As of 31 December 2020
Leverage ratio	7.54%	7.38%

Pursuant to the Leverage Ratio Management of Commercial Bank (Amended) issued by the 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.

Management Discussion and Analysis

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 the first half of 2021, our Bank 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, the 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.

The Bank has established a relatively sound authorisation 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 authorisation and credit review and extension management system.

The Bank implements a centralised 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 centralised credit extension management and reviewed by review authorities or reviewers with corresponding authorisation 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 risks so as to control credit risks within the range we can tolerate.

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 categorisation system and adopting specific procedures to manage relevant risks, improving our capacity to process credit risk management by utilising information technology, conducting post-credit extension risk management, and further enhancing credit review and monitoring. The Bank is developing an internal rating system on credit risks 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.

Management Discussion and Analysis

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.

The Bank has continued improving our operational risk management system. We have implemented three main operational risk management tools, namely self-assessment on operational risk and 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 collects information on operational risk loss. The Bank strictly adheres to the Administrative Measures for Operational Risk Report of the Bank of Tianjin 《天津銀行操作風險報告管理辦法》 to regulate the reporting system of operational risk. The Bank also issued the Negative List for Business Risk Prevention and Control to clarify on the dos and don'ts. 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 across the Bank to enhance risk prevention and warning education.

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.

The Board of the Bank undertakes the ultimate responsibility for monitoring market risk management to ensure that the Bank effectively identifies, measures, monitors and controls various market risks assumed by all 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 that the Bank has sufficient human resources, materials, and appropriate organisation structure, management information system and technical level to effectively identify, measure, monitor and control various market risks assumed by all businesses. The Bank, through the improvement of market risk governance structure, management tool, system construction and 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.

The Bank adopts a centralised 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 centralised management model that accords with our business scale 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 (“IT”) risk which may cause operational, legal and reputational risks.

The 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 data security. We have also effectively reduced potential risks by enhancing management and increasing IT investment.

Our Bank has formulated 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》, 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 Administrative Measures for IT Risk Monitoring, Evaluation and Disposal of Bank of Tianjin 《天津銀行信息科技風險監測評估與處置管理辦法》. Meanwhile, since the outbreak of the epidemic, the Bank timely formulated a bank-wide business continuity management work plan in response to the epidemic, carried out the information technology outsourcing risk screening, and strictly prevented the epidemic and information technology risks.

Management Discussion and Analysis

X BUSINESS REVIEW

Corporate Banking Business

In the first half of 2021, to better carry out the Bank's Strategic Planning of "14th Five-Year Plan" and steadily implement the spirit of the Bank's working conference in the beginning of the year, the Bank continued to uphold the concept of serving the real economy with our corporate banking business, so as to promote the construction of "Double-one Project (雙一工程)", consolidate our customer base, actively acquire high-quality assets, and optimise the overall business structure. By focusing on work of business development in increasing the stability and match of liability, the Bank constantly enhanced refined management, facilitating the continuous, steady and high-quality development of the corporate business.

For the six months ended 30 June 2021, our operating income from corporate banking business amounted to RMB2,858.2 million, accounting for 31.8% of the total operating income over the same period, representing a decrease of 2.8% as compared to the same period last year.

As of 30 June 2021, the balance of our corporate loans (excluding discounted bills and finance leases receivable) amounted to RMB146,320.7 million, representing an increase of 0.6% as compared to that of 31 December 2020. As of 30 June 2021, our total corporate deposits amounted to RMB266,334.0 million, representing an increase of 5.4% as compared to that of 31 December 2020.

The Bank has thoroughly implemented the decisions and deployment of Party Central Committee and the State Council on the ecological civilisation construction, and the construction of modern economic system, adhered to the service concept of "ecological priority and green development", continued enhancing the green finance organisational system, optimised the deployment of green financial resources, consolidated the development foundation of green finance, actively utilised the guidance and motivation of project resources, proactively promoted green office, and strived to establish a green bank, so as to make greater contribution for the ecological civilisation construction and create a beautiful China. According to the latest statistics of CBIRC, as of the end of the Reporting Period, our balance of green loans on the investment in green industries, such as energy saving and environment protection, cleaner production, clean energy, ecology, green upgrade of infrastructure and green services, reached RMB9.589 billion.

In the first half of 2021, our Bank's transaction banking business launched the online supply chain system "BOT E-chain (天銀E鏈)" under our independent brand, acquiring a large amount of upstream suppliers from tier 1-N through our link with core enterprises. The Bank improved the function of cash management service, enriched the liability channels of the corporate business, and supported the growth of public customer group and deposit settlement. In the first half of 2021, the Bank's transaction banking business invested a total of RMB50.7 billion, representing a year-on-year increase of 50% as compared to the first half of 2020.

Management Discussion and Analysis

Personal Banking Business

In the first half of 2021, our Bank's personal banking business firmly carried out the directions of building a "citizen's bank". We further implemented the business strategy of "focus on key areas, optimise its strengths, and mend its weaknesses" to efficiently promote the implementation of various measures. Firstly, we launched peak season marketing activities in advance at the beginning of the year, adhered to the target and put more emphasis on key business assessment weight; secondly, we strengthened our refined process management by the normal supervision mechanism of daily notifications, regular special scheduling meetings and monthly business analysis; thirdly, by expanding product advantages and timely adjusting product strategies, we increased in the promotion and marketing of "Happy certificates of deposit (幸福存單)" to form our own distinctive advantages in low-tier cities; fourthly, with the help of our wealth management products, we fully utilised the role of wealth management as a reservoir for personal deposits, and promoted the continuous growth of retail liabilities business.

Adhering to the concept of building a "citizen bank", the Bank continued to strengthen the construction of the "Smart Xiao Er". In the first half of 2021, the Bank's "Smart Xiao Er" project completed the business cooperation with the sixteen district governments of Tianjin City, effectively integrating the financial ecosystem into the construction of smart cities, and forming the business network including individual business proprietor customers reserves, settlement deposit precipitation, wealth management business marketing, and big data loan placement, which has provided the Bank's retail business with diversified development approaches. As of the end of June 2021, the number of merchants in the network of "Smart Xiao Er" accumulatively reached 121,200, representing an increase of 28.2% as compared to the beginning of the year.

The Bank proactively explored local market, continued to strengthen cooperation with social security authorities of Tianjin, enriched the functions and rights of social security cards and actively promoted to issue the third generation social security card, thus significantly increasing the pension fund customers of and deposits in current saving accounts of the social security cards. The Bank intensively explored the financial and non-financial needs of customers in various scenarios so as to explore financial innovation close to the lives of the general public and serve for people's livelihood, providing customers with comprehensive three-dimensional services. As of the end of June 2021, the Bank has issued a total of 226,400 third-generation social security cards, ranking second in Tianjin.

For the six months ended 30 June 2021, our operating income from personal banking business amounted to RMB3,485.5 million, accounting for 38.8% of the total operating income over the same period, representing an increase of 11.2% as compared to the same period last year.

As of 30 June 2021, balance of our personal loans reached RMB131,580.8 million, accounting for 41.4% of our total loans to customers. As of 30 June 2021, our personal consumption loans, residential mortgage loans, personal business loans and credit card overdrafts amounted to RMB76,851.0 million, RMB28,368.2 million, RMB24,077.5 million and RMB2,284.1 million, respectively, and accounted for 58.4%, 21.6%, 18.3% and 1.7%, respectively, of our total personal loans. As of the same date, our total personal deposits amounted to RMB105,607.9 million, representing an increase of 20.3% as compared to that of 31 December 2020.

Management Discussion and Analysis

In the first half of 2021, our Bank's credit card business continued conducting marketing activities such as "Gifts for new customers (激活新客禮)", "Order take-away and save 6 yuan every day (外賣天天減6元)", "Swipe card every day and get a red packet for every pay (天天刷·筆筆抽紅包)" and "Super 50% off (超級5折)", which were of small amounts, high frequency and normalisation, for Meituan Joint Credit Card; meanwhile, together with the online promotion of Bank of Tianjin Jingdong PLUS Co-branded credit card, our new product, our Bank's credit card business conducted marketing activities such as "Get Jingdong annual membership card for the first payment over 66 yuan (首刷66元領京東PLUS會員年卡)", "Shopping discount for every week (週週購物減)" and "Gifts for every month (月月享好禮)", to facilitate the activity of transaction in credit cards. As of the end of June 2021, the Bank has issued a total of 1.2 million cards, representing an increase of 12.5%.

Small and Micro Financial Services

In the first half of 2021, our Bank has continued implementing the work arrangements of the Party Central Committee, the State Council and regulatory agencies about enhancing the work deployment of "increase in volume, coverage expansion, quality improvement and cost reduction" for financial services to small and micro enterprises, fully improved the financial support for small and micro inclusive enterprises, further strengthened the financial technologies empowerment, increased the service aspects of small and micro inclusive financial products, focused on the promotion of small and micro loan products targeting individuals to "launch new products, achieve the amount and reduce costs", and continued to utilise central financial policies, so as to benefit more small and micro enterprises.

Our Bank has established a comprehensive small and micro inclusive financial services system. In terms of organisational system, special committees under the Board of Directors and senior management at the head office level have been set up to be responsible for the establishment, development and management of the small and micro inclusive financial services system, while branches at all levels are responsible for devoting to small and micro inclusive financial services and building a long-term mechanism for small and micro inclusive financial services at multiple levels through special policy support, building special teams and improving professional ability. In the first half of 2021, our Bank actively communicated with relevant authorities, implemented a series of central financial policies including re-lending facilities, rediscount, unsecured loans support plans and periodic deferment of repayment of the principal and interest, and further enriched the small and micro online product supply. By fully utilising financial technologies, our Bank set the small and micro online loan targeting individuals as the driving force for inclusive small and micro business, and provided more financing channels and choices of products for small and micro clients, to realise full access to long-tail, first loan and inclusive customer groups. While "increasing in volume, expanding coverage" and "launching new products and achieving the amount", our Bank continued to maintain the reduction and benefits for small and micro enterprises, lower the financing costs and optimise and enhance the capability of small and micro financial services. As of 30 June 2021, our inclusive loans to small and micro enterprises amounted to RMB27,499.2 million, representing an increase of 7.8% as compared to that of 31 December 2020. Number of clients for inclusive loans to small and micro enterprises increased by 16.3% to 590,215. In the first half of 2021, the weighted average interest rate of newly released inclusive loans to small and micro enterprises was 6.51%, representing a decrease of 2.08 percentage points over the same period in 2020.

Management Discussion and Analysis

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 2021, total assets and net profit of Bank of Tianjin Financial Leasing Co., Ltd. amounted to RMB10,011.2 million and RMB3.5 million, respectively.

Our Bank earnestly implemented the state's policies and requirements for supporting "agriculture, rural areas and farmers", actively performed our responsibilities for inclusive finance and continuously improved rural financial services and layout of branches in rural areas. As of 30 June 2021, the Bank established 48 agriculture-related service outlets in Tianjin, covering all agriculture-related administrative areas in the city and enhanced the R&D and promotion of products such as "Hui Nong Loan" and "Farmer Loan Program" to help the scale of agriculture-related loans continue to grow. As of 30 June 2021, our inclusive agriculture-related loan balance amounted to RMB2,981.3 million, among which, the agriculture-related loan balance in Tianjin reached RMB1,324.7 million, representing an increase of 29.1% as compared to that of 31 December 2020, which was higher than the growth of various loans and met the regulatory requirements. Furthermore, as of 30 June 2021, 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. Among them, Ningxia Yuanzhou Village Bank (寧夏原州村鎮銀行), our consolidated subsidiary, recorded operating income of RMB17.6 million and net profit of RMB5.9 million in the first half of 2021. Ningxia Tongxin Village Bank (寧夏同心村鎮銀行), our another consolidated subsidiary, recorded operating income of RMB20.7 million and net profit of RMB13.8 million in the first half of 2021.

Treasury Operations Business

In the first half of 2021, our Bank continued to insist on the "return to our origins (回歸本源)", serve the country's long-term development strategy, focus on key areas such as the coordinated development of Beijing, Tianjin and Hebei as well as green environmental protection. At the same time, we further enhanced quality and efficiency, deepened market analysis, flexibly adjusted periodic business strategies, constantly enhanced operating capability, and continuously improved the FICC (Fixed income, Currency & Commodity) product business system that integrates investment and financing and trading business. Our Bank promoted the balanced development of financial market businesses including bond investments, other banks, notes, treasury transaction, foreign exchange and gold, to meet the financing needs in multiple levels of the real economy, create profit sources from various channels and facilitate the high-quality development of treasury operations with diverse product business system.

Management Discussion and Analysis

For the six months ended 30 June 2021, our operating income in treasury operations business was RMB2,607.2 million, accounting for 29.0% of our Bank's total operating income, representing an increase of 0.9% as compared to the same period last year.

As of 30 June 2021, our Bank was a member of Ministry of Finance book-entry treasury bond underwriting syndicates; local bond underwriting syndicates in Tianjin, Shanghai, Hebei, Shandong and Sichuan; financial debt underwriting syndicates of the three major policy banks (China Development Bank, China Export-Import Bank and Agricultural Development Bank of China); one of the first batch of institutions trading interest rate swap options and interest rate collar options in the inter-bank market, interbank depository participant of China Foreign Exchange Trading System, possessing A-class lead underwriting qualification for debt financing instruments of non-financial enterprise in the inter-bank market; the business qualification as trustee for debt financing instruments of non-financial enterprise in the inter-bank market; the license for hedging derivatives trading; qualifications of core dealer of CRMW instruments; issuing institution of CRMW and issuing institution of credit-linked notes, business qualifications for interbank gold price asking transactions through the Shanghai Gold Exchange; as well as business qualifications including qualification for interest rate swaps and standard bond forward business, and membership of China Foreign Exchange Trade System for inter-bank forex trading in Shanghai Free-Trade Zone (上海自貿區), qualification to undertake real-time interest rate swap transactions, qualification as type A member of the Shanghai Gold Exchange international business and business qualification of pilot market making, and successfully carried out the first interbank depository business of pledge for bonds under custody in Shanghai Clearing House, laying a solid foundation for exploration into and development of our new business.

In the first half of 2021, our Bank carried out green bonds and other ESG bond investments in an aggregate amount of RMB3.525 billion, ranking top ten of the green bonds investor among urban and rural commercial banks as published by the National Association of Financial Market Institutional Investors. In June 2021, our Bank was awarded the "Innovative and Active Dealer in Repurchasing (回購創新活躍交易商)" by China Foreign Exchange Trade System, and was awarded the title of monthly "X-Lending Active Institutions (X-Lending活躍機構)" by China Foreign Exchange Trade System for five times.

Management Discussion and Analysis

Money Market Transaction

In the first half of 2021, our Bank monitored changes in monetary policies, seized the regularity of capital fluctuation in the market, coordinated a variety of money market instruments, and properly arranged RMB and foreign currency position to ensure the liquidity security. Meanwhile, we broadened our liability sources with multiple channels and low costs. On the one hand, we flexibly utilised various money market tools including certificates of deposit, bond repurchase, inter-bank placement, inter-bank foreign currency placement and MLF (中期借貸便利) and proactively obtained national treasury commercial bank time deposit to obtain financial support through diversified channels and reduced finance costs while ensuring liquidity security; on the other hand, we actively developed business methods such as rediscounting and refinancing through the People's Bank of China to serve the financing needs of the real economy.

Fixed Income Business

In the first half of 2021, our Bank further strengthened research and analysis on the change of financial market and policy environment, proactively participated in sales and trading business, continued to optimise asset allocation to constantly improve profitability.

Firstly, we studied the market trend in advance, effectively seized opportunities in the market, took advantage in market fluctuations, sought value-based bonds that are undervalued on the market, and focused on enhancing active trading capabilities to increase gains from price differences.

Secondly, we increased the proportion of non-interests income through the combination of marketing making of bonds, underwriting and distribution, gold leasing, trading of foreign exchange, note trading and other trading on behalf of clients as well as intermediary business, and continued to expand the sources of intermediary business income. The Bank continuously leveraged on strength and customer resources of members of treasury bond underwriting syndicates, the three major policy banks' financial debt underwriting syndicates and local bond underwriting syndicates in Tianjin, Shanghai, Hebei, Shandong, Sichuan and other regions. In the first half of the year, the accumulated underwriting amount of treasury bonds, local government bonds and policy bank bonds amounted to over RMB79.0 billion; among which, we underwrote the "carbon neutrality" bonds of RMB1.26 billion for CDB, which was the first carbon neutrality bonds in the market, underwrote financial bonds of RMB1 billion for CDB with the theme of 'the "petals" of Beijing-Tianjin-Hebei coordinated development', and implement significant decisions and deployment of "peak carbon dioxide emission", "carbon neutrality" and Beijing-Tianjin-Hebei joint development strategies of the central government.

Management Discussion and Analysis

Thirdly, we continued to optimise our investment portfolio, enhanced the quality of investment in assets and improved the comprehensive contribution for business. In the first half of 2021, the Bank continued to moderately allocated standardised high-grade credit bonds, asset-backed securities and other corporate credit bonds, while actively participated in the ESG bond investment in green corporate bonds as well as effectively built up support for economic development of service entities, taking into account economic and social benefits.

Forex and Precious Metal Transactions

In the first half of 2021, our Bank tracked policies changes in market liquidity and the US Federal Reserve, continuously consolidated and enhanced the capabilities and standards of the Bank's foreign exchange and precious metal business. Our Bank further accelerated the building of relationship among counterparties in financial derivatives transactions, consolidated the foundation for inter-bank cooperation, and continued to expand the scale of business transactions such as foreign exchange derivatives and precious metals. In the first half of the year, our total volume of foreign currency lending, foreign exchange transactions including repurchase, spot, forward and swap, as well as precious metal transactions amounted to RMB1.35 trillion, representing a year-on-year increase of 124%.

Treasury Business Conducted on Behalf of Customers

For the six months ended 30 June 2021, our Bank's wealth management business continued to grow steadily. Under new regulations of asset management, the Bank accelerated the transformation towards the net worth type. Following the guidelines of its strategic planning, the Bank reasonably decreased the scale of old products, innovated new products, and optimised asset allocation.

Firstly, we accelerated the product transformation towards the net worth type. In the first half of 2021, our Bank strictly followed the new regulatory requirements on asset management business and contributed to the net worth type transformation of wealth management business. Our Bank successively launched products such as Hong Ding 15 Months (鴻鼎15個月) and regular-accessible fixed products such as Golden Life (金色人生), as well as hybrid products such as Guanchao (觀潮) Series. By the end of the first half of 2021, the size of our existing net worth wealth management products reached RMB90,530.6 million, representing an increase in its proportion to the overall figure to 94% from 89% at the beginning of the year.

Secondly, we optimised asset allocation. In the first half of 2021, our Bank continued to optimise its asset structure of wealth management business, strengthened the investment in standardised assets such as bonds and public funds, and reduced non-bidding asset investment step by step. At the same time, our Bank intensified its efforts in investment research, optimised major asset allocation, and enhanced its profitability by increasing transaction frequency based on the market changes.

As of 30 June 2021, the total outstanding amount of wealth management products issued by us was RMB96,291.7 million, representing a decrease of 3.7% as compared to the beginning of the year.

Management Discussion and Analysis

Investment Banking Business

In the first half of 2021, our Bank was steadfast in building its investment banking business under the strategy of “One Core and Two Wings (一體兩翼)”. Taking the bond underwriting business as the core, we continued to innovate and realised high-speed development. Persistent in innovation-driven development, we underwrote the first high-growth corporate bonds in the national inter-bank market and the first high-growth bonds in Tianjin City in the first half of the year. We created the country’s first high-growth corporate Credit Risk Mitigation Warrants, and underwrote the Bank’s first green financial bonds and other innovative products. We also actively reserved several innovative projects involving carbon neutral bonds and rural revitalisation notes, etc. to precisely serve the real economy.

The volume of our lead underwriting of bonds once again reached a new high, which has significantly advanced our market rankings. In the first half of 2021, the volume of our lead underwriting of bonds was RMB57.5 billion, representing a year-on-year increase of 692%, ranking us the 23rd in the banking industry of the country, a climb by 15 in ranks compared to the same period last year. We ranked second among national city commercial banks in terms of the lead underwriting volume of both financial bonds and credit asset securitisation, and we ranked third among national city commercial banks in terms of the lead underwriting volume of asset-based notes.

International Business

For the six months ended 30 June 2021, our Bank’s international settlement volume amounted to US\$3,499 million. In the first half of 2021, our Bank explored and developed an innovative mechanism in FT business in Shanghai, building up our “interim” offshore financial business service platform in Shanghai Free-Trade Zone. Targeting foreign and Free-Trade Zone clients that were PRC enterprises seeking to invest abroad, our Bank revitalised resources for all branches, leveraged the expansion and joint action of free-trade business, and established a marketing mechanism covering organisations, business lines and multiple dimensions, to realise the “commercial and investing joint action” between investment banks and the financial market, implementing the first “investment + underwriting + guarantee for standby letters of credit” external debt business in an amount of US\$100 million.

Changes in Share Capital and Information on Shareholders

I. CHANGES IN SHARE CAPITAL

Share capital

As of 30 June 2021, the total share capital of the Bank was 6,070,551,822 shares, and the total registered capital amounted to RMB6,070,551,822, without any changes in the Reporting Period.

Statement of Changes in Shares

	1 January 2021		Changes during the Reporting Period	30 June 2021	
	Number of Shares	Percentage of total share capital		Number of Shares	Percentage of total share capital
Domestic legal persons	3,978,132,102	65.53%	(198,040)	3,977,934,062	65.53%
Domestic natural persons	327,820,657	5.40%	198,040	328,018,697	5.40%
H Shares	1,764,599,063	29.07%	–	1,764,599,063	29.07%
Other foreign shares	–	–	–	–	–
Total	6,070,551,822	100.00%	–	6,070,551,822	100.00%

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 the beginning of the Reporting Period	Total number of shares held at the end of the Reporting Period	Shareholding percentage held at the 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	967,157,584	15.93
2	Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司) ⁽¹⁾	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	Harbin Economic Development and Investment Co., Ltd. (哈爾濱經濟開發投資有限公司)	166,657,161	166,657,161	2.75
5	Tianjin Hi-tech Holding Group Co., Ltd. (天津海泰控股集團有限公司) ⁽²⁾	149,056,239	149,056,239	2.46
6	Tianjin Jinrong Investment Service Group Co., Ltd. (天津津融投資服務集團有限公司) ⁽³⁾	117,378,125	117,378,125	1.93
7	Tianjin Ningfu Investment Co., Ltd. (天津市寧福投資有限公司)	114,278,299	114,278,299	1.88
8	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
9	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
10	Tianjin Food Group Co., Ltd (天津食品集團有限公司)	879,858	71,859,019	1.18
	Total	2,688,202,774	2,759,913,985	45.46

Notes:

- (1) Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司) pledged its 145,000,000 Shares to Tianjin Binhai Rural Commercial Bank Co., Ltd. (天津濱海農村商業銀行股份有限公司).
- (2) Tianjin Hi-tech Holding Group Co., Ltd. (天津海泰控股集團有限公司) pledged its 149,056,239 Shares to Tianjin Branch of Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司天津市分行).
- (3) Tianjin Jinrong Investment Service Group Co., Ltd. (天津津融投資服務集團有限公司) pledged its 50,000,000 Shares to Tianjin Binhai Rural Commercial Bank Co., Ltd. (天津濱海農村商業銀行股份有限公司).

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 2021, pursuant to the register entered by the Bank under Section 336 of the SFO, and to the best knowledge of the Bank, the following persons (other than the Bank's Directors, Supervisors and chief executives) had or were 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 our 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) ⁽¹⁾	Beneficial owner	Domestic Shares	967,157,584	15.93	22.46
Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. (天津保稅區投資控股集團有限公司) ⁽¹⁾	Interest of a controlled corporation	Domestic Shares	967,157,584	15.93	22.46
Australia and New Zealand Banking Group Limited (澳大利亞和新西蘭銀行集團有限公司) ⁽²⁾	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) ⁽³⁾	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) ⁽⁴⁾	Beneficial owner Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36
Jinhushen Biological Medical Science and Technology Co., Ltd. (津滬深生物醫藥科技有限公司) ⁽⁴⁾	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 our Bank	Approximate % of the relevant class of Shares of the Bank
CSSC International Holding Company Limited ⁽⁵⁾	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) ⁽⁵⁾	Interest of a controlled corporation	H Shares	303,193,000	4.99	17.18
Hong Kong Bohai Leasing Asset Management Corp., Limited (香港渤海租賃資產管理有限公司) ⁽⁶⁾	Beneficial owner	H Shares	106,993,500	1.76	6.06
Tianjin Bohai Leasing Co., Ltd. (天津渤海租賃有限公司) ⁽⁶⁾	Interest of a controlled corporation	H Shares	106,993,500	1.76	6.06
Bohai Leasing Co., Ltd. (渤海租賃股份有限公司) ⁽⁶⁾	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, was incorporated in the State of Victoria, Australia on 14 July 1977, and is listed on the Australian Securities Exchange (Stock Code: ANZ) and the New Zealand's Exchange (Stock Code: ANZ).
- (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.

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. Jinhushen Biological Medical Science and Technology Co., Ltd. (津滬深生物醫藥科技有限公司) is a controlling shareholder of Tianjin Pharmaceutical Holdings Ltd. By virtue of the SFO, Jinhushen Biological Medical Science and Technology Co., Ltd. is 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) Tianjin Bohai Leasing Co., Ltd. (天津渤海租賃有限公司) is wholly-owned by Bohai Leasing Co., Ltd. (渤海租賃股份有限公司) (Stock Code: 000415.SZ). Hong Kong Bohai Leasing Asset Management Corp., Limited (香港渤海租賃資產管理有限公司) is wholly-owned by Tianjin Bohai Leasing Co., Ltd. As such, Bohai Leasing Co., Ltd. and Tianjin Bohai Leasing Co., Ltd. are deemed to be interested in the 106,993,500 Shares held by Hong Kong Bohai Leasing Asset Management Corp., Limited.

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 Personnel and Employees

I. INCUMBENT DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT PERSONNEL

1. Directors

Name	Age	Position	Date of Appointment
Mr. SUN Liguó (孫利國)	57	Executive Director	11 May 2018
		Chairman	27 August 2020
Mr. WU Hongtao (吳洪濤)	49	Executive Director	15 January 2021
		President	23 November 2020
Ms. SUN Jingyu (孫靜宇)	53	Non-executive Director	8 June 2018
Ms. DONG Guangpei (董光沛)	40	Non-executive Director	30 June 2020
Mr. Alistair Marshall BULLOCH (布樂達)	63	Non-executive Director	11 May 2018
Mr. ZHAO Wei (趙煒)	51	Non-executive Director	11 May 2018
Mr. WANG Shunlong (王順龍)	44	Non-executive Director	30 June 2020
Ms. LI Jun (李峻)	48	Non-executive Director	8 June 2018
Mr. FENG Heping (封和平)	61	Independent Non-executive Director	11 May 2018
Mr. LAW Yee Kwan, Quinn (羅義坤)	68	Independent Non-executive Director	11 May 2018
Mr. JIN Qingjun (靳慶軍)	63	Independent Non-executive Director	11 May 2018
Mr. HUA Yaogang (華耀綱)	64	Independent Non-executive Director	8 June 2018
Mr. HE Jia (何佳)	66	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 office, according to the laws, administrative regulations, departmental rules and the Articles of Association.

Directors, Supervisors, Senior Management Personnel and Employees

2. Supervisors

Name	Age	Position	Date of Appointment
Ms. FENG Xia (馮俠)	49	Employee Representative Supervisor	15 March 2018
		Chairwoman of Board of Supervisors	15 June 2018
		Trade Union President	23 July 2019
Mr. YAO Tao (姚濤)	58	Employee Representative Supervisor	15 March 2018
Mr. YU Yang (于暘)	42	Shareholder Representative Supervisor	8 June 2018
Mr. ZHANG Lianming (張連明)	57	External Supervisor	11 May 2018
Mr. LIU Baorui (劉寶瑞)	64	External Supervisor	8 June 2018

Note:

- 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 office, according to the laws, administrative regulations and the Articles of Association.

3. Other Senior Management Personnel

Name	Age	Position	Date of First Appointment as Senior Management Personnel
Mr. JIANG Hua (蔣華)	47	Vice President	November 2020
Mr. LIU Gangling (劉剛領)	45	Vice President	March 2021
Mr. XIA Zhenwu (夏振武)	52	Assistant to President	January 2008
Ms. DONG Xiaodong (董曉東)	42	Board Secretary	March 2021

Directors, Supervisors, Senior Management Personnel and Employees

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

On 29 December 2020, due to the reason of age, Ms. ZHANG Furong tendered her resignation from the position of the executive Director of the Bank, members of the related party transactions control committee, the nomination and remuneration committee and the inclusive finance development and consumer rights protection committee under the Board, the secretary of the Board, a joint company secretary of the Bank and an authorised representative (appointed pursuant to Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited). 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 Ms. ZHANG in relation to the Director and members of each committee of the Board took effect on 15 January 2021. For details, please refer to the announcement of the Bank headed "(I) Resignation of Executive Director, Secretary of the Board and Joint Company Secretary; (II) Appointment of Secretary of the Board and Joint Company Secretary; (III) Change of Authorised Representative; and (IV) Proposed Changes of Members of Committees of the Board" dated 29 December 2020 and the announcement headed "Announcement on Approval of the Qualification of Directorship by the Regulatory Body" dated 15 January 2021.

The Shareholders of the Bank approved the appointment of Mr. WU Hongtao as an executive Director of our Bank at the 2020 First Extraordinary General Meeting held on 1 December 2020. The qualification of Mr. WU as an executive Director of the Bank was approved by CBIRC Tianjin Office on 15 January 2021. For details, please refer to the announcement of the Bank headed "Appointment of Executive Director; Appointment of President and Vice Presidents" dated 12 October 2020; the announcement headed "(I) Poll Results of the 2020 First Extraordinary General Meeting Held on Tuesday, December 1, 2020; (II) Appointment of Director" dated 1 December 2020 and the announcement headed "Announcement on Approval of the Qualification of Directorship by the Regulatory Body" dated 15 January 2021.

On 12 October 2020, the Bank convened a Board meeting, and elected Mr. LIU Gangling as the vice president of the Bank, and the qualification of Mr. LIU was approved by CBIRC Tianjin Office on 18 March 2021. For details, please refer to the announcement of the Bank headed "Appointment of Executive Director; Appointment of President and Vice Presidents" dated 12 October 2020.

Directors, Supervisors, Senior Management Personnel and Employees

On 29 December 2020, the Bank convened a Board meeting, and elected Ms. DONG Xiaodong as the secretary of the Board of the Bank, whose qualification was approved by CBIRC Tianjin Office on 18 March 2021. For details, please refer to the announcement of the Bank headed "(I) Resignation of Executive Director, Secretary of the Board and Joint Company Secretary; (II) Appointment of Secretary of the Board and Joint Company Secretary; (III) Change of Authorised Representative; and (IV) Proposed Changes of Members of Committees of the Board" dated 29 December 2020 and the announcement headed "Announcement on Approval of the Qualification of Secretary of the Board by the Regulatory Body" dated 18 March 2021.

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 personnel occurred from the end of the Reporting Period to the date of this report.

On 10 September 2021, Mr. TANG Yiping tendered his resignation from the position of the Executive Vice President of the Bank due to work adjustment. Mr. TANG's resignation took effect on 10 September 2021.

III. COMPANY SECRETARIES

Ms. DONG Xiaodong has been acting as our secretary to the Board since March 2021. Ms. ZHANG Furong resigned as a joint company secretary of the Bank in December 2020. Ms. DONG Xiaodong and Dr. NGAI Wai Fung have been acting as our company secretaries since January 2021 and September 2015, respectively. Dr. NGAI Wai Fung is a director and chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. Ms. DONG Xiaodong is the primary contact person for Dr. NGAI at the Bank.

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.

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

Directors, Supervisors, Senior Management Personnel and Employees

V. INTERESTS AND SHORT POSITIONS OF DIRECTORS, CHIEF EXECUTIVES AND SUPERVISORS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE BANK

As of 30 June 2021, the interests and short positions of the Directors, Supervisors and the chief executives 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:

Supervisors

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

Save as disclosed above, none of the Directors, the chief executives 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 2021.

Directors, Supervisors, Senior Management Personnel and Employees

VI. EMPLOYEES' REMUNERATION POLICIES AND TRAINING PLANS FOR EMPLOYEES

(I) Overview of the employees

As of 30 June 2021, we had 6,547 regular employees in total, of which 1,170 employees at our head office and 5,260 employees at our branches and sub-branches, 75 employees at our consolidated county banks and 42 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 2021, we had 5,748 or 87.80% employees who had bachelor's degrees or above, and our staff's average age was 39.

(II) Remuneration of the employees

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. We contribute to our employees' social insurance and other employee benefits, 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.

In accordance with Regulatory Guidelines for the Stability of Remuneration in Commercial Banks of CBIRC, our Bank has formulated the Remuneration Management Policy of Bank of Tianjin Co., Ltd. and Remuneration Management Measures of Bank of Tianjin to regulate our overall management of remuneration. Our Bank has successfully established a broadband salary management system with diversified composition, standardised 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.

(III) Balance of employees' remuneration and results, standard of risk adjustment

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.

(IV) Training plans of the employees

The Bank formulates key points and training plans for staff education and training on a yearly basis and conducts hierarchically key talents cultivation programs including new employees, youth backbones, business professionals and management echelon. The head office organises exemplary training to key business personnel from branches and sub-branches on front-line business operations, promotion of new products and services, customer marketing management, case prevention of internal control and compliance by professions and levels, guiding branches and sub-branches to carry out secondary training in accordance with the actual situation. The Bank has launched the system of job-related post certificates for the staff throughout the Bank. The Bank has also regularly organised various types of vocational qualifications and selection competitive examinations, promoted employee vocational qualification management and encouraged employees to attend external professional qualification courses. As of the date of this interim report, more than 15,042 people passed the examinations and obtained various types 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. Our Bank clearly defines the responsibilities of the Shareholders' general meeting, the Board of Directors, the Board of Supervisors and senior management. The Shareholders' general meeting is the supreme 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 to 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 to 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 meeting expectations from our Shareholders and potential investors.

Shareholders' General Meetings

During the Reporting Period, the Bank held two Shareholders' general meetings, details of which are set out below:

At the 2021 first extraordinary general meeting of the Bank held on 24 February 2021, the proposal in relation to the disposal of part of the existing financial assets of Bank of Tianjin Co., Ltd. was considered and approved.

Important Events

At the 2020 annual general meeting of the Bank held on 18 May 2021, seven proposals were considered and approved, including the Work Report of the Board of Directors for 2020, Work Report of the Board of Supervisors for 2020, the Report for Final Financial Accounts for 2020, the Profit Distribution Plan for 2020, the Report for Financial Budget for 2021, the Capital Replenishment Plan (2021-2025) of the Bank and the Tier-2 Capital Bonds Issuance Plan of the Bank. The Shareholders also listened to the Appraisal Report on the Performance of Duties by the Board, the Directors, Board of Supervisors, Supervisors, senior management and its members for 2020, the Work Report of Independent Non-executive Directors for 2020 and the Report of Related Party Transactions and Management of Related Party Transactions of the Bank for 2020.

The notices and convening and voting procedures of the 2021 first extraordinary general meeting and the 2020 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 4 meetings, at which 37 resolutions were considered and approved. Special committees under the Board of Directors held 15 meetings, including 4 meetings of the strategic development committee, 3 meetings of the audit committee, 2 meetings of the related party transactions control committee, 3 meetings of the risk management committee, 1 meeting of the nomination and remuneration committee and 2 meetings of the inclusive finance development and consumer rights protection committee, at which 52 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 35 resolutions were considered and approved. Special committees under the Board of Supervisors held 5 meetings, including 3 meetings of the supervision committee and 2 meetings of the nomination committee, at which 45 resolutions were considered and approved.

Important Events

II. USE OF PROCEEDS

The proceeds from the 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.

III. PROFITS AND DIVIDENDS

The Bank's revenue for the six months ended 30 June 2021 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 2020 of the Bank was considered and approved by the Shareholders of the Bank at the 2020 annual general meeting of the Bank held on 18 May 2021. The Bank has not distributed any final dividend for the year of 2020.

The Bank will not distribute any interim dividend for the first six months of 2021 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 is a connected person of the Bank under the 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 note 39 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 constitute 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

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 litigation against our Tianbao Sub-branch in relation to customers' deposits that occurred in January 2014. The final rulings ruled that, as 9 companies, including Tianjin Sangzidi Enterprise Co., Ltd. (renamed Wuzhou Glory (Tianjin) Group Co. Ltd. afterwards) and 5 individuals, including Qi Fengcheng (changed to Wang Weiqiang afterwards) and Zhang Li 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 Bank of Tianjin initiated by all the abovementioned companies and individuals and referred the case materials to the public security authorities.

Since May 2019, 9 companies, including Wuzhou Glory (Tianjin) Group Co. Ltd. and 4 individuals, including Wang Weiqiang and Zhang Li successively submitted an application for civil retrial to Tianjin High People's Court and the Supreme People's Court. Tianjin High People's Court and the Supreme People's Court issued civil rulings rejecting the retrial submissions to 5 companies and 1 individual, and approving the withdrawal of retrial submissions of 4 companies and 3 individuals.

The final rulings have taken effect, and there has been no change to the basis of the rulings. Under such circumstances, the Bank received a notice of response to action in April 2020, because 5 companies, including Wuzhou Glory (Tianjin) Group Co. Ltd. and 4 individuals, including Wang Weiqiang and Zhang Li have, based on the aforementioned cases and reasons as proposed before, filed lawsuits against us again in relation to savings deposit contract dispute to the Secondary Intermediate People's Court of Tianjin, which is currently under trial.

Litigation against Zhejiang Chouzhou Commercial Bank Raised by Our Shanghai Branch in Relation to the Bills Held under a Resale Agreement

In April 2016, our Shanghai Branch filed a lawsuit against Zhejiang Chouzhou Commercial Bank with Shanghai High People's Court. The litigation involves the bank acceptances held under a resale agreement entered into between our Bank and Zhejiang Chouzhou Commercial Bank. On 13 January 2016, the Bank transferred an amount of RMB986 million to Zhejiang Chouzhou Commercial Bank. Upon maturity on 6 April 2016, our Bank failed to receive the payment of RMB786 million.

In May 2018, Shanghai High People's Court issued a civil ruling on the suspension of the case. Due to changes in relevant circumstances, we filed a civil lawsuit with the Shanghai Financial Court after withdrawing the case from the Shanghai High People's Court in October 2020, which is currently under trial.

Important Events

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

During the Reporting Period, none of the Bank, the Directors, the Supervisors or the senior management personnel of the Bank were 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. SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF ASSETS AND BUSINESS MERGER

There was no significant investment of the Bank during the Reporting Period. During the Reporting Period, the Bank was not engaged in any material acquisition or disposal of assets or business merger.

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

Deloitte Touche Tohmatsu Certified Public Accountants LLP, the former auditor of the Bank, has been providing annual audit services for the Bank since 2013 and such services have reached 8 years upon the conclusion of audit for 2020, and Deloitte Touche Tohmatsu has been providing international audit services for the Bank since 2015. In accordance with the requirements of the Measures for State-owned Financial Enterprises to Select and Appoint Accounting Firms (Cai Jin [2020] No. 6) promulgated by the Ministry of Finance, the Bank has reached the service term limit to change auditors, and it is required to appoint new auditors to conduct the review and audit tasks for 2021.

The appointment of PricewaterhouseCoopers Zhong Tian LLP as the domestic auditor of the Bank for 2021 and the appointment of PricewaterhouseCoopers as the international auditor of the Bank for 2021 and their remuneration were considered and approved by the Shareholders at the 2020 first extraordinary general meeting of the Bank held on 1 December 2020, with a term expiring upon the conclusion of the 2021 annual general meeting of the Bank.

Important Events

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 2021 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 PricewaterhouseCoopers 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 Interim Financial Information

To the Board of Directors of Bank of Tianjin Co., Ltd.

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

INTRODUCTION

We have reviewed the interim financial information set out on pages 82 to 131, which comprises the condensed consolidated statement of financial position of Bank of Tianjin Co., Ltd. ("the Bank") and its subsidiaries (together, the "Group") as at 30 June 2021 and the condensed consolidated statements of comprehensive income, the condensed consolidated statements of changes in equity and the condensed consolidated statements of cash flows for the six-month period then ended, and a summary of significant accounting policies and other 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". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information 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". A review of interim financial information 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 interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

27 August 2021

Condensed Consolidated Statement of Comprehensive Income

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

	Note	For the six months ended 30 June	
		2021 (Unaudited)	2020 (Unaudited)
Interest income	5	15,016,942	15,595,557
Interest expenses	5	(8,643,042)	(9,193,092)
Net interest income		6,373,900	6,402,465
Investment income	6	1,177,738	857,315
Fee and commission income	7	1,130,808	1,386,214
Fee and commission expenses		(72,369)	(38,635)
Net fee and commission income		1,058,439	1,347,579
Net trading (losses)/gains	8	272,528	(29,021)
Net gains arising from derecognition of financial assets measured at amortised cost		44,479	69,353
Other income, gains or losses	9	52,674	43,713
Operating income		8,979,758	8,691,404
Operating expenses	10	(1,987,414)	(1,813,842)
Impairment losses under expected credit loss model, net of reversals	11	(3,795,735)	(3,744,702)
Share of results of associates		8,717	10,213
Profit before tax		3,205,326	3,143,073
Income tax expenses	12	(497,858)	(470,689)
Profit for the period		2,707,468	2,672,384
Net profit attributable to:			
Shareholders of the Bank		2,696,658	2,653,604
Non-controlling interests		10,810	18,780

Condensed Consolidated Statement of Comprehensive Income

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

	Note	For the six months ended 30 June	
		2021 (Unaudited)	2020 (Unaudited)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on:			
– Financial assets at fair value through other comprehensive income		238,865	188,006
Amount reclassified to profit or loss upon disposal of:			
– Financial assets at fair value through other comprehensive income		(128,224)	(306,510)
Impairment loss for financial assets measured at fair value through other comprehensive income included in profit or loss		8,633	14,786
Income tax relating to items that may be reclassified to profit or loss		(19,316)	25,929
Other comprehensive income for the period, net of tax		99,958	(77,789)
Total comprehensive income for the period		2,807,426	2,594,595
Profit for the period attributable to:			
Shareholders of the Bank		2,796,616	2,575,815
Non-controlling interests		10,810	18,780
		2,807,426	2,594,595
Earnings per share (expressed in RMB Yuan per share):			
– Basic and diluted	13	0.44	0.44

The accompanying notes are an integral part of these interim consolidated financial statements.

Condensed Consolidated Statement of Financial Position

AS AT 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

	Note	30 June 2021 (Unaudited)	31 December 2020 (Audited)
ASSETS			
Cash and balances with the central bank	15	45,357,025	47,831,475
Deposits with banks and other financial institutions	16	6,741,092	7,831,165
Placements with banks and other financial institutions	17	13,181,304	10,693,212
Derivative financial assets		19,444	9,744
Financial assets held under resale agreements	18	600,197	600,197
Financial assets at fair value through profit or loss	19	76,476,050	65,486,367
Debt instruments at fair value through other comprehensive income	20	55,851,146	57,923,347
Loans and advances to customers	21	306,320,043	295,752,349
Debt instruments at amortised cost	22	185,068,458	187,348,850
Equity instruments at fair value through other comprehensive income	23	1,564,660	1,564,660
Deferred tax assets	24	4,573,630	4,808,896
Other assets	25	3,816,874	4,063,300
Property and equipment	26	2,538,696	2,569,826
Right-of-use assets	26	977,214	1,044,283
Interests in associates	27	241,244	232,528
TOTAL ASSETS		703,327,077	687,760,199
LIABILITIES			
Borrowings from the central bank	29	22,862,684	25,318,850
Deposits from banks and other financial institutions	30	45,393,370	47,491,951
Placements from banks and other financial institutions	31	18,287,790	25,809,846
Financial liabilities held for trading	32	894,073	472,762
Derivative financial liabilities		233,232	675,034
Financial assets sold under repurchase agreements	33	58,689,833	60,492,664
Income tax payable		172,680	437,562
Other liabilities	34	7,680,940	7,367,280
Lease liabilities		1,021,121	1,052,790
Customer deposits	35	391,674,429	355,981,854
Debt securities issued	36	99,661,509	108,711,616
TOTAL LIABILITIES		646,571,661	633,812,209

Condensed Consolidated Statement of Financial Position

AS AT 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

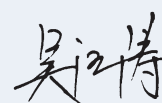
	Note	30 June 2021 (Unaudited)	31 December 2020 (Audited)
EQUITY			
Share capital		6,070,552	6,070,552
Capital reserve		10,731,130	10,731,130
Investment revaluation reserve		(290,918)	(390,876)
Surplus reserve		3,352,480	3,352,480
General reserve		9,213,596	9,213,596
Retained earnings		26,850,000	24,153,342
Equity attributable to shareholders of the Bank		55,926,840	53,130,224
Non-controlling interests		828,576	817,766
TOTAL EQUITY		56,755,416	53,947,990
TOTAL EQUITY AND LIABILITIES		703,327,077	687,760,199

The accompanying notes are an integral part of these interim consolidated financial statements.

The condensed consolidated financial statements on pages 82 to 131 were signed on its behalf of the Board of Directors on 27 August 2021 by:



EXECUTIVE DIRECTOR



EXECUTIVE DIRECTOR

Condensed Consolidated Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

	Note	Attributable to shareholders 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 2020 (Audited)		6,070,552	10,731,130	(390,876)	3,352,480	9,213,596	24,153,342	53,130,224	817,766	53,947,990
Profit for the period		-	-	-	-	-	2,696,658	2,696,658	10,810	2,707,468
Other comprehensive income for the period		-	-	99,958	-	-	-	99,958	-	99,958
Total comprehensive income for the period		-	-	99,958	-	-	2,696,658	2,796,616	10,810	2,807,426
As at 30 June 2021 (Unaudited)		6,070,552	10,731,130	(290,918)	3,352,480	9,213,596	26,850,000	55,926,840	828,576	56,755,416
As at 31 December 2019 (Audited)		6,070,552	10,731,130	88,631	3,352,480	9,198,347	20,953,705	50,394,845	781,938	51,176,783
Profit for the period		-	-	-	-	-	2,653,604	2,653,604	18,780	2,672,384
Other comprehensive income for the period		-	-	(77,789)	-	-	-	(77,789)	-	(77,789)
Total comprehensive income for the period		-	-	(77,789)	-	-	2,653,604	2,575,815	18,780	2,594,595
Dividend distribution	14	-	-	-	-	-	(1,092,699)	(1,092,699)	-	(1,092,699)
As at 30 June 2020 (Unaudited)		6,070,552	10,731,130	10,842	3,352,480	9,198,347	22,514,610	51,877,961	800,718	52,678,679

The accompanying notes are an integral part of these interim consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

	For the	
	six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit before tax	3,205,326	3,143,073
Adjustments for:		
Depreciation and amortisation	389,634	323,256
Impairment losses under expected credit loss model, net of reversals	3,795,735	3,744,702
Share of results of associates	(8,717)	(10,213)
Interest income arising from debt instruments at fair value through profit or loss and at amortised costs	(4,708,506)	(5,124,718)
Interest expenses arising from debt securities issued	1,898,976	2,025,754
Interest expenses arising from lease liabilities	23,541	26,113
Investment income	(1,177,738)	(857,315)
Net trading (losses)/gains	(272,528)	29,021
Net gains arising from derecognition of financial assets measured at amortised cost	(44,479)	(69,353)
Dividend income	(66,016)	–
Other income, gains or losses	(78,842)	(63,357)
Operating cash flows before movements in working capital	2,956,386	3,166,963
(Increase)/Decrease in cash and balances with the central bank and deposits with banks and other financial institutions	(4,048,963)	3,884,585
Increase in placements with banks and other financial institutions	(2,609,071)	(1,559,404)
(Increase)/Decrease in financial assets held for trading and derivative financial assets	(11,580,765)	109,003
Increase in loans and advances to customers	(14,546,889)	(13,059,978)
(Decrease)/Increase in borrowings from the central bank	(2,161,537)	8,090,930
Decrease in deposits from banks and other financial institutions	(2,192,937)	(10,036,811)
(Decrease)/Increase in placements from banks and other financial institutions	(7,497,880)	1,124,215
Increase/(Decrease) in financial liabilities held for trading and derivative financial liabilities	406,776	(319,910)
(Decrease)/Increase in financial assets sold under repurchase agreements	(1,771,939)	12,182,625
Increase in customer deposits	35,678,882	16,959,317
Increase/(Decrease) in other operating assets	472,933	(1,097,866)
Increase/(Decrease) in other operating liabilities	379,526	(324,866)
Cash generated by operating activities	(6,515,478)	19,118,803
Income tax paid	(548,948)	(1,313,395)
Net cash generated by operating activities	(7,064,426)	17,805,408

Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

	Note	For the	
		2021	2020
		(Unaudited)	(Unaudited)
INVESTING ACTIVITIES			
Cash received from disposal and redemption of investment securities		75,673,462	104,643,211
Cash received from disposal of property and equipment and other assets		2,444	2,793
Cash paid for purchase of investment securities		(71,216,666)	(132,205,801)
Cash paid for purchase of property and equipment and other assets		(294,952)	(182,095)
Interest and investment income from investment securities		6,198,475	5,913,834
Net cash (used in)/generated by investing activities		10,362,763	(21,828,058)
FINANCING ACTIVITIES			
Cash received from debt securities issued		86,996,141	68,207,055
Repayment of debt securities issued		(95,490,000)	(79,680,000)
Repayment of lease liabilities		(134,473)	(158,718)
Interest paid on financing activities		(2,455,225)	(2,187,142)
Dividends paid		(28,801)	(919,063)
Net cash used in financing activities		(11,112,358)	(14,737,868)
Net decrease in cash and cash equivalents		(7,814,021)	(18,760,518)
Cash and cash equivalents at the beginning of the period		24,603,939	40,210,874
Effect of foreign exchange rate changes		(9,256)	20,877
Cash and cash equivalents at the end of the period	37	16,780,662	21,471,233
Net cash generated by operating activities include:			
Interests received		12,637,547	11,653,939
Interest paid		(7,032,653)	(6,668,651)
Net interest received from operating activities		5,604,894	4,985,288

The accompanying notes are an integral part of these interim consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

1 GENERAL INFORMATION

Bank of Tianjin Co., Ltd. ("the Bank") is formerly known as Tianjin City Cooperative Bank Co., Ltd., a stock limited 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. 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 ("CBIRC") Tianjin Bureau (No.B0108H212000001) and is registered as a business enterprise with the approval of Tianjin Market and Quality Supervision Administration (unified social credit record No.911200001030702984). The Bank was listed on the Stock Exchange of Hong Kong Limited on 30 March 2016.

As at 30 June 2021, the Bank had a total of 14 tier-one branches, 9 of which are located in Tianjin Municipality and 5 are located outside of Tianjin Municipality.

The approved business scope of the Bank and its subsidiaries (collectively referred to as "the Group") includes taking customer deposits; granting of short-term, middle-term and long-term loans; domestic settlement; acceptance and discount of bills; bank card 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 placements; 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 in foreign currencies; foreign currency remittance; currency exchange; international settlement; foreign currency sale and settlement; inter-bank foreign currency placements; foreign currency guarantee; foreign currency borrowings; foreign currency bill acceptance and discount; 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 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 (business operations subject to approval are carried out upon approval by relevant departments); and other business activities approved by the CBIRC (business operations subject to approval are carried out upon approval by relevant departments).

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

2 BASIS OF PRESENTATION

The condensed consolidated financial statements are prepared in accordance with the International Accounting Standard 34 ("IAS 34") Interim Financial Reporting issued by the International Accounting Standards Board ("IASB") as well as the applicable disclosure requirements of Appendix 16 to 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 2020.

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

In order to comply with the presentation of the financial statements, the Group adjusted certain items for comparative period.

3 PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("IFRS"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2020.

(1) Application of amendments to international financial reporting standards ("IFRSs")

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Amendments – Interest Rate Benchmark Reform – Phase 2

The IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Phase 2 amendments provide a practical expedient to account for these changes in the basis for determining contractual cash flows as a result of interest rate benchmark reform. Under the practical expedient, entities will account for these changes by updating the effective interest rate using the guidance in paragraph B5.4.5 of IFRS 9 without the recognition of an immediate gain or loss. This practical expedient applies only to such a change and only to the extent that it is necessary as a direct consequence of interest rate benchmark reform, and the new basis is economically equivalent to the previous basis.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

(1) Application of amendments to international financial reporting standards (“IFRSs”) (Continued)

Amendment to IFRS 16 ‘Leases’ – COVID-19 related rent concessions Extension of the practical expedient.

As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. The amendment is effective for annual reporting periods beginning on or after 1 April 2021, with earlier application permitted. The Group has early adopted this amendment for the current interim period.

The adoption of the above standards and amendments does not have any significant impact on the operating results, financial position and comprehensive income of the Group for the six months ended 30 June 2021.

(2) The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

		Effective for annual periods beginning on or after
IFRS 3 Amendments	Reference to the Conceptual Framework	1 January 2022
IAS 16 Amendments	Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
IAS 37 Amendments	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to IFRSs 2018-2020 Cycle (issued in May 2020)		1 January 2022
IAS 1 Amendments	Classification of Liabilities as Current or Non-current	1 January 2023
IFRS 17 and Amendments	Insurance Contracts	1 January 2023
IAS 1 and IFRS Practice Statement 2 Amendments	Disclosure of Accounting Policies	1 January 2023
IAS 8 Amendments	Definition of Accounting Estimates	1 January 2023
IFRS 10 and IAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been deferred indefinitely

The adoption of the above standards and amendments is expected not to have no material impact on the Group’s consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

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 the financial information mainly based on operating segments for the purpose of resource allocation and performance assessment.

Measurement of segment assets and liabilities and segment income and results 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.

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 expenses arising from internal charges and transfer pricing adjustments are referred to as "inter-segment interest income/expenses". Interest income and expenses earned from or incurred with third parties are referred to as "external interest income/expenses".

The Group has no major customers which contribute to 10% or more of the Group's revenue. No geographical information is presented as most of the Group's operations are conducted and most of its assets are located and therefore revenue is derived from activities in Mainland China.

Segment revenue, 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 operation

The treasury operation includes currency market transactions, foreign exchange, precious metal and derivative transactions, and debt instrument investments for its own account 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 the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

4 SEGMENT ANALYSIS (Continued)

	Corporate banking	Personal banking	Treasury operation	Others	Total
For the six months ended 30 June 2021					
External interest income	4,515,352	4,919,150	5,582,440	-	15,016,942
External interest expense	(3,893,966)	(989,115)	(3,759,961)	-	(8,643,042)
Inter-segment interest income/(expense)	1,957,973	(817,503)	(1,140,470)	-	-
Net interest income	2,579,359	3,112,532	682,009	-	6,373,900
Investment income	-	-	1,177,738	-	1,177,738
Fee and commission income	315,020	403,164	412,624	-	1,130,808
Fee and commission expense	(36,170)	(30,211)	(5,988)	-	(72,369)
Net fee and commission income	278,850	372,953	406,636	-	1,058,439
Net trading gains	-	-	272,528	-	272,528
Net gains arising from derecognition of financial assets measured at amortised cost	-	-	44,479	-	44,479
Other income, gains or losses	-	-	23,786	28,888	52,674
Operating income	2,858,209	3,485,485	2,607,176	28,888	8,979,758
Operating expenses	(632,945)	(900,565)	(453,904)	-	(1,987,414)
Impairment losses under expected credit loss model, net of reversals	(1,733,075)	(1,578,021)	(484,639)	-	(3,795,735)
Share of results of associates	-	-	-	8,717	8,717
Profit before tax	492,189	1,006,899	1,668,633	37,605	3,205,326
Income tax expense					(497,858)
Profit for the period					2,707,468
Supporting information					
Depreciation and amortisation	(123,853)	(152,806)	(112,975)	-	(389,634)
Capital expenditure	(90,146)	(126,829)	(19,553)	(58,424)	(294,952)
As at 30 June 2021					
Segment assets	184,706,417	130,359,216	386,798,773	1,462,671	703,327,077
Segment liabilities	(289,104,641)	(110,438,230)	(246,804,929)	(223,861)	(646,571,661)
Supplementary information					
Credit commitments	61,121,795	14,029,960	-	-	75,151,755

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

4 SEGMENT ANALYSIS (Continued)

	Corporate banking	Personal banking	Treasury operation	Others	Total
For the six months ended 30 June 2020					
External interest income	4,759,808	4,926,889	5,908,860	–	15,595,557
External interest expense	(3,909,171)	(958,033)	(4,325,888)	–	(9,193,092)
Inter-segment interest income/(expense)	1,485,998	(1,255,507)	(230,491)	–	–
Net interest income	2,336,635	2,713,349	1,352,481	–	6,402,465
Investment income	–	–	857,315	–	857,315
Fee and commission income	612,251	440,317	333,646	–	1,386,214
Fee and commission expense	(8,872)	(18,508)	(11,255)	–	(38,635)
Net fee and commission income	603,379	421,809	322,391	–	1,347,579
Net trading gains	–	–	(29,021)	–	(29,021)
Net gains arising from derecognition of financial assets measured at amortised cost	–	–	69,353	–	69,353
Other income, gains or losses	–	–	12,667	31,046	43,713
Operating income	2,940,014	3,135,158	2,585,186	31,046	8,691,404
Operating expenses	(617,544)	(776,015)	(420,283)	–	(1,813,842)
Impairment losses under expected credit loss model, net of reversals	(1,355,356)	(2,151,111)	(238,235)	–	(3,744,702)
Share of results of associates	–	–	–	10,213	10,213
Profit before tax	967,114	208,032	1,926,668	41,259	3,143,073
Income tax expense					(470,689)
Profit for the period					2,672,384
Supporting information					
Depreciation and amortisation	(109,173)	(118,086)	(95,997)	–	(323,256)
Capital expenditure	(55,202)	(71,100)	(20,318)	(35,475)	(182,095)
As at 30 June 2020					
Segment assets	188,448,782	122,933,434	373,116,192	1,338,220	685,836,628
Segment liabilities	(279,422,649)	(76,022,589)	(276,819,983)	(892,728)	(633,157,949)
Supplementary information					
Credit commitments	62,801,240	8,547,780	–	–	71,349,020

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

5 NET INTEREST INCOME

	For the	
	six months ended 30 June	
	2021	2020
Interest income:		
Loans and advances to customers, including:		
Corporate loans and advances	4,308,407	4,587,747
Personal loans and advances	4,919,150	4,926,889
Discounted bills	326,228	188,307
Finance leases	148,137	156,249
Deposits with the central bank	282,243	282,676
Deposits with banks and other financial institutions	13,021	29,874
Placements with banks and other financial institutions	256,786	172,907
Financial assets held under resale agreements	54,464	126,190
Investments, including:		
Debt instruments at fair value through other comprehensive income	887,178	802,912
Debt instruments at amortised cost	3,821,328	4,321,806
Sub-total	15,016,942	15,595,557
Interest expenses:		
Borrowings from the central bank	(252,058)	(672,445)
Deposits from banks and other financial institutions	(636,533)	(644,637)
Placements from banks and other financial institutions	(238,549)	(307,973)
Financial assets sold under repurchase agreements	(722,116)	(291,282)
Customer deposits	(4,871,269)	(5,224,888)
Debt securities issued	(1,898,976)	(2,025,754)
Lease liabilities	(23,541)	(26,113)
Sub-total	(8,643,042)	(9,193,092)
Net interest income	6,373,900	6,402,465

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

6 INVESTMENT INCOME

	For the six months ended 30 June	
	2021	2020
Investment income from financial assets and liabilities at fair value through profit or loss	1,177,738	857,315

Investment income includes income from bond investments, funds, trust plans, wealth management products and asset management plans measured at fair value through profit or loss.

7 FEE AND COMMISSION INCOME

	For the six months ended 30 June	
	2021	2020
Wealth management service fees	466,999	816,622
Agency commissions and underwriting service fees	439,899	303,944
Settlement and clearing fees	85,494	88,212
Consultancy fees	78,313	87,212
Acceptance and guarantee commitment fees	37,028	31,337
Bank card fees	21,514	57,631
Others	1,561	1,256
Total	1,130,808	1,386,214

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

8 NET TRADING (LOSSES)/GAINS

	For the	
	six months ended 30 June	
	2021	2020
Net gains/losses arising from trading of financial assets at fair value through profit or loss	451,299	(152,811)
Net gains on disposal of debt instruments at fair value through other comprehensive income	128,224	306,510
Net gains/losses arising from fair value changes of derivative financial instruments	(306,995)	(182,720)
Total	272,528	(29,021)

9 OTHER INCOME, GAINS OR LOSSES

	For the	
	six months ended 30 June	
	2021	2020
Dividend income	66,016	–
Rental income	23,797	18,337
Government grant	6,552	16,190
Exchange differences	(41,813)	(2,475)
Others	(1,878)	11,661
Total	52,674	43,713

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

10 OPERATING EXPENSES

	Note	For the	
		six months ended 30 June	
		2021	2020
Staff costs	(1)	1,172,160	1,114,205
Depreciation		180,795	112,481
Depreciation of right-of-use assets		146,331	152,535
Taxes and surcharges		105,489	100,939
Office expenses		97,493	82,471
Amortisation		62,508	58,240
Rental and property management expenses		50,353	31,378
Other general and administrative expenses		172,285	161,593
Total		1,987,414	1,813,842

(1) Staff costs

	For the	
	six months ended 30 June	
	2021	2020
Salaries, bonuses and allowances	849,573	893,813
Social security contributions	150,942	54,322
Housing funds	64,336	58,964
Staff welfare	26,657	22,903
Labour union funds and employee education funds	18,264	17,860
Annuity scheme	62,388	66,343
Total	1,172,160	1,114,205

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

11 IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSALS

	For the	
	six months ended 30 June	
	2021	2020
Deposits with banks and other financial institutions	(1,192)	5,743
Placements with banks and other financial institutions	(62,751)	1,670
Financial assets held under resale agreements	–	(39)
Debt instruments at fair value through other comprehensive income	1,553	42
Loans and advances to customers at amortised cost	3,268,870	3,526,798
Loans and advances to customers at fair value through other comprehensive income	7,079	14,744
Debt instruments at amortised cost	554,341	203,704
Credit commitments	29,967	(43,536)
Others	(2,132)	35,576
Total (Note 28)	3,795,735	3,744,702

12 INCOME TAX EXPENSES

	For the	
	six months ended 30 June	
	2021	2020
Income tax expenses comprise:		
Current income tax	284,066	266,560
Deferred tax	213,792	204,129
Total	497,858	470,689

Except for certain subsidiaries entitle to a preferential tax rate, the PRC enterprise income tax is calculated at 25% of the estimated taxable profits during the relevant period.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

12 INCOME TAX EXPENSES *(Continued)*

The reconciliation of income tax expenses in the current period and profit before tax presented in the consolidated income statement is as follows:

	For the	
	six months ended 30 June	
	2021	2020
Profit before tax	3,205,326	3,143,073
Tax calculated at the applicable statutory tax rate of 25%	801,332	785,768
Income tax at concessionary rate	(3,030)	(3,145)
Income tax adjustment for prior years	5,457	2,462
Tax effect of expenses not deductible for tax purpose	403	10,347
Tax effect of income not subject to tax (1)	(306,304)	(324,743)
Income tax expenses	497,858	470,689

- (1) The income not taxable for tax purpose mainly represents interest income from national bonds and fund dividends, which are tax free in accordance with the PRC tax regulations.

13 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is as follows:

	For the	
	six months ended 30 June	
	2021	2020
Earnings:		
Profit for the period attributable to Shareholders of the Bank for the purpose of basic earnings per share	2,696,658	2,653,604
Number of shares:		
Weighted average number of shares in issue for the purpose of basic earnings per share (in thousand)	6,070,552	6,070,552
Basic earnings per share (RMB Yuan)	0.44	0.44

No diluted earnings per share has been presented for the six months ended 30 June 2021 and 2020 as the Group had no potential dilutive ordinary shares in issue during the periods.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

14 DIVIDENDS

- (1) A final dividend of RMB0.18 per share (including tax) (totalling RMB1,093 million) for the year ended 31 December 2019 was proposed by the Board of Directors and approved by the 2019 shareholders' annual general meeting on 12 May 2020.
- (2) No dividend was proposed for 2020.

15 CASH AND BALANCES WITH THE CENTRAL BANK

	Note	30 June 2021	31 December 2020
Cash		874,476	693,221
Statutory reserve with central bank	(1)	34,622,219	31,467,867
Surplus reserve with central bank	(2)	9,859,394	15,669,609
Other deposits with central bank	(3)	936	778
Total		45,357,025	47,831,475

- (1) The Group's statutory reserve with central bank is deposited in the People's Bank of China, including statutory deposit reserves denominated in RMB and foreign currencies, which cannot be used for the Group's daily operation.
- (2) The surplus reserve with central bank in the People's Bank of China is mainly for settlement purpose.
- (3) Other deposits with central bank mainly represent fiscal deposits placed with the People's Bank of China, which are non-interest bearing.

16 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2021	31 December 2020
Banks and other financial institutions in Mainland China	5,994,973	7,013,681
Banks outside Mainland China	754,478	827,035
Sub-total	6,749,451	7,840,716
Provision for impairment of deposits with banks and other financial institutions	(8,359)	(9,551)
Total	6,741,092	7,831,165

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

17 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2021	31 December 2020
Banks in Mainland China	13,187,239	10,435,070
Other financial institutions in Mainland China	–	326,828
Sub-total	13,187,239	10,761,898
Provision for impairment loss	(5,935)	(68,686)
Total	13,181,304	10,693,212

18 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

Financial assets held under resale agreements by counterparties are as follows:

	30 June 2021	31 December 2020
Banks in Mainland China	993,500	993,500
Provision for impairment loss	(393,303)	(393,303)
Total	600,197	600,197

Financial assets held under resale agreements by type of collaterals are as follows:

	30 June 2021	31 December 2020
Bills	600,197	600,197

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2021	31 December 2020
Asset management plans and trust plans	38,410,123	35,494,243
Funds	19,901,768	22,051,825
Corporate bonds	9,045,177	2,519,505
Financial institution bonds	6,388,818	1,339,877
Other debt financing products	1,050,714	1,036,713
Asset-backed securities	718,395	1,037,625
Wealth management products	305,490	305,430
Unlisted equities	268,915	268,915
Listed equities	247,806	199,675
Government bonds	138,844	1,232,559
Total	76,476,050	65,486,367

20 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2021	31 December 2020
Government bonds	24,273,621	22,488,433
Financial institution bonds	29,693,705	29,656,289
Asset-backed securities	237,941	231,923
Corporate bonds	1,550,122	2,531,809
Other debt financing products	95,757	3,014,893
Total	55,851,146	57,923,347

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS

(1) The contract amounts of loans and advances to customer are analysed by type of loans as follows:

	30 June 2021	31 December 2020
Loans and advances to customers at amortised cost (a)	285,465,588	284,924,188
Provision for impairment loss	(11,572,680)	(12,070,056)
Sub-total	273,892,908	272,854,132
Loans and advances to customers at fair value through other comprehensive income	32,427,135	22,898,217
Total loans and advances to customers	306,320,043	295,752,349

(a) Loans and advances to customers at amortised cost

	30 June 2021	31 December 2020
Corporate loans and advances		
– Loans	146,320,670	145,451,500
– Discounted bills	1,714,382	1,369,045
– Finance lease receivables	5,849,773	3,121,296
Sub-total	153,884,825	149,941,841
Personal loans and advances		
– Personal loans for consumption	76,850,952	86,895,055
– Residential mortgage loans	28,368,235	25,506,173
– Personal loans for business purposes	24,077,499	20,339,431
– Credit cards	2,284,077	2,241,688
Sub-total	131,580,763	134,982,347
Gross loans and advances to customers	285,465,588	284,924,188
Provision for impairment loss	(11,572,680)	(12,070,056)
Including: 12-month ECL	(2,776,848)	(3,080,552)
Lifetime ECL	(8,795,832)	(8,989,504)
Net loans and advances to customers	273,892,908	272,854,132

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS (Continued)

(2) The contract amounts of loans and advances to customer are analysed by industry as follows:

	30 June 2021		31 December 2020	
	Amount	% of total	Amount	% of total
Corporate loans and advances				
Agriculture, forestry, animal husbandry and fishery	778,531	0.2	1,016,525	0.3
Mining	344,593	0.1	366,652	0.1
Manufacturing	23,700,778	7.5	23,252,987	7.6
Production and supply of electric power, heat, gas and water	2,720,329	0.9	2,603,003	0.8
Construction	20,331,376	6.4	17,593,485	5.7
Wholesale and retail trading	15,196,018	4.8	22,138,578	7.2
Transportation, storage and postal services	3,066,262	1.0	3,188,185	1.0
Accommodation and catering	684,946	0.2	744,343	0.2
Information transmission, software and information technology services	705,411	0.2	679,675	0.2
Finance	2,063,560	0.6	3,103,868	1.0
Real estate	34,808,124	10.9	35,926,498	11.8
Leasing and commercial services	29,401,962	9.2	23,428,427	7.6
Scientific research and technical services	426,277	0.1	456,427	0.1
Water conservancy, environment and public utilities management	15,440,328	4.9	11,727,517	3.8
Residential service, repair and other services	1,158,453	0.4	1,061,716	0.3
Education	56,620	0.1	48,710	0.0
Health and social work	461,173	0.1	354,342	0.1
Culture, sports, and entertainment	825,702	0.3	881,858	0.3
Discounted bills	34,141,517	10.7	24,267,262	7.9
Sub-total	186,311,960	58.6	172,840,058	56.0
Personal loans and advances	131,580,763	41.4	134,982,347	44.0
Gross loans and advances to customers	317,892,723	100.0	307,822,405	100.0

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

21 LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

(3) The contract amounts of loans and advances to customers are analysed by geographical sector as follows:

	As at 30 June 2021		As at 31 December 2020	
	Gross loans and advances to customers	%	Gross loans and advances to customers	%
Tianjin	135,714,706	42.7	125,850,166	40.9
Beijing	15,781,792	5.0	15,882,537	5.2
Shandong	36,592,219	11.5	35,500,260	11.5
Shanghai	77,322,912	24.3	80,667,878	26.2
Hebei	27,345,611	8.6	26,176,350	8.5
Sichuan	24,164,759	7.6	22,802,140	7.4
Ningxia	970,724	0.3	943,074	0.3
Total	317,892,723	100.00	307,822,405	100.00

(4) The contract amounts of loans and advances to customers are analysed by the maturity of the contract and means of collateral as follows:

	As at 30 June 2021			Total
	Within 1 year	1 to 5 years	Over 5 years	
Unsecured loans	138,666,768	9,175,567	748,679	148,591,014
Guaranteed loans	43,396,538	16,931,473	8,489,558	68,817,569
Secured loans	23,282,862	19,304,426	36,241,799	78,829,087
Pledged loans	7,640,765	7,845,441	6,168,847	21,655,053
Total	212,986,933	53,256,907	51,648,883	317,892,723

	As at 31 December 2020			Total
	Within 1 year	1 to 5 years	Over 5 years	
Unsecured loans	95,762,315	19,517,542	2,789,655	118,069,512
Guaranteed loans	47,891,045	36,440,313	12,370,303	96,701,661
Secured loans	8,230,673	26,914,057	35,456,077	70,600,807
Pledged loans	4,028,619	8,190,777	10,231,029	22,450,425
Total	155,912,652	91,062,689	60,847,064	307,822,405

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

22 DEBT INSTRUMENTS AT AMORTISED COST

	30 June 2021	31 December 2020
Government bonds	44,679,618	41,449,663
Financial institution bonds	40,604,955	48,429,266
Asset management plans and trust plans (1)	37,785,106	51,268,736
Corporate bonds	28,230,623	19,029,053
Asset-backed securities (1)	22,617,616	20,724,085
Other debt financing products	15,736,300	10,479,466
Sub-total	189,654,218	191,380,269
Provision for impairment loss	(4,585,760)	(4,031,419)
Including: 12-month ECL	(778,966)	(1,240,207)
Lifetime ECL	(3,806,794)	(2,791,212)
Total	185,068,458	187,348,850

- (1) The balance of ECL of asset management plans, trust plans and asset-backed securities is RMB3,271.6 million (31 December 2020: RMB3,831.8 million).

23 EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2021	31 December 2020
Unlisted equity	1,564,660	1,564,660

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

24 DEFERRED TAX

The main recognised deferred tax assets and liabilities and the changes therein are as follows:

	Provision for impairment loss	Accrued salaries, bonuses and allowances	Provision related to credit commitments and litigation	Changes in fair value of financial assets at fair value through other comprehensive income and credit impairment losses	Changes in fair value of financial assets at fair value through profit or loss	Others	Total
As at 1 January 2020	4,313,525	263,293	95,640	(5,200)	160,320	(29,932)	4,797,646
Credited/(Charged) to profit or loss	(498,521)	33,076	(10,364)	44,549	339,080	(56,406)	(148,586)
Credited to other comprehensive income	-	-	-	159,836	-	-	159,836
As at 31 December 2020	3,815,004	296,369	85,276	199,185	499,400	(86,338)	4,808,896
Credited/(Charged) to profit or loss (Note 12)	(29,628)	(25,799)	(3,517)	2,158	(163,908)	6,902	(213,792)
Credited to other comprehensive income	-	-	-	(21,474)	-	-	(21,474)
As at 30 June 2021	3,785,376	270,570	81,759	179,869	335,492	(79,436)	4,573,630

25 OTHER ASSETS

	30 June 2021	31 December 2020
Reposessed assets	1,693,121	1,590,983
Other receivables	1,552,492	1,658,085
Intangible assets	326,342	252,323
Prepaid expenses	244,919	256,219
Continuing involvement in transferred assets	-	305,690
Total	3,816,874	4,063,300

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

26 PROPERTY AND EQUIPMENT, RIGHT-OF-USE ASSETS

As at 30 June 2021, the Group paid RMB119 million for new construction in progress (30 June 2020: RMB82 million), and the carrying amounts of equipment obtained and right-of-use assets obtained were RMB104 million (30 June 2020: RMB69 million) and RMB80 million (30 June 2020: RMB155 million) respectively.

27 INTERESTS IN ASSOCIATES

	30 June 2021	31 December 2020
Investment cost of unlisted shares	223,000	223,000
Share of losses and other comprehensive income recognised under equity method	18,244	9,528
Total	241,244	232,528

28 ASSET IMPAIRMENT

	1 January 2021	Provision/ (Reversal) in the current period	Write-off in the current period	Recovery after write-off	Reversal of interests on non-performing loans	30 June 2021
Deposits with banks and other financial institutions	9,551	(1,192)	-	-	-	8,359
Placements with banks and other financial institutions	68,686	(62,751)	-	-	-	5,935
Financial assets held under resale agreement	393,303	-	-	-	-	393,303
The changes in the provision for debt instruments at fair value through other comprehensive income	239,899	1,553	-	-	-	241,452
Loans and advances to customers at amortised cost	12,070,056	3,268,870	(3,930,535)	243,156	(78,867)	11,572,680
The changes in the provision for loans and advances to customers at fair value through other comprehensive income	35,668	7,079	-	-	-	42,747
Debt instruments at amortised cost	4,031,419	554,341	-	-	-	4,585,760
Credit commitments	341,103	29,967	-	-	-	371,070
Others	123,823	(2,132)	-	-	-	121,691
Total	17,313,508	3,795,735	(3,930,535)	243,156	(78,867)	17,342,997

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

28 ASSET IMPAIRMENT (Continued)

	1 January 2020	Provision/ (Reversal) in the current period	Write-off in the current period	Recovery after write-off	Reversal of interests on non-performing loans	31 December 2020
Deposits with banks and other financial institutions	3,551	6,000	-	-	-	9,551
Placements with banks and other financial institutions	63,900	4,786	-	-	-	68,686
Financial assets held under resale agreement	393,312	(9)	-	-	-	393,303
The changes in the provision for debt instruments at fair value through other comprehensive income	83,583	356,316	(200,000)	-	-	239,899
Loans and advances to customers at amortised cost	12,716,442	7,297,429	(8,126,521)	297,484	(114,778)	12,070,056
The changes in the provision for loans and advances to customers at fair value through other comprehensive income	13,789	21,879	-	-	-	35,668
Debt instruments at amortised cost	3,433,785	597,634	-	-	-	4,031,419
Credit commitments	382,558	(41,455)	-	-	-	341,103
Others	135,610	(11,787)	-	-	-	123,823
Total	17,226,530	8,230,793	(8,326,521)	297,484	(114,778)	17,313,508

29 BORROWINGS FROM THE CENTRAL BANK

	30 June 2021	31 December 2020
Medium-term lending facilities	11,422,035	14,704,364
Credit support programs	4,834,995	1,867,580
Small enterprises support re-lending facilities	3,851,848	5,601,326
Rediscounting	2,753,806	3,145,580
Total	22,862,684	25,318,850

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

30 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2021	31 December 2020
Banks in Mainland China	20,623,204	25,270,453
Other financial institutions in Mainland China	24,770,166	22,221,498
Total	45,393,370	47,491,951

31 PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2021	31 December 2020
Banks in Mainland China	12,317,659	19,232,829
Non-bank financial institutions in Mainland China	500,139	500,356
Banks outside Mainland China	5,469,992	6,076,661
Total	18,287,790	25,809,846

32 FINANCIAL LIABILITIES HELD FOR TRADING

	30 June 2021	31 December 2020
Financial liabilities related to precious metals (1)	791,805	472,762
Financial liabilities related to bond lending	102,268	–
Total	894,073	472,762

- (1) Financial liabilities held for trading arose from short-selling of claims on precious metals borrowed from other banking institutions.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

33 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	30 June 2021	31 December 2020
Banks in Mainland China	58,390,535	60,492,664
Other financial institutions in Mainland China	299,298	–
Total	58,689,833	60,492,664

Analysed by type of collaterals:

	30 June 2021	31 December 2020
Bonds	32,130,036	40,818,554
Bills	26,559,797	19,674,110
Total	58,689,833	60,492,664

34 OTHER LIABILITIES

	Note	30 June 2021	31 December 2020
Other payables	(1)	3,443,637	3,612,424
Settlement payable		2,347,459	1,445,530
Salaries and benefits payable	(2)	1,173,995	1,282,421
Provision related to credit commitments	28	371,070	341,103
Other taxes payable		306,147	312,679
Dividends payable		38,632	67,433
Proceeds from financial assets transferred		–	305,690
Total		7,680,940	7,367,280

- (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 RMB2,785 million (31 December 2020: RMB2,905 million) as at 30 June 2021.
- (2) Salaries and benefits payable included the Group's obligations in respect of the early retirement benefits amounting to RMB59 million (31 December 2020: RMB67 million) as at 30 June 2021, estimated based on the projected unit credit actuarial cost method.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

35 CUSTOMER DEPOSITS

	30 June 2021	31 December 2020
Demand deposits		
Corporate customers	179,072,215	174,256,290
Personal customers	23,217,971	19,588,554
Time deposits		
Corporate customers	87,261,770	78,449,463
Personal customers	82,389,947	68,220,121
Pledged deposits (1)	19,694,906	15,423,984
Others	37,620	43,442
Total	391,674,429	355,981,854

(1) Pledged deposits analysed by product type:

	30 June 2021	31 December 2020
Bank acceptance notes	8,820,952	7,878,022
Letters of credit	3,425,956	1,892,276
Guarantees	392,218	359,885
Letters of guarantee	86,254	110,552
Others	6,969,526	5,183,249
Total	19,694,906	15,423,984

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

36 DEBT SECURITIES ISSUED

	Note	30 June 2021	31 December 2020
12 Tianjin Bank bonds 01	(1)	1,543,886	1,500,000
12 Tianjin Bank bonds 02	(2)	1,235,902	1,200,150
18 Tianjin Bank tier-two bonds	(3)	10,204,629	10,445,236
18 Tianjin Bank bonds 01	(4)	–	10,319,495
18 Tianjin Bank bonds 02	(5)	–	6,155,277
18 Tianjin Bank bonds 03	(6)	4,104,064	4,022,260
19 Tianjin Bank bonds	(7)	5,097,701	5,001,127
20 Tianjin Bank bonds 01	(8)	5,080,498	5,174,131
Tianjin Bank 1 – month negotiable certificates of deposit	(9)	2,267,105	2,875,240
Tianjin Bank 3 – month negotiable certificates of deposit	(10)	23,165,657	12,930,795
Tianjin Bank 6 – month negotiable certificates of deposit	(11)	11,294,913	14,385,295
Tianjin Bank 9 – month negotiable certificates of deposit	(12)	3,792,394	1,341,254
Tianjin Bank 1 – year negotiable certificates of deposit	(13)	31,874,760	33,361,356
Total		99,661,509	108,711,616

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

36 DEBT SECURITIES ISSUED *(Continued)*

- (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.
- (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.
- (3) The 10-year fixed-rate tier-two capital bonds were issued on 18 January 2018 by the Bank at a face value of RMB10 billion with a fixed coupon rate of 4.80% per annum, payable annually.
- (4) The 3-year fixed-rate financial bonds were issued on 24 April 2018 by the Bank at a face value of RMB10 billion with a fixed coupon rate of 4.70% per annum, payable annually, fully redeemed on 23 April 2021.
- (5) The 3-year fixed-rate financial bonds were issued on 15 June 2018 by the Bank at a face value of RMB6 billion with a fixed coupon rate of 4.90% per annum, payable annually, fully redeemed on 14 June 2021.
- (6) The 3-year fixed-rate financial bonds were issued on 6 November 2018 by the Bank at a face value of RMB4 billion with a fixed coupon rate of 4.08% per annum, payable annually.
- (7) The 3-year fixed-rate financial bonds were issued on 25 December 2019 by the Bank at a face value of RMB5 billion with a fixed coupon rate of 3.88% per annum, payable annually.
- (8) The 3-year fixed-rate financial bonds were issued on 20 January 2020 by the Bank at a face value of RMB5 billion with a fixed coupon rate of 3.73% per annum, payable annually.
- (9) The Bank issued a series of 1-month negotiable certificates of deposit ("CD") at a discount. As at 30 June 2021, the face value of outstanding CD amounted to RMB2.27 billion, with a reference interest rate of 2.35%-2.60% (31 December 2020: 2.70%-3.00%) per annum, payable at maturity.
- (10) The Bank issued a series of 3-month negotiable CD at a discount. As at 30 June 2021, the face value of outstanding CD amounted to RMB23.26 billion, with a reference interest rate of 2.50%-2.75% (31 December 2020: 2.75%-3.40%) per annum, payable at maturity.
- (11) The Bank issued a series of 6-month negotiable CD at a discount. As at 30 June 2021, the face value of outstanding CD amounted to RMB11.37 billion, with a reference interest rate of 2.68%-3.15% (31 December 2020: 2.40%-3.45%) per annum, payable at maturity.
- (12) The Bank issued a series of 9-month negotiable CD at a discount. As at 30 June 2021, the face value of outstanding CD amounted to RMB3.85 billion, with a reference interest rate of 2.90%-3.43% (31 December 2020: 1.80%-3.43%) per annum, payable at maturity.
- (13) The Bank issued a series of 1-year CD at a discount. As at 30 June 2021, the face value of outstanding CD amounted to RMB32.49 billion, with a reference interest rate of 2.50%-3.50% (31 December 2020: 1.80%-3.50%) per annum, payable at maturity.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

37 CASH AND CASH EQUIVALENTS

	30 June 2021	31 December 2020
Cash	874,476	693,221
Balances with the Central Bank	9,859,394	15,669,609
Deposits with banks and other financial institutions	5,845,276	7,840,085
Placements with banks and other financial institutions	201,516	401,110
Total	16,780,662	24,604,025

38 STRUCTURED ENTITIES

(1) Consolidated structured entities

As at 30 June 2021, there were no structured entities held by the Group being consolidated. As at 31 December 2020, certain structured entities, which were used for the purpose of securitisation of the financial assets held by the Group, were consolidated.

(2) Unconsolidated structured entities

(a) Interest held in structured entities sponsored by third-party institutions

The Group 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 Group does not consolidate these structured entities. Such structured entities include asset-backed securities, wealth management products issued by financial institutions, asset management plans, trust plans and funds.

The following table set out an analysis of the gross carrying amounts of interests held by the Group as at 30 June 2021 in the structured entities sponsored by third-party institutions.

	30 June 2021	31 December 2020
Asset management plans and trust plans(i)	76,195,229	86,762,979
Asset-backed securities	23,573,952	21,581,982
Funds(i)	19,901,768	22,051,825
Wealth management products(i)	305,490	305,430
Total	119,976,439	130,702,216

- (i) All of these unconsolidated structured entities are recorded in financial assets at fair value through profit or loss (Note 19) and debt investments at amortised costs (Note 22).

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

38 STRUCTURED ENTITIES (Continued)

(2) Unconsolidated structured entities (Continued)

(b) Unconsolidated structured entities sponsored by the Group in which the Group holds interests

The types of unconsolidated structured entities sponsored by the Group mainly include non-principal-guaranteed wealth management products with expected returns and net value-based products. The purpose of sponsoring these structured entities is to generate fees from managing assets on behalf of investors. Interests held by the Group includes fees charged by providing management services to these structured entities as disclosed in Note 7.

As at 30 June 2021, the amount of assets held by the unconsolidated structured entities sponsored by the Group amounted to RMB96,201 million (31 December 2020: RMB98,068 million).

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

39 RELATED PARTY TRANSACTIONS

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

	Shareholding ratio		Main business	Legal representative	Place of registration	Registered capital	
	30 June	31 December				30 June	31 December
	2021	2020				2021	2020
Tianjin Bonded Zone Investment Co., Ltd.	15.93%	15.92%	Investment and management	Dong Guangpei	Tianjin	8,800,000	8,800,000
Australia and New Zealand Banking Group Limited	11.95%	11.95%	Financial business	Not applicable	Australia Melbourne	Not applicable	Not applicable
Tianjin Bohai Chemical Industry Group Co., Ltd. (a)	8.07%	8.07%	Investment and management	Wang Junming	Tianjin	7,845,977	7,224,387
Tianjin Pharmaceutical Holdings Ltd. (b)	8.06%	8.06%	Wholesale and retail of various commodities and logistics	Guo Min	Tianjin	5,492,950	5,492,950

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

39 RELATED PARTY TRANSACTIONS *(Continued)*

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

- (a) Tianjin Bohai Chemical Industry Group Co., Ltd. directly holds 487,078,366 shares, owning 8.024% equity of the Bank; and through a number of controlled corporations, holds an aggregate of 2,778,686 shares, owning 0.046%. As such, Tianjin Bohai Chemical Industry Group Co., Ltd. is controlling a total of 489,857,052 shares of the Bank, representing 8.07% equity.
- (b) Tianjin Pharmaceutical Holdings Ltd. directly holds 487,078,366 shares, owning 8.024%; and through a number of controlled corporations, holds an aggregate of 2,028,817 shares, owning 0.033%. As such, Tianjin Pharmaceutical Holdings Ltd. is controlling a total of 489,107,183 shares of the Bank, representing 8.06% equity.

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 major transactions with major shareholders and entities under their control. The conditions and prices of these transactions are determined on the basis of market price and normal business procedure or contractual terms. They are examined and approved in accordance with the transaction type and content by corresponding decision-making authority.

	30 June 2021	31 December 2020
Assets		
Loans and advances to customers	4,199,348	4,278,518
Financial assets at fair value through profit or loss	1,606,664	–
Debt instruments at amortised value through profit or loss	543,303	430,923
Deposits with banks and other financial institutions	16,273	15,632
Debt instruments at fair value through other comprehensive income	–	146,050
Total	6,365,588	4,871,123
Liabilities		
Customer deposits	3,060,671	1,803,881
Total	3,060,671	1,803,881

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

39 RELATED PARTY TRANSACTIONS (Continued)

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

Balances and transactions between the Group and these major shareholders and entities under their control (Continued)

	For the	
	six months ended 30 June	
	2021	2020
Transactions during the period:		
Interest income	155,474	135,318
Interest expenses	26,864	10,198
Net profit or loss on transactions	380	–
Interest rate range during the period:		
Loans and advances to customers	4.45%~9.50%	4.55%~9.50%
Debt instruments at amortised cost	5.50%~6.75%	6.00%~6.25%
Debt instruments at fair value through other comprehensive income	–	5.60%
Customer deposits	0.005%~4.18%	0.01%~4.18%

Significant related party transactions with major shareholders and their related party entities.

Major related party transactions refer to transactions in which the amount of a single transaction between the Group and the same related party accounts for more than 1% of the Bank's net capital, or the transaction balance accounts for more than 5% of the Bank's net capital. On 30 June 2021, the Bank transferred the loan to Tianjin state owned capital investment and Operation Co., Ltd. in accordance with general commercial terms, with a single amount of RMB8.01 billion.

Name of enterprise	Main business	Legal representative	Place of registration	June 30,	December 31,	Relationship with the Bank
				2021	2020	
				Registered capital	Registered capital	
Tianjin State-Owned Capital	Investment and management	Zhou Hongbin	Tianjin	10,131,370	10,131,370	Related parties of major shareholders of the Bank

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

39 RELATED PARTY TRANSACTIONS *(Continued)*

(3) Subsidiaries controlled by the Bank

There are several related party transactions between the Bank and its subsidiaries. All transactions are priced on the basis of market price, conducted according to normal business procedures, or handled according to the contracting terms of the Bank, and approved by the corresponding decision-making body according to the transaction type and transaction content.

For the six months ended 30 June 2021 and 2020, the transactions between the Bank and its subsidiaries included interbank deposits, lending and other businesses.

As at 30 June 2021 and 31 December 2020, the principal balance of the capital lent from the Bank to its subsidiaries is RMB3.1 billion and RMB2.7 billion respectively; the principal balance of funds deposited by the subsidiaries with the Bank is RMB2.2 billion and RMB3.3 billion respectively.

For the six months ended 30 June 2021 and 2020, interest income of the Bank and its subsidiaries is RMB63 million and RMB3 million respectively, and the interest expenses of the Bank and its subsidiaries is RMB12 million and RMB11 million respectively.

For the six months ended 30 June 2021 and 2020, the amount of other transactions between the Bank and its subsidiaries is not significant.

(4) 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 for the year ended 30 June 2021 other than the emoluments paid to them.

	For the six months ended 30 June	
	2021	2020
Fees	719	719
Basic salaries, bonuses and allowances	2,889	1439
Contribution to pension schemes	763	520
Total	4,371	2678

(5) Annuity schemes

Contribution to pension schemes is disclosed in Note 10 to the condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

40 CONTINGENT LIABILITIES AND COMMITMENTS

(1) Legal proceedings

The Group, as defendants, are involved in certain lawsuits arising from its normal business operations. As at 30 June 2021, the Group has assessed and measured the impact of those pending lawsuits, and no provision related to these lawsuits has been recognised.

(2) Capital commitments

	30 June 2021	31 December 2020
Contracted but not provided for – commitments for the acquisition of property and equipment	441,120	567,852

(3) Credit commitments

	30 June 2021	31 December 2020
Letters of credit issued	11,453,043	7,921,364
Letters of guarantee	1,383,270	944,585
Undrawn corporate loans facilities	19,748,529	20,591,170
Undrawn credit card facilities	14,029,960	13,950,734
Bank acceptance notes	28,536,953	24,312,183
Total	75,151,755	67,720,036

Credit commitments represent general facilities 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.

(4) Redemption commitments of government bonds

The Group 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 Group has the obligation to pay the principal and related interests to investors.

As at 30 June 2021, the principal balance of certificate government bonds which the Group had an obligation to pay in advance amounted to RMB2,280 million (31 December 2020: RMB2,371 million) and the principal balance of e-saving bonds amounted to RMB2,551 million (31 December 2020: RMB2,439 million). The original terms of these bonds are from 1 to 5 years.

The Ministry of Finance does not pay the principal and interest of the certificate government bonds before the maturity date, but pays the principal and interest of the e-savings bonds on a regular basis upon request by the Bank.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

41 FIDUCIARY ACTIVITIES

The Group commonly acts as asset manager or in other fiduciary capacities, that results in it holds or manages 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 2021, the entrusted loans balance of the Group amounted to RMB12,911 million (31 December 2020: RMB15,761 million).

42 TRANSFER OF FINANCIAL ASSETS

(1) Repurchase agreement

The Group entered into repurchase agreements with certain counterparties to sell bonds or bills of carrying amount of RMB61,006 million as at 30 June 2021 (31 December 2020: RMB63,146 million) which are subject to the simultaneous agreements with commitments to repurchase at specified future dates and prices. As at 30 June 2021, the proceeds from selling such bonds or bills totalling RMB58,690 million (31 December 2020: RMB60,493 million) presented as "financial assets sold under repurchase agreements" (Note 33).

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 bonds 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 and therefore have not derecognised such bonds and bills 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.

(2) Asset securitisation

The Group enters into securitisation transactions in the normal course of business by which it transfers credit assets to special purpose vehicles which in turn issue structured products to investors.

During the period, the Group did not transfer any loans to any special purpose vehicles. In 2019, the Group transferred loans amounting to RMB3,000 million to these special purpose vehicles. A balance of RMB2,360 million was derecognised accordingly. However, a balance of RMB640 million did not meet the derecognition criteria on the dates of transfer as the Group retained interests in subordinate tranches of these special purposes vehicles. As at 31 December 2020, the Group's maximum exposure to this equity is RMB306 million.

No gain or loss was recognised by these transfers of financial assets, the Group acted as service agent and charged service fee amounting to RMB1 million for the six months ended 30 June 2021 (For the year ended 31 December 2020: RMB6 million). As at 30 June 2021, this special vehicle has expired. The underlying assets have been returned and the income has been distributed.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

43 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, market risk, liquidity risk and operational Credit risk. The risk management committee is in charge of the Group's overall risk management structure, policies and tools, and monitors the risk management.

(1) Credit risk

Credit risk represents the potential loss that may arise from a customer or counterparty's failure to meet its obligations. Credit risk can also arise from operational failures that result in an unauthorised or inappropriate advance, commitment or investment of funds. Credit risk mainly arises from loans and advances to customers, debt instruments at FVOCI and debt instruments at amortised cost. The Group considers all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk for risk management purposes.

The Group manages credit risk through the following processes:

- Ensuring that the Group has appropriate credit risk management practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the Group's stated policies and procedures and relevant supervisory guidance.
- Monitoring, identifying, assessing, measuring, reporting, controlling and mitigating credit risk across the Group, from an individual instrument to a portfolio level.
- Creating credit policies to protect the Group against the identified risks including the requirements to obtain collateral from borrowers, to perform robust ongoing credit assessment of borrowers and to continually monitor exposures against internal risk limits.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

43 FINANCIAL RISK MANAGEMENT *(Continued)*

(1) Credit risk *(Continued)*

- Establishing a robust control framework regarding the authorisation structure for the approval and renewal of credit facilities.
- Developing and maintaining the Group's processes for measuring ECL including monitoring of credit risk, incorporation of forward looking information and the method used to measure ECL.
- Ensuring that the Group has policies and procedures in place to appropriately maintain and validate models used to assess and measure ECL.

(2) Liquidity risk

Liquidity risk is the risk that the Bank cannot acquire sufficient capital at a reasonable price to cover liabilities as they fall due, to perform other payment obligations, or to meet indispensable business capital needs. This may arise from cash flow or maturity mis-matches of assets or liabilities.

The Group manages the Group's liquidity risk through the following processes:

- Setting target on assets and liabilities structure in accordance with the regulatory requirements and business plan;
- Maintaining stability of deposit base; and
- Making advanced projection on future cash flows and evaluating the appropriate current assets position.

The Group has access to inter-bank placement or repurchase market for liquidity management. It can also issue debt securities for long-term funding management.

(3) Market risk

Market risk is the risk of loss, in respect of the Group's on and off-balance sheet activities, arising from adverse movements in market rates including foreign exchange rates, interest rates and stock prices. Market risk mainly arises from proprietary business of the Group.

The market risk which the Group is primarily exposed to includes currency risk and interest risk.

The Group's foreign currency risk is the risk of loss in respect of its foreign currency exposures, arising from transactions taken on foreign currency denominated assets and liabilities, which results from movements in foreign currency exchange rates.

The Group is primarily exposed to interest rate risk arising from proprietary business and corporate and personal banking business. Interest rate risk is inherent in many of its businesses and largely arises from mis-matches between the re-pricing dates of interest-generating assets and those of interest-bearing liabilities.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

43 FINANCIAL RISK MANAGEMENT *(Continued)*

(4) Operational risk

Operational risk refers to the risk arising from inadequate or failed internal control procedures, personnel and information technology systems, or external events. The primary operational risks the Group faces include internal and external frauds, worksite safety failures, business interruptions and failure in the information technology system.

The Board of Directors is ultimately responsible for the Group's operational risk management. The Group's senior management leads the group-wide operational risk management on a day-to-day basis. The Group has established "three lines of defenses" to manage operational risk on an end-to-end basis. The business lines and functions are the first line of defense against operational risks, taking direct responsibilities for operational risk management. The internal control and compliance department is the second line of defense against operational risks, responsible for the establishment of operational risk management policies and procedures and the coordination, support and supervision of operational risk management. The audit department is the third line of defense against operational risk, responsible for evaluating the adequacy and effectiveness of operational risk management policies and procedures and assessing the Group's internal control system and compliance.

44 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

- Level 1: Fair value derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Use valuation techniques of inputs for assets or liabilities that cannot be determined based on observable market data (unobservable inputs) to determine the fair value.

In estimating the fair value of assets and liabilities, the Group adopts market data that are directly observable in a feasible range, including 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.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

44 FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

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

	As at 30 June 2021			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss				
– Government bonds	-	138,844	-	138,844
– Financial institution bonds	-	6,388,818	-	6,388,818
– Asset-backed securities	-	718,395	-	718,395
– Corporate bonds	-	9,045,177	-	9,045,177
– Other debt financing products	-	-	1,050,714	1,050,714
– Wealth management products	-	-	305,490	305,490
– Asset management plans and trust plans	-	-	38,410,123	38,410,123
– Funds	3,873,023	16,028,745	-	19,901,768
– Listed equities	247,806	-	-	247,806
– Unlisted equities	-	-	268,915	268,915
Sub-total	4,120,829	32,319,979	40,035,242	76,476,050
Debt instruments at fair value through other comprehensive income				
– Government bonds	-	24,273,621	-	24,273,621
– Financial institution bonds	-	29,693,705	-	29,693,705
– Asset-backed bonds	-	237,941	-	237,941
– Corporate bonds	-	1,550,122	-	1,550,122
– Other debt financing products	-	-	95,757	95,757
Sub-total	-	55,755,389	95,757	55,851,146
Equity instruments at fair value through other comprehensive income				
– Unlisted equity	-	-	1,564,660	1,564,660
Loans and advances to customers at fair value through other comprehensive income	-	-	32,427,135	32,427,135
Derivative financial assets	-	19,444	-	19,444
Derivative financial liabilities	-	(233,232)	-	(233,232)
Financial liabilities held for trading	-	(894,073)	-	(894,073)
Total	4,120,829	86,967,507	74,122,794	165,211,130

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

44 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

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

	As at 31 December 2020			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss				
– Government bonds	–	1,232,559	–	1,232,559
– Financial institution bonds	–	1,339,877	–	1,339,877
– Asset-backed securities	–	1,037,625	–	1,037,625
– Corporate bonds	–	2,519,505	–	2,519,505
– Other debt financing products	–	–	1,036,713	1,036,713
– Wealth management products	–	–	305,430	305,430
– Asset management plans and trust plans	–	–	35,494,243	35,494,243
– Funds	8,027,021	14,024,804	–	22,051,825
– Listed equities	199,675	–	–	199,675
– Unlisted equities	–	–	268,915	268,915
Sub-total	8,226,696	20,154,370	37,105,301	65,486,367
Debt instruments at fair value through other comprehensive income				
– Government bonds	–	22,488,433	–	22,488,433
– Financial institution bonds	–	29,656,289	–	29,656,289
– Asset-backed bonds	–	231,923	–	231,923
– Corporate bonds	–	2,531,809	–	2,531,809
– Other debt financing products	–	–	3,014,893	3,014,893
Sub-total	–	54,908,454	3,014,893	57,923,347
Equity instruments at fair value through other comprehensive income				
– Unlisted equity	–	–	1,564,660	1,564,660
Loans and advances to customers at fair value through other comprehensive income				
–	–	–	22,898,217	22,898,217
Derivative financial assets	–	9,744	–	9,744
Derivative financial liabilities	–	(675,034)	–	(675,034)
Financial liabilities held for trading	–	(472,762)	–	(472,762)
Total	8,226,696	73,924,772	64,583,071	146,734,539

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021

(All amounts in thousands of RMB unless otherwise stated)

44 FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

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

The valuation techniques adopted by the Group mainly include discounted cash flow model of 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 is categorised as Level 2 or Level 3, depending whether the relevant yield curves are observable (for debt securities traded on China Inter-Bank Bond Market, fair values are provided by China Central Depository & Clearing Co., Ltd.) or not. Level 3 valuations are usually performed by relevant business departments which manage the financial instruments. The discount rates used in Level 3 valuations range from 2% to 9.79% (31 December 2020: 1.09% to 8.22%).

Included in total gain/loss of profit or loss for the current period, unrealised gains held by the Group related to Level 3 financial assets measured at fair value at the end of the reporting period amounted to RMB75.4 million (For the six months ended 30 June 2020: a loss of RMB4.6 million). Such fair value gains or losses of fair value were included in "Net trading (losses)/gains".

Included in other comprehensive income, a loss held by the Group related to debt instruments at fair value through other comprehensive income at the end of the reporting period amounted to RMB2.5 million (For the six months ended 30 June 2020: a gain of RMB7.7 million) and was reported as changes of investment revaluation reserve.

While other variables keeps invariant, a 100-basis point increase/decrease in the discount rate will result in a decrease/increase of the book value of the financial assets at Level 3 at 30 June 2021 by RMB179.6 million/RMB 185.5 million respectively (31 December 2020: RMB325.4 million/RMB 335.9 million).

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2021
(All amounts in thousands of RMB unless otherwise stated)

44 FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

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

	As at 30 June 2021		31 December 2020	
	Par value	Fair value	Par value	Fair value
Financial assets				
Debt instruments at amortised cost	185,068,458	185,319,896	187,348,850	187,557,309
Financial liabilities				
Debt securities issued	99,661,509	98,742,136	108,711,616	109,072,634

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

Other financial assets and financial liabilities include deposits with the Central Bank, deposits with banks and other financial institutions, placements with banks and other financial institutions, financial assets held under resale agreements, loans and advances to customers at amortised costs, borrowings from the Central Bank, placements from banks and other financial institutions, financial assets sold under repurchase agreements. The carrying amount approximates their fair value.

45 APPROVAL OF FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved by the Board of Directors of the Bank on 27 August 2021.

Unaudited Supplementary Financial Information

(Amounts in thousands of Renminbi, 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

	As at 30 June 2021	As at 31 December 2020
RMB current assets to RMB current liabilities	58.4%	59.4%
Foreign currency current assets to foreign currency current liabilities	199.5%	157.8%

Average for the six months ended 30 June

	2021	2020
RMB current assets to RMB current liabilities	58.1%	56.8%
Foreign currency current assets to foreign currency current liabilities	191.4%	135.6%

Liquidity Coverage Ratios

	As at 30 June 2021	As at 31 December 2020
Qualified high-quality liquid assets	126,079,122.4	119,936,045.7
Net cash outflows in the next 30 days	66,319,164.3	60,870,353.6
Liquidity Coverage Ratios	190.11%	197.04%

Unaudited Supplementary Financial Information

(Amounts in thousands of Renminbi, unless otherwise stated)

Net Stable Funding Ratio

	As at 30 June 2021	As at 31 March 2021
Total stable funding available	398,738,421.5	396,413,586.8
Total stable funding required	310,173,001.1	304,912,969.1
Net stable funding ratio	128.55%	130.01%

Pursuant to the Disclosure of Net Stable Funding Ratio Information of Commercial Bank issued by the CBIRC (YinBao JianFa [2019] No.11), the Bank shall disclose relevant information on the net stable funding ratio for the latest two quarters.

Leverage Ratio

(Expressed in percentage)

	As at 30 June 2021	As at 31 December 2020
Leverage ratio	7.54%	7.38%

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 ratio are calculated in accordance with the formula promulgated by the 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 2021 is disclosed on the official website of the Bank at <http://www.bank-of-tianjin.com.cn/tzzgx/xxpl/jgzb/>.

Unaudited Supplementary Financial Information

(Amounts in thousands of Renminbi, unless otherwise stated)

CURRENCY CONCENTRATIONS

	Equivalent in Renminbi			Total
	US Dollars	Hong Kong Dollars	Others	
As at 30 June 2021				
Spot assets	17,158,502	9,094	74,684	17,242,280
Spot liabilities	(21,467,866)	(5,248)	(60,325)	(21,533,439)
Net position	(4,309,364)	3,846	14,359	(4,291,159)
As at 31 December 2020				
Spot assets	14,772,961	11,506	170,624	14,955,091
Spot liabilities	(23,067,745)	(5,150)	(106,097)	(23,178,992)
Net position	(8,294,784)	6,356	64,527	(8,223,901)

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.

International claims mainly include deposits with banks and placements with banks.

International 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 international claims, after taking into account any risk transfers. Risk transfer is only made if the claims are guaranteed by a third 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 Renminbi, unless otherwise stated)

	As at 30 June 2021	As at 31 December 2020
INTERNATIONAL CLAIMS		
Asia Pacific (excluding mainland China)	26,911	29,020
– of which: attributed to Hong Kong	7,737	8,735
Europe	44	39,078
North America	727,518	758,933
Total	754,473	827,031

OVERDUE LOANS

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

	As at 30 June 2021	As at 31 December 2020
Below 3 months (inclusive)	6,439,904	4,577,681
Between 3 and 6 months (inclusive)	2,823,132	3,026,621
Between 6 and 12 months (inclusive)	2,086,577	2,470,117
Over 12 months	2,537,702	2,210,337
Total	13,887,315	12,284,756
As a percentage of gross loans and advances to customers		
Below 3 months (inclusive)	2.03%	1.49%
Between 3 and 6 months (inclusive)	0.89%	0.98%
Between 6 and 12 months (inclusive)	0.65%	0.80%
Over 12 months	0.80%	0.72%
Total	4.37%	3.99%

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 Renminbi, unless otherwise stated)

EXPOSURES TO MAINLAND CHINA NON-BANK ENTITIES

	As at 30 June 2021	As at 31 December 2020
On-balance sheet exposure	306,320,043	295,752,349
Off-balance sheet exposure	75,151,755	67,720,036

DISCLOSURE REQUIREMENTS FOR COMPOSITION OF CAPITAL

In accordance with the disclosures required in Annex 2 – Notice on Enhancing Disclosure Requirements for Composition of Capital of the CBIRC Notice on Issuing Regulatory Documents on Capital Regulation for Commercial Banks (Yin Jianfa [2013] No. 33) promulgated by the CBIRC, the Bank's composition of capital as of 30 June 2021 is disclosed on the official website of the Bank at <http://www.bank-of-tianjin.com.cn/tzzgx/xxpl/jgzb/>.

List of Branches

As at 30 June 2021, details of the branches of the Bank are set out as below:

No.	Name of Branch	Address	Postcode
1	Bank of Tianjin, Sales Department	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, Junliang City sub-branch	No. 1-7, Block 29, Junhua Yard, Xinshi Town, Junliang City, Xingnong Road, Dongli District, Tianjin	300301
4	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
5	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
6	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
7	Bank of Tianjin, Xiqing sub-branch	Junction of Guangming Road and Xinhua Road, Yangliuqing, Xiqing District, Tianjin	300380
8	Bank of Tianjin, Zhangjiawo sub-branch	No. 60, Yutai Road, Xiqing District, Tianjin	300380
9	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
10	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
11	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
12	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
13	Bank of Tianjin, Xinyibai Avenue sub-branch	North side of Xinyibai Avenue, Beichen District, Tianjin	300420
14	Bank of Tianjin, Wuqing sub-branch	No. 143, Quanwang Road, Wuqing District, Tianjin	301799
15	Bank of Tianjin, Jinghu sub-branch	Ground Floor, Scientific Research Service Building, Huidareli Group, Jianing Road, Xiashuzhuang Street, Wuqing District, Tianjin	301700
16	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

List of Branches

No.	Name of Branch	Address	Postcode
17	Bank of Tianjin, Yongyangxi Road sub-branch	Ground Floor, No. 12-2, Shengshixinyuan, southern side of Yongyangxi Road, Xincheng, Wuqing District, Tianjin	301799
18	Bank of Tianjin, Baodi sub-branch	No. 52, Nancheng Road, Baodi District, Tianjin	301800
19	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
20	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
21	Bank of Tianjin, Jizhou sub-branch	No. 1 (south side of the first and third floors), People's West Road, North Bus Station, west side of Zhongchang Road, Jizhou District, Tianjin	301900
22	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
23	Bank of Tianjin, Zhouhewan sub-branch	Extension No. 8, No. 5, Qingchi West Street, Zhouhewan, Xincheng, Jizhou District, Tianjin	301900
24	Bank of Tianjin, Jinghai sub-branch	105 & 106, Building 7, Jinxiujiayuan (location of original Jinghai County Party Committee), Jinghai District, Tianjin	301600
25	Bank of Tianjin, Dongfanghong Road sub-branch	Commercial Area B, Haixinyuan, Dongfanghong Road, Jinghai District, Tianjin	301600
26	Bank of Tianjin, Ninghe sub-branch	No. 66, Guangming Road, Lutai Town, Ninghe District, Tianjin	301500
27	Bank of Tianjin, First central sub-branch	Kangning Building, Junction of Xikang Road and Hanyang Road, Heping District, Tianjin	300070
28	Bank of Tianjin, Rongsheng sub-branch	No. 179 & 181, Chengdu Road, Heping District, Tianjin	300070
29	Bank of Tianjin, Kaifeng sub-branch	No. 11, Nanma Road, Heping District, Tianjin	300022
30	Bank of Tianjin, Jianye sub-branch	No. 33, Qixiangtai Road, Heping District, Tianjin	300070
31	Bank of Tianjin, Baoli sub-branch	Block B, No. 18, Guizhou Road, Heping District, Tianjin	300051
32	Bank of Tianjin, Hongtong sub-branch	No. 75, Yingkou Road, Heping District, Tianjin	300040
33	Bank of Tianjin, Laolian sub-branch	No. 95, Jianshe Road, Heping District, Tianjin	300041
34	Bank of Tianjin, Huafeng sub-branch	No. 74, Jianshe Road, Heping District, Tianjin	300040
35	Bank of Tianjin, Jianshe Road sub-branch	No. 82, Jianshe Road, Heping District, Tianjin	300042
36	Bank of Tianjin, Xiangsheng sub-branch	Ground Floor, Block B, Building 5, Changshou Apartment, Rongye Street, Heping District, Tianjin	300021
37	Bank of Tianjin, Jinsheng sub-branch	No. 32, Xinxing Road, Heping District, Tianjin	300070
38	Bank of Tianjin, Jingong sub-branch	No. 72, Jiefang North Road, Heping District, Tianjin	300041
39	Bank of Tianjin, Shiye sub-branch	No. 157, Dagu North Road, Heping District, Tianjin	300040
40	Bank of Tianjin, Dali Road sub-branch	No. 86, Dali Road, Heping District, Tianjin	300050

List of Branches

No.	Name of Branch	Address	Postcode
41	Bank of Tianjin, Small Business Financial Services Center	2/F, No. 86, Dali Road, Heping District, Tianjin	300050
42	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
43	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
44	Bank of Tianjin, Haihe East Road sub-branch	No. 52, Haihe East Road, Hebei District, Tianjin	300010
45	Bank of Tianjin, Second central sub-branch	Zhonghao International Automobile Building, No. 62, Longchang Road, Hexi District, Tianjin	300201
46	Bank of Tianjin, Jinhe sub-branch	No. 676, Dagou South Road, Hexi District, Tianjin	300200
47	Bank of Tianjin, Jintai sub-branch	Side of Donglou Bridge, Dagou South Road, Hexi District, Tianjin	300200
48	Bank of Tianjin, Dagou South Road sub-branch	No. 04-05, Ground Floor, Building 1, Liuyuan Apartment, Dagou South Road, Hexi District, Tianjin	300222
49	Bank of Tianjin, Ruide sub-branch	No. 80, Jiulong Road, Hexi District, Tianjin	300204
50	Bank of Tianjin, Jinxi sub-branch	Extension No. 9, No. 89, Qixiangtai Road, Hexi District, Tianjin	300074
51	Bank of Tianjin, Xilian sub-branch	Ground Floor, Tianjin Library, Tianjin Culture Center, Pingjiang Road, Hexi District, Tianjin	300201
52	Bank of Tianjin, Shaoxing Road sub-branch	No. 105, Ground Floor Store, Senmiao Apartment, Pingshan Road, Hexi District, Tianjin	300074
53	Bank of Tianjin, Chentang Park sub-branch	106 Chentang Science and Technology Business Service Center, No. 20, Dongting Road, Hexi District, Tianjin	300220
54	Bank of Tianjin, Jinhua sub-branch	Extension No. 14, No. 16, Heiniucheng Road, Hexi District, Tianjin	300210
55	Bank of Tianjin, Rongcheng sub-branch	No. 75, Heiniucheng Road, Hexi District, Tianjin	300061
56	Bank of Tianjin, Donghai sub-branch	No. 33, Huanhu Middle Road, Hexi District, Tianjin	300060
57	Bank of Tianjin, Yinlian sub-branch	No. 26 & 28, Shuangshui Road, Hexi District, Tianjin	300222
58	Bank of Tianjin, Xietong sub-branch	1/F Jinhuang Building, No. 20, Nanjing Road, Hexi District, Tianjin.	300042
59	Bank of Tianjin, Huiyuan sub-branch	South Ground Floor, Building 1, Huaxiafuyu Plaza, Jiefang South Road, Hexi District, Tianjin	300202
60	Bank of Tianjin, Guhai Road sub-branch	No. 423, Jiefang South Road, Hexi District, Tianjin	300210
61	Bank of Tianjin, Jiefang South Road sub-branch	No. 473, Jiefang South Road, Hexi District, Tianjin (Ground Floor of Huan Bohai International Commerce Block)	300221

List of Branches

No.	Name of Branch	Address	Postcode
62	Bank of Tianjin, Tianma sub-branch	F1 to F2, No. 10, Lianshuiyuan, southeastern side of the junction of Youyi South Road and Zhujiang Road, Hexi District, Tianjin	300221
63	Bank of Tianjin, Tanjiang Road sub-branch	Unit 17, Ground Floor, Chuanshuiyuan Estate (Public Building III), Suijiang Street, Hexi District, Tianjin	300221
64	Bank of Tianjin, Zhujiang Road sub-branch	Junction of Zhujiang Road and Xueyuan Road, Hexi District, Tianjin	300222
65	Bank of Tianjin, Limin Road sub-branch	No. 89, Xinanlou Weidi Road, Hexi District, Tianjin	300201
66	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
67	Bank of Tianjin, Third central sub-branch	Area A2, Shengxinyuan, Nanmenwai Street, Nankai District, Tianjin	300100
68	Bank of Tianjin, Jinhui sub-branch	No. 248, Baidi Road, Nankai District, Tianjin	300192
69	Bank of Tianjin, Xingke sub-branch	No. 200, Anshan West Road, 1895 Tianjin University Architecture and Creation Building, Nankai District, Tianjin	300073
70	Bank of Tianjin, Kemaoy Street sub-branch	No. 428, Anshan West Road, Nankai District, Tianjin	300193
71	Bank of Tianjin, Xinyuan sub-branch	No. 23, Changjiang Road, Nankai District, Tianjin	300190
72	Bank of Tianjin, Changkang sub-branch	Extension No. 18, No. 628, Changjiang Road, Nankai District, Tianjin	300111
73	Bank of Tianjin, Yinshan sub-branch	Ground Floor, Xingtai Apartment, No. 66, Nanfeng Road, Nankai District, Tianjin	300192
74	Bank of Tianjin, Jinshan sub-branch	102-103, No. 1289, Nanma Road, Nankai District, Tianjin	300100
75	Bank of Tianjin, Rongyuan sub-branch	No. 467, Huanghe Road, Nankai District, Tianjin	300110
76	Bank of Tianjin, Guangkaiwuma Road sub-branch	No. 294, Huanghe Road, Nankai District, Tianjin	300110
77	Bank of Tianjin, Xingnan sub-branch	No. 14, 16 & 18, Huaianhuan Road, Nankai District, Tianjin	300193
78	Bank of Tianjin, Lingbin Road sub-branch	No. 96-98, Lingbin Road, Nankai District, Tianjin	300381
79	Bank of Tianjin, Xianyang Road sub-branch	Ground Floor, Door 3, Building 9, Jialingbeili, Xianyang Road, Nankai District, Tianjin	300122
80	Bank of Tianjin, Huanghe Road sub-branch	Extension No. 10 & 11, No. 65, Xianyang Road, Nankai District, Tianjin	300111
81	Bank of Tianjin, Shuishang Gongyuan Road sub-branch	No. 46, Shuishang Gongyuan West Road, Nankai District, Tianjin	300191
82	Bank of Tianjin, Huayuan sub-branch	No. 25 & 27, Yashi Road, Nankai District, Tianjin	300380

List of Branches

No.	Name of Branch	Address	Postcode
83	Bank of Tianjin, Weijin South Road sub-branch	No. 70, Weijin South Road, Nankai District, Tianjin	300381
84	Bank of Tianjin, Tianda 1st sub-branch	Siji Village, Tianjin University, Nankai District, Tianjin	300072
85	Bank of Tianjin, Yuanyin Road sub-branch	Ground Floor, Building 8, Yuanyinbeili, Yuanyin Road, Wangdingdi, Nankai District, Tianjin	300191
86	Bank of Tianjin, Chengjiang Road sub-branch	Ground Floor, Building 16, Huaningbeili, Chengjiang Road, Nankai District, Tianjin	300190
87	Bank of Tianjin, Keji sub-branch	No. 6, Meiyuan Road, Huayuan Industrial Park, Nankai District, Tianjin	300384
88	Bank of Tianjin, Wanhua sub-branch	No. 148-1, Yingshui Road, Huayuan Industrial Park, New Industrial Park, Tianjin	300384
89	Bank of Tianjin, Haitai Road sub-branch	Room 101, Door 3, Block F, Haitai Green Industry Base, No. 6, Haitai Fazhan 6th Road, Huayuan Industrial Park, Binhai Hi-tech Zone, Tianjin	300384
90	Bank of Tianjin, Haihe Education Park Beiyang Zone sub-branch	No.104, Xinyuan South Road, Tianjin University, Haihe Education Park, Tianjin	300350
91	Bank of Tianjin, Fourth central sub-branch	Ground Floor, 1-3/F, Fujian Building, Huaxing Road, Hedong District, Tianjin	300011
92	Bank of Tianjin, Donglian sub-branch	Tianshan Road, Wanxin Village, Hedong District, Tianjin	300162
93	Bank of Tianjin, Dongxin sub-branch	Extension No. 1, No. 2, No. 40, Jintang Road, Hedong District, Tianjin	300182
94	Bank of Tianjin, Dongyin sub-branch	Extension No. 3, No. 80, Jintang Road, Hedong District, Tianjin	300170
95	Bank of Tianjin, Daqiao Road sub-branch	Outpatient hall, the 3rd Central Hospital, No. 83, Jintang Road, Hedong District, Tianjin	300170
96	Bank of Tianjin, Jintang Road sub-branch	Ground Floor, No. 2, Door 1, Building 2, Youainanli, Zhongshanmen, Jintang Road, Hedong District, Tianjin	300180
97	Bank of Tianjin, Hedong sub-branch	101 & 102, Yitingyuan, Liuwei Road, Hedong District, Tianjin	300012
98	Bank of Tianjin, Jiahua sub-branch	No. 17-5, Jiahuali, Chenglinzhuang Road, Hedong District, Tianjin	300161
99	Bank of Tianjin, Taixing South Road sub-branch	Ground Floor, No. 3, Building 1, Jinwan Apartment, No. 100, Chenglinzhuang Road, Hedong District, Tianjin	300160
100	Bank of Tianjin, Chengguang Road sub-branch	No. 71, Taixing South Road, Hedong District, Tianjin	300162
101	Bank of Tianjin, Zhongxin North Road sub-branch	No. 41, Zhongxin North Road, Hedong District, Tianjin	300181
102	Bank of Tianjin, Zile Plaza sub-branch	No. 148, Door 4, 5, 6, Building 2, Zile Plaza, Hedong District, Tianjin	300180

List of Branches

No.	Name of Branch	Address	Postcode
103	Bank of Tianjin, Changzhou Road sub-branch	No. 22, Changzhou Road, Hedong District, Tianjin	300250
104	Bank of Tianjin, Fifth central sub-branch	Ground Floor, Hongji Garden, Shizilin Street, Hebei District, Tianjin	300143
105	Bank of Tianjin, Bada sub-branch	No. 23, Minzu Road, Hebei District, Tianjin	300010
106	Bank of Tianjin, Xingbei sub-branch	Ground Floor, Building 1, Huiyingli Community, No. 10, Zengchan Road, Hebei District, Tianjin	300250
107	Bank of Tianjin, Zhenbei sub-branch	Building 2, Shuyuanli, Zhongshan North Road, Hebei District, Tianjin	300241
108	Bank of Tianjin, Zhongshan Road sub-branch	Ground Floor, Zerenli Building, Zhongshan Road, Hebei District, Tianjin	300142
109	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
110	Bank of Tianjin, Jincheng sub-branch	Ground Floor, Fangjingmingju, Junction of Jinzhonghe Street and Zengchan Road, Hebei District, Tianjin	300150
111	Bank of Tianjin, Wuhao Road sub-branch	No. 24, Wangchuanchang 5th Road, Hebei District, Tianjin	300150
112	Bank of Tianjin, Beiningwan sub-branch	No. 131 & 133, Yingxian Road, Hebei District, Tianjin	300402
113	Bank of Tianjin, Yuguan Road sub-branch	No. 698 & 700, Yuguan Road, Hebei District, Tianjin	300232
114	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
115	Bank of Tianjin, Sixth central sub-branch	No. 187, Qinjian Road, Hongqiao District, Tianjin	300130
116	Bank of Tianjin, Hongxin sub-branch	No. 84, Xiqing Road, Hongqiao District, Tianjin	300122
117	Bank of Tianjin, Hongyin sub-branch	Room 101, Gate 61, Xiangju Apartment, Guangrong Road, Hongqiao District, Tianjin	300130
118	Bank of Tianjin, Xiangtan Road sub-branch	No. 11, Xiangtan Road, Hongqiao District, Tianjin	300133
119	Bank of Tianjin, Yihua Road sub-branch	No. 41, 43, 45 & 47, Yihua Road, Hongqiao District, Tianjin	300121
120	Bank of Tianjin, Chenxing Road sub-branch	No. 51 & 53, Shuanghuan Road, Hongqiao District, Tianjin	300134
121	Bank of Tianjin, Guanyinhao sub-branch	No. 5, Dongma Road, Nankai District, Tianjin	300090

List of Branches

No.	Name of Branch	Address	Postcode
122	Bank of Tianjin, Binhai branch	E2ABC, No. 20, Plaza East Road, Binhai Finance Street, the Third Street, Economic and Technology Development District, Tianjin	300457
123	Bank of Tianjin, Haibin sub-branch	No. 2048, Shanghai Road, Tanggu District, Tianjin	300450
124	Bank of Tianjin, Hangzhou Road sub-branch	No. 8, Zhongxin North Road, Tanggu District, Tianjin	300451
125	Bank of Tianjin, Tanggu sub-branch	No. 289, 295 & 301, Yingkou Road, Tanggu District, Tianjin	300450
126	Bank of Tianjin, Heping Road sub-branch	No. 9, Heping Road, Tanggu District, Tianjin	300450
127	Bank of Tianjin, Oil North Road sub-branch	No. 79, Dongyan Road, Tanggu District, Tianjin	300452
128	Bank of Tianjin, Hebei Road sub-branch	No. 25, Hebei Road, Tanggu District, Tianjin	300451
129	Bank of Tianjin, Road No. 3 sub-branch	Door 2, Building 24, Ziyunyuan, No. 3462, Xingang Road No. 3, Tanggu District, Tianjin	300456
130	Bank of Tianjin, Station North Road sub-branch	No. 830 & 836, Station North Road, Tanggu District, Tianjin	300451
131	Bank of Tianjin, Jinzhou Road sub-branch	No. 1024, Jinzhou Road, Tanggu District, Tianjin	300451
132	Bank of Tianjin, Hebin Road sub-branch	No. 228, Hebin Road, Binhai New Village, Bohai Oil, Tanggu District, Tianjin	300452
133	Bank of Tianjin, Hekou Road sub-branch	No. 2-37, Hekou Road, Tanggu District, Tianjin	300452
134	Bank of Tianjin, Zhejiang Road sub-branch	Ground Floor, Door 1, Building 7, Huianli, Tanggu District, Tianjin	300450
135	Bank of Tianjin, Gangkou Road sub-branch	Xingang Road No. 2, Tanggu, Binhai New Area, Tianjin	300450
136	Bank of Tianjin, Baoshan Road sub-branch	No. 3807, Tangguxin North Road, Binhai New Area, Tianjin	300451
137	Bank of Tianjin, Yuanyang City sub-branch	No. F125-126, 1/F, Tianjin Ocean We-life, No. 89 Yuanyang Center Road, Tanggu, Binhai New Area, Tianjin	300454
138	Bank of Tianjin, Guangzhou Road sub-branch	No. 1156, Fuzhou Road, Tanggu, Binhai New Area, Tianjin	300450
139	Bank of Tianjin, Hangu sub-branch	No. 77, Xinkai Middle Road, Hangu, Binhai New Area, Tianjin	300480
140	Bank of Tianjin, Dagang sub-branch	No. 75, Yingbin Street, Dagang District, Tianjin	300270
141	Bank of Tianjin, Xingfu Road sub-branch	East No. 1, No. 666, Xingfu Avenue, Dagangyoutian, Dagang District, Tianjin	300280

List of Branches

No.	Name of Branch	Address	Postcode
142	Bank of Tianjin, Yingxin Street sub-branch	No. 96, Yingxin Street, Dagang, Binhai New Area, Tianjin	300270
143	Bank of Tianjin, Shengli Road sub-branch	No. 124 & 126 Tuanjie West Road, Sunshine Jiayuan, Dagangyoutian, Binhai New Area, Tianjin	300280
144	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
145	Bank of Tianjin, Development Area sub-branch	No. 76, Dongting Road, Economic Development Zone, Tianjin	300457
146	Bank of Tianjin, Tianbao sub-branch	Room 101 & 201, Block B, No. 27, the Second Street, Economic and Technology Development District, Tianjin	300457
147	Bank of Tianjin, the Third Avenue sub-branch	No. 31-6, Building 1, No. 31, the Third Avenue, Tianjin Economic and Technological Development Area	300457
148	Bank of Tianjin, Huanghai Road sub-branch	No. 21-9, the Second Street, Development Zone, Tianjin	300457
149	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
150	Bank of Tianjin, Sino-Singapore Eco-city sub-branch	2-1-101 & 201, Tianhexinlehui, No. 276, Hexu Road, Sino-Singapore Tianjin Eco-city, Binhai New Area, Tianjin	300467
151	Bank of Tianjin, Tianjin Free-Trade Zone branch	Building 2, Finance Center, No. 158, West 3rd Road, Tianjin Airport Logistics Processing Zone	300308
152	Bank of Tianjin, Beijing branch	Xuanwumen Building, No. 73, Dongheyuan Hutong, Xicheng District, Beijing	100052
153	Bank of Tianjin, Beijing Finance Street sub-branch	Building A33, Erlong Road, Xicheng District, Beijing	100032
154	Bank of Tianjin, Beijing Guangqumen sub-branch	101-02, 1/F, Floor 3, Guangqujiayuan, Dongcheng District, Beijing	100022
155	Bank of Tianjin, Beijing Dongzhimen sub-branch	101, 1/F & 201, 2/F, Building 1, No. 46, Dongzhimenwai Street, Dongcheng District, Beijing	100027
156	Bank of Tianjin, Beijing Dongcheng sub-branch	Ground Floor, No. 8, Chaoyangmennei Street, Dongcheng District, Beijing	100010
157	Bank of Tianjin, Beijing Chaowai sub-branch	No. 0185, Ground Floor & No. 1133 Office, Chaowai SOHO, B6 Chaowai Street, Chaoyang District, Beijing	100020
158	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

List of Branches

No.	Name of Branch	Address	Postcode
159	Bank of Tianjin, Beijing Xinxingqiao sub-branch	Ground Floor, No. 21 and Office, 10/F, Fuxing Road, Haidian District, Beijing	100036
160	Bank of Tianjin, Beijing Zhongguancun sub-branch	Ground Floor, 1-E & 1-F, Yuanzhongyuelai, No. 15, Haidian Middle Street, Haidian District, Beijing	100080
161	Bank of Tianjin, Beijing Xizhimen sub-branch	No. 52, North Street, Xizhimen, Haidian District, Beijing	100082
162	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
163	Bank of Tianjin, Beijing Fengtai sub-branch	1F01, 1/F & 2F01, 2/F, Commercial Building, No. 232 Shiliuzhuang West Street, Fengtai District, Beijing	100070
164	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
165	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
166	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
167	Bank of Tianjin, Beijing Shunyi sub-branch	103, 1/F & 203, 2/F, Building 1, No.1 Court, Zhanqian Street, Shunyi District, Beijing	101300
168	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
169	Bank of Tianjin, Shijiazhuang branch	No. 49, Yuhua East Road, Qiaoxi District, Shijiazhuang, Hebei Province	050000
170	Bank of Tianjin, Shijiazhuang Zhongshan Road sub-branch	No. 151, Zhongshan West Road, Qiaoxi District, Shijiazhuang, Hebei Province	050000
171	Bank of Tianjin, Shijiazhuang, High-tech Zone sub-branch	(Room number 1-105, 1-106, 1-107, 1-108, 1-112, 1-113, 1-114, 1-115), Ground Floor Commercial Building, Building 1 Tian Shan Auspicious Lake No. 181 Kunlun Main Street, High-tech Zone, Shijiazhuang, Hebei Province	050000
172	Bank of Tianjin, Baoding branch	No. 3108, Fuxing Middle Road, Baoding, Hebei Province	071000
173	Bank of Tianjin, Baoding Zhuozhou sub-branch	No. 293, Fanyang Middle Road, Zhuozhou, Hebei Province	072750
174	Bank of Tianjin, Tangshan branch	No. 603, Xiangyun Road, Lubei District, Tangshan, Hebei	063000
175	Bank of Tianjin, Tangshan Fenghuangxincheng sub-branch	No. 131 & 133, Xingyuan Road, Lubei District, Tangshan, Hebei	063000
176	Bank of Tianjin, Tangshan Fengnan sub-branch	No. 82, 84 & 86, Jiaoyu Street, Fengnan District, Tangshan, Hebei	063000

List of Branches

No.	Name of Branch	Address	Postcode
177	Bank of Tianjin, Tangshan Caofeidian sub-branch	No. 198 & 200, Jianshe Avenue, Caofeidian District, Tangshan, Hebei	063299
178	Bank of Tianjin, Tangshan Laoting sub-branch	No. 8, Dazhao Road, Laoting County, Tangshan, Hebei	063000
179	Bank of Tianjin, Tangshan Qianan sub-branch	No. 689, Gangcheng Street, Qianan Town, Qianan, Hebei	064000
180	Bank of Tianjin, Tangshan Zunhua sub-branch	No. 1 & 2, Ground Floor, Kaiyuanjiezuo, Wenbai Road, Zunhua, Hebei	064200
181	Bank of Tianjin, Shanghai branch	Baojing Business Building No.1859 Expo Avenue, Pudong New Area, Shanghai	200002
182	Bank of Tianjin, Shanghai Lujiazui sub-branch	Room 101 & 1201, China Shipbuilding Tower, No. 1, Pudong Avenue, Pudong New Area, Shanghai	200120
183	Bank of Tianjin, Shanghai Fushan sub-branch	Room 1A, 1/F, No. 450, Fushan Road, Pudong New Area, Shanghai	200122
184	Bank of Tianjin, Shanghai Huangpu sub-branch	Room 1B, Hi-Tech King World West Building Area F, No. 666 Beijing East Road, Huangpu District, Shanghai	200001
185	Bank of Tianjin, Shanghai Xuhui sub-branch	1/F & 3/F, No. 2119, Xietu Road, Xuhui District, Shanghai	200032
186	Bank of Tianjin, Shanghai Changning sub-branch	Room 101 & 1905, Orient Century Building, No. 345, Xianxia Road, Changning District, Shanghai	200336
187	Bank of Tianjin, Shanghai Jing'an sub-branch	Street Front Shop, 1-2/F, No. 1056, Changde Road, Jing'an District, Shanghai	200040
188	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
189	Bank of Tianjin, Shanghai Putuo sub-branch	1 & 2/F, No. 108, Guangxin Road, Putuo District, Shanghai	200061
190	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
191	Bank of Tianjin, Shanghai Minhang sub-branch	1/F, No. 1058, Caobao Road, Minhang District, Shanghai	201101
192	Bank of Tianjin, Jinan branch	1-109, Building 2 & 5, Area 1 Sanjianruifuyuan, No. 20999, Jingshi Road, Shizhong District, Jinan	250001
193	Bank of Tianjin, Jinan Shizhong sub-branch	3F, No. 2666, Shop B2-002, No. 2688, Erhuannan Road, Shizhong District, Jinan	250022

List of Branches

No.	Name of Branch	Address	Postcode
194	Bank of Tianjin, Jinan Lixia sub-branch	1 & 2F, Northwest corner, Jinan Metro South Building, No. 5 Jie Fang East Road, Lixia District, Jinan	250014
195	Bank of Tianjin, Jinan Quancheng sub-branch	Jiefangge Business Center, No. 187, Heihuquan North Road, Lixia District, Jinan	250001
196	Bank of Tianjin, Jinan Dianliu sub-branch	No. 5006-9, Erhuan East Road, Lixia District, Jinan	250014
197	Bank of Tianjin, Jinan Licheng sub-branch	Building 27, No. 47, Huayuan Road, Licheng District, Jinan	250199
198	Bank of Tianjin, Jinan Dongcheng sub-branch	1 & 2/F, Auxiliary Building of Geological Technology Building, No. 521, Jingde Street, northwest corner of the intersection of Tangye Middle Road and Jingde Street, Licheng District, Jinan, Shandong Province	250109
199	Bank of Tianjin, Jinan Huaiyin sub-branch	Building 1 & 2, east side, Ground Floor, Shunchengyuan Community, No. 24916, Jingshi Road, Huaiyin District, Jinan	250022
200	Bank of Tianjin, Jinan Xicheng sub-branch	Financial Service Hall, northeast corner, 1/F, Jinan Baoye Building, southwest corner of the intersection of Lashanhe West Road and Rizhao Road, Huaiyin District, Jinan, Shandong Province	250117
201	Bank of Tianjin, Jinan Tianqiao sub-branch	No. 965, 975 & 985, Minghu West Road, Jinan	250000
202	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
203	Bank of Tianjin, Jinan Zhangqiu sub-branch	Shop 104, Building 16, Qilujiangqiao Community, No. 35, Mingshuishuangshan Street, Zhangqiu District, Jinan	250299
204	Bank of Tianjin, Dongying branch	No. 55, Fuqian Street, Dongying District, Dongying	257000
205	Bank of Tianjin, Dongying Xicheng sub-branch	Jindu Tower, No. 680-1, Yellow River Road, Dongying District, Dongying	257061
206	Bank of Tianjin, Taian branch	No. 483, Dongyue Street, Taian, Shandong Province	271000
207	Bank of Tianjin, Yantai branch	No. 16 Hengshan Road, Yantai Economic and Technological Development District, Yantai Area of Shandong Pilot Free Trade Zone, PRC	264006
208	Bank of Tianjin, Chengdu branch	No. 688, Tianfu Avenue Middle, Hi-tech District, Chengdu, Sichuan	610041
209	Bank of Tianjin, Chengdu Jingjiang sub-branch	No. 318 & 328, Tongying Street, Jinjiang District, Chengdu, Sichuan	610065

List of Branches

No.	Name of Branch	Address	Postcode
210	Bank of Tianjin, Chengdu Binjiang sub-branch	No. 10, Binjiang West Road, Jinjiang District, Chengdu, Sichuan Province	610021
211	Bank of Tianjin, Chengdu Qingyang sub-branch	No. 53 & Attachment No. 1-2, No. 53, Jinyang Road, Qingyang District, Chengdu, Sichuan Province	610072
212	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 Province	610014
213	Bank of Tianjin, Chengdu Wuhou sub-branch	No. 1, 1/F, Building 1, No. 518, Lidu Road, Wuhou District, Chengdu, Sichuan Province	610047
214	Bank of Tianjin, Chengdu Chenghua sub-branch	No. 69, 71, 73, 75 and No. 204 of Building 1, No. 67, Fuqing Road (Section 2), Chenghua District, Chengdu, Sichuan Province	610057
215	Bank of Tianjin, Luzhou branch	No. 189, Chunjingxia Road, Jiangyang District, Luzhou, Sichuan Province	646000



No. 15 Youyi Road Tianjin China

P.C: 300201

Hotline: 956056

www.bankoftianjin.com