

Achieving Steady Success with Concerted Efforts

2021 Interim Results
Announcement



Contents

01

...

Development Goal &
Strategic
Positioning

02

...

Key Works &
Performance
Review

03

...

Business
Philosophy &
Outlook

01

...

Development Goal & Strategic Positioning

Development Goal & Strategic Positioning

Development Goal: To build the Bank into a first-class commercial bank with distinctive features, continuous innovation, increasing value and steady operation in the next five years.

- High quality and sustainable development



Strategic Positioning

A bank for the NSOEs

An agile and open bank

A bank with
considerate services

One
Main
Line

Three
Major
Focuses

Four
Drivers

- Digital transformation
- Development in key regions
- Enhancement in risk control capability

- Consolidated retail finance
- Expanded medium, small and micro business finance
- Enhanced corporate finance
- Strengthened financial markets business

02

Key Works & Performance Review

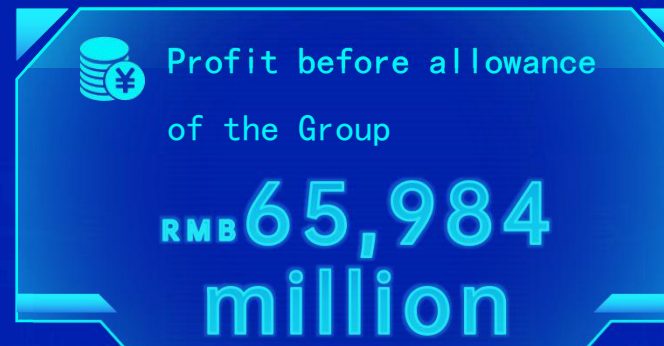
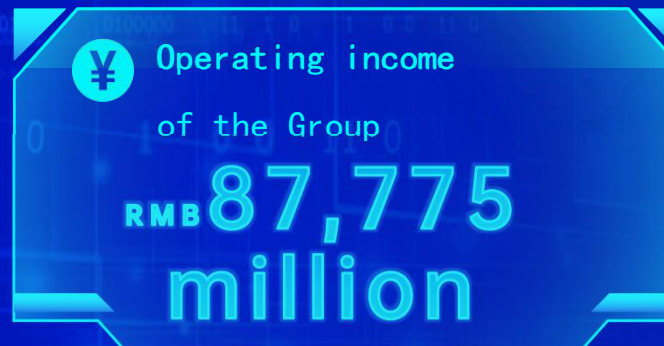
Steadily Advanced Reform and Transformation, Improved Operating Income and Profits

Return on average assets (annualised)

0.76%

Return on weighted average equity (annualised)

10.43%



Unit: 100 million



Operating income



Profit before allowance



Net profit attributable to holders
of equity shares of the Bank

2020H1

2020H2

2021H1

Consolidated Customer Base—Corporate Customers

Corporate customers

Domestic corporate customers with deposits

1,433.9K ↑ 3.3%

Domestic corporate customers with outstanding general loan balances

10.1K ↑ 4.2%

Strategic customer group

Daily average deposits of strategic customer group

RMB 898.3 Billion ↑ 6.3%

Total loans to strategic customer group

RMB 814 Billion ↑ 15.0%

Users of corporate online platform

Transaction volume of corporate online platform

RMB 31.29 Trillion ↑ 14.5%

Users of corporate online platform

2,808.3K ↑ 13.1%

*As compared with the end of the same period of the previous year

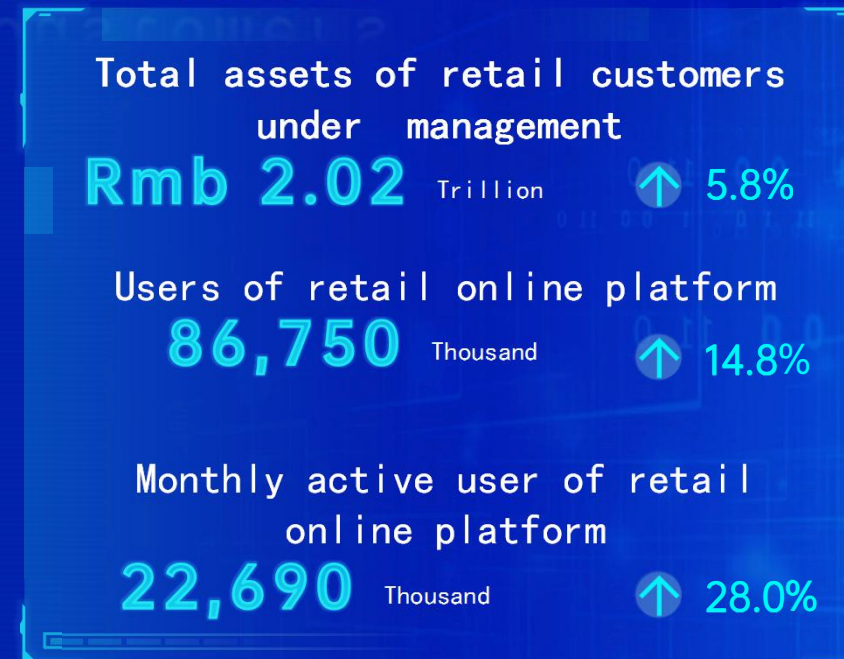
Basic customer group: Stayed customer-centric, focused on customer's journey, improved customer service experiences

Institutional customer group: Differentiated operations by industry, promoting platform project construction, enriched product offerings

Strategic customer group: Launched “head office-to-head office” marketing, adopted the integrated service solution of “one policy for one account”, achieved “value integration, benefit coexistence and resource sharing”

SME customer group: Relied on the four major plans of “Joint Hands, Rooting, Win-Win and Sparks”, promoted “Minsheng SME Project”

Consolidated Customer Base—Retail Customers



Customer acquisition based on “internal growth” of traditional finance scenarios

- Increased number of new customers referred by existing customers through MGM method
- Effective results in encouraging mutual business referrals between credit card and debit card holders were achieved
- Transformation of retail customer acquisition towards network and chain-based development pattern pushed forward by coordination mechanism of corporate-private banking segments

Customer acquisition based on “external expansion” of external ecological scenarios

- Expanded businesses in core daily life scenarios such as car care, shopping centers and supermarkets and parent-children services
- Offered products of long life cycle, high frequency of iteration and high competitiveness

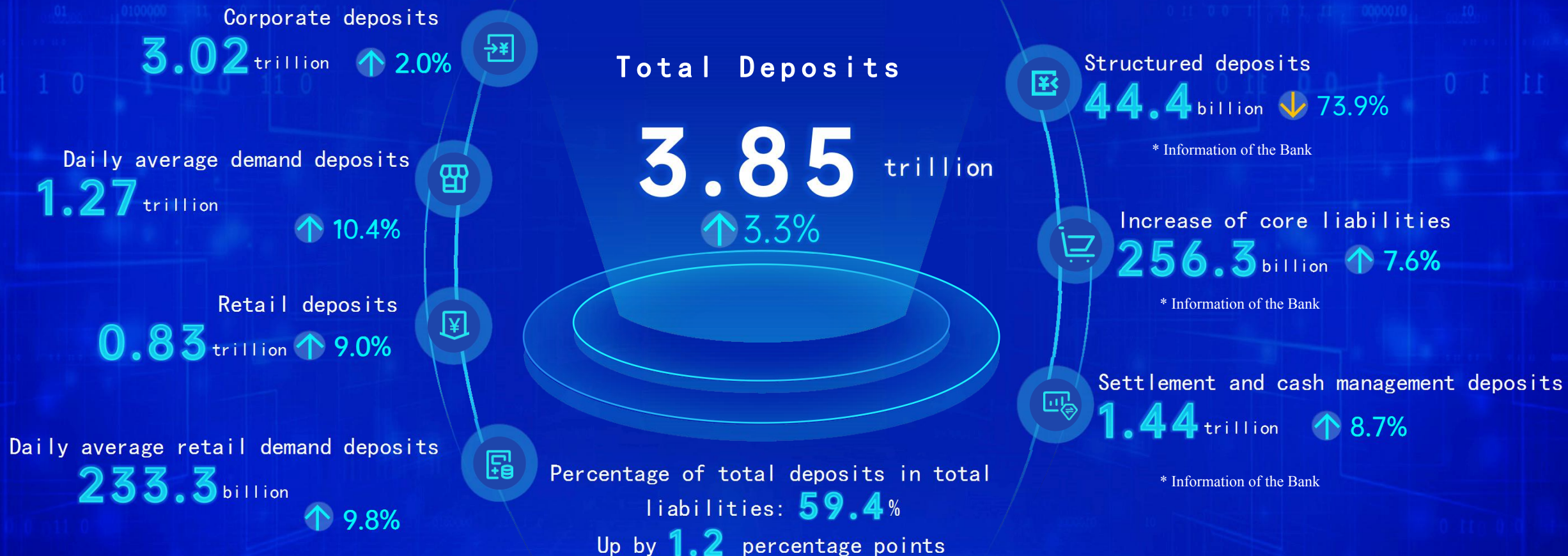
Note: Gold customers refers to customers with financial assets of RMB50 thousand and above. Qualified private banking customers refers to customers with financial assets of RMB6 million and above.

Increased Loan Proportion, Optimised Loan Structure



* RMB

Increased Proportion of Deposits, Improved Deposit Quality



* RMB

Interest Margin Under Pressure, Net Interest Income Declined YoY

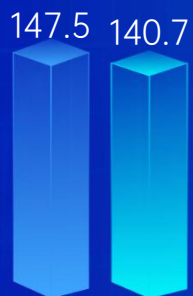
Net interest income: 65,753 million, net interest margin: 2.02%

Return rate of interest-earning assets 4.33%

2020H1

2021H1

Proportion of daily average loans 60.4%
up by 1.6 percentage points YoY



Daily average interest-earning assets

Interest income

Unit: RMB trillion

Unit: RMB billion

Cost rate of interest-bearing liabilities 2.40%

2020H1

2021H1

Proportion of daily average deposits: 59.4%
up by 0.6 percentage points YoY



Daily average interest-bearing liabilities

Interest expenses

Unit: RMB trillion

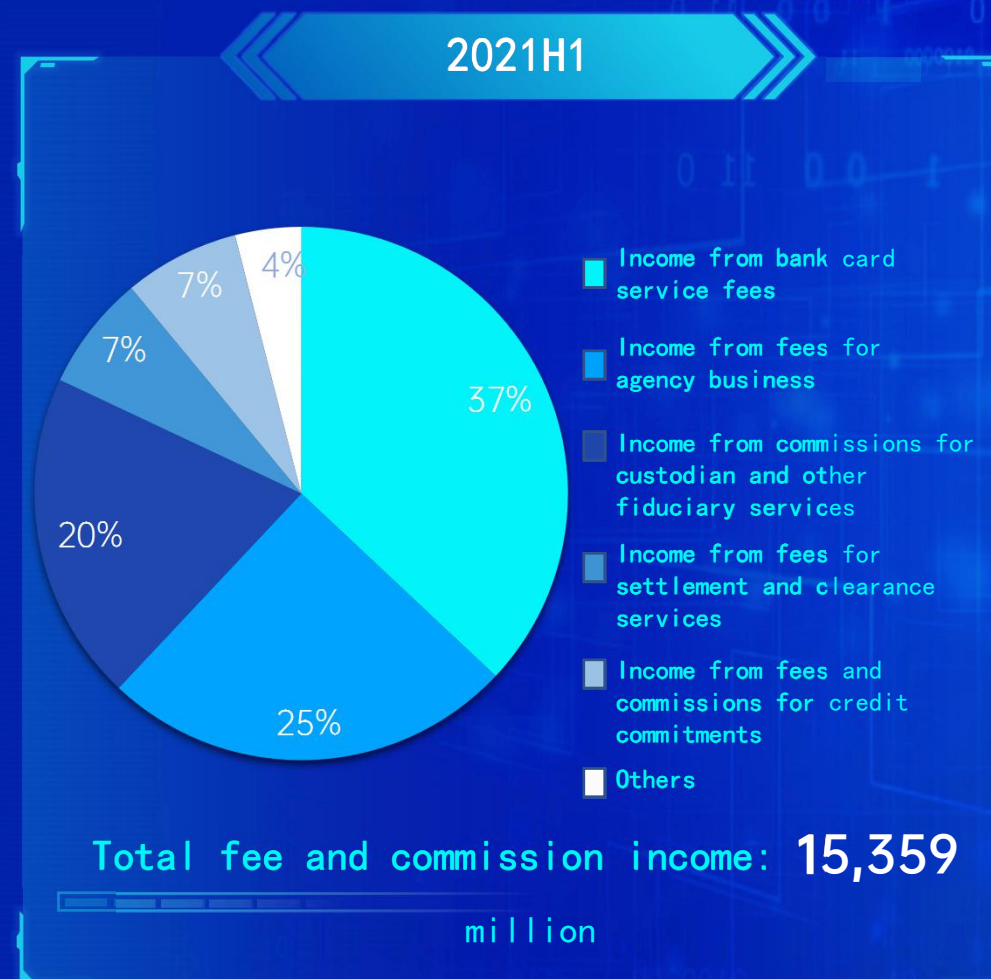
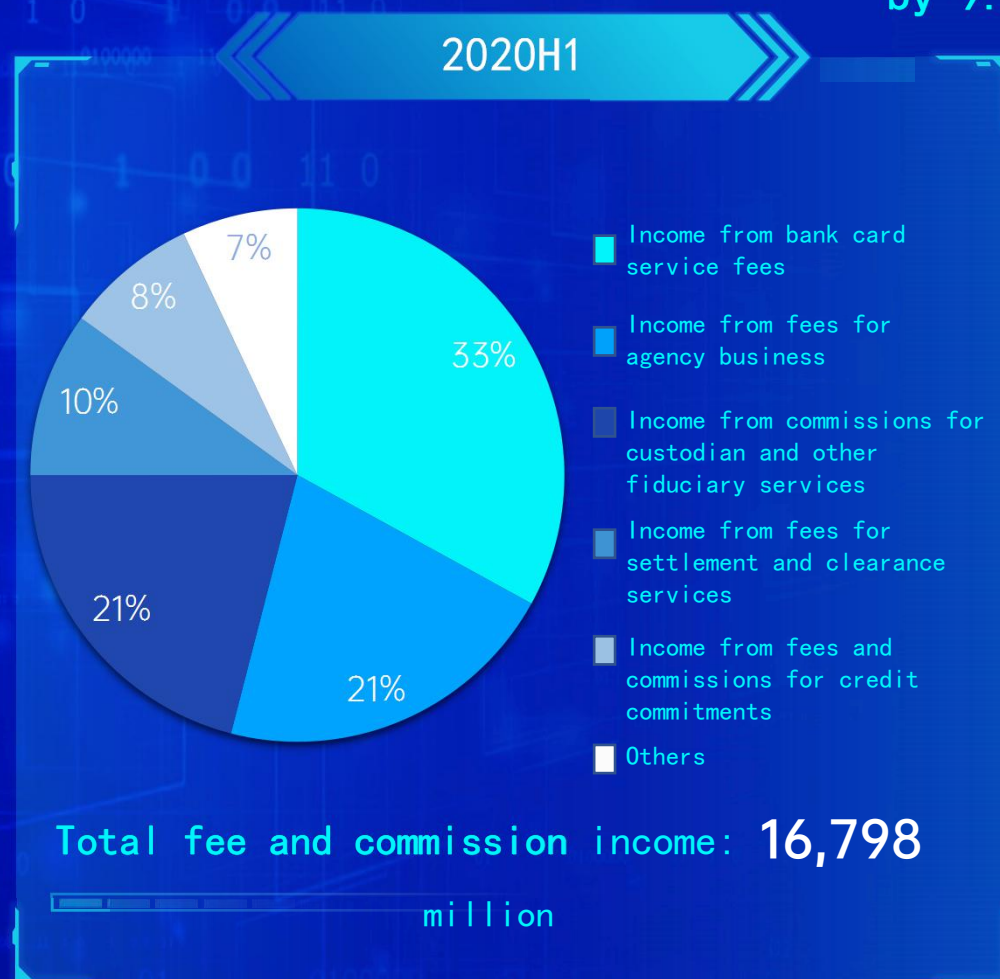
Unit: RMB billion

Enhanced Basic Service Capabilities, Increased Proportion of Bank Card and Agency Business

Income from fees for agency business up by 11.9%, income from fees for retail wealth management up

by 9.4%

* Information of the Bank



Optimised Asset Quality Indicators

Allowance provisioned

37.0 billion

Allowance consumed

27.2 billion

* RMB

46.5%

Proportion of domestic corporate loans to customers with high ratings

142.87%

Allowance to NPLs

↑ 3.49 percentage points

↑ 1.7 percentage points

*Information of the Bank

2.86%

Proportion of special-mentioned loans

↓ 0.12 percentage points

1.80%

NPL ratio

↓ 0.02 percentage points

2.57%

Allowance to total loans

↑ 0.04 percentage points

Significantly Increased Retail Asset Quality

Retail NPL ratio

1.63%

↓ 0.33 percentage points

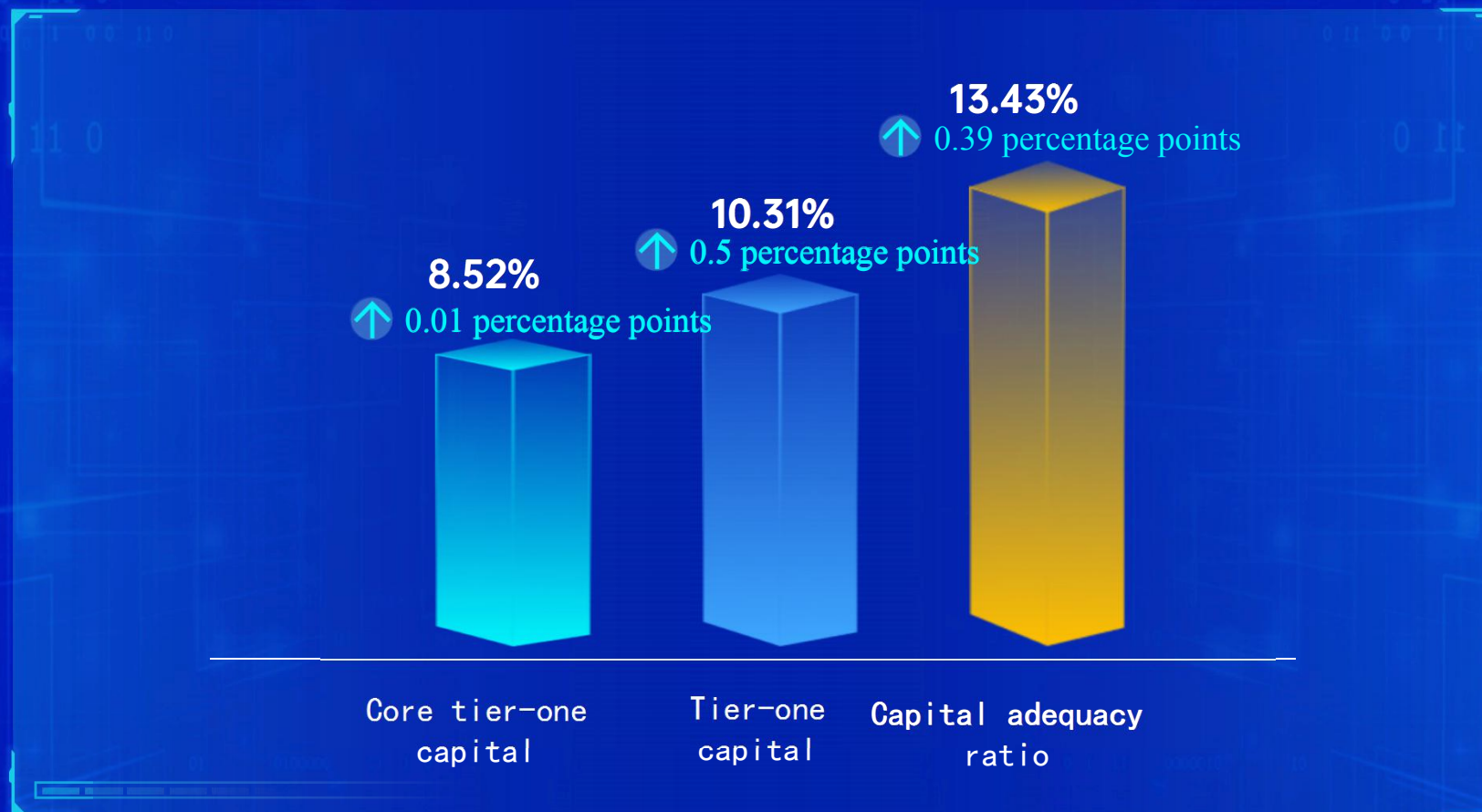
Proportion of retail special-mentioned loans

1.14%

↓ 0.22 percentage points



Steadily Increased Capital Adequacy Ratio



Digital Transformation

Blockchain-Based Open Service Platform

Satisfied the external demands of blockchain-based industrial cooperation based on self-operating and controlling infrastructure. Supported over 10 application scenarios such as L/Ct, forfeiting, judicial deposit, eKYC and electronic letters.

Blockchain-Based Electronic Certificate Platform

Connected with Beijing Internet Court, Fangyuan Notary Office and other institutions, realised efficient and safe links with two ecosystems of "finance + justice". Formulated an accumulate number of over 10 million blockchain-based electronic evidences.

Blockchain-Based Trade Finance Platform

Jointly developed with the Bank of China and China CITIC Bank. Over 40 banks have joined the platform with total transaction volume of over RMB500 billion. Became the largest blockchain-based trade finance platform in domestic banking industry.

Minsheng Cloud-Agency Bookkeeping

Connected with 24 financial and tax platform such as Kingdee, established cooperation with 237 bookkeeping companies. Won the Gold Award for Innovation in the "2021 China Fintech Innovation Competition".

Minsheng Cloud-Enterprise Payment

Cooperated with Tencent, realised batch connection of B2B platforms.

Minsheng Cloud-Human Resource

Built up comprehensive service system for payroll agency, human resources outsourcing, and flexible employment industry, cooperated with Shanghai Foreign Service (Group) Co., Ltd. and launched the services.

Digital RMB Project

Connected with the interconnection platform of the Digital Currency Research Institute of PBOC as one of the first batch of partner banks, new models are ready to be launched.

Personal Credit Investigation Inquiry Service

Enabled customers to check personal credit reports through mobile banking.

"Simplified and special version" mobile banking app

Customised for the elderly with simple, clear, convenient and safe functions. Won the Honor Award of the "2021 China Fintech Innovation Competition".

Green Finance, Rural Vitalisation and Inclusive Finance

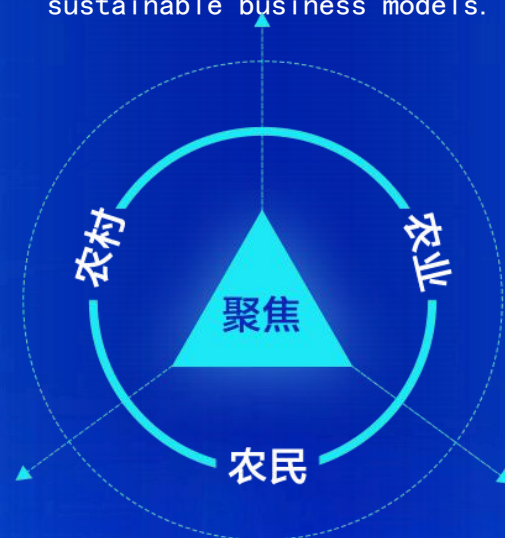
Green Finance

Introduced series of green finance products of “Carbon Peak and Carbon Neutral”



Rural Finance

Accelerated technology empowerment to advance digital finance and build up innovative service system for agriculture, rural areas and farmers, to create sustainable business models.



Inclusive Finance

Inclusive small business loans

RMB 485.9 billion ↑ 8.4%

Total inclusive small business loans placed in the first half of the year

RMB 285.4 billion

Average interest rate:
5.37%

NPL ratio of inclusive small business loans

2.47% ↓ 0.63 percentage points

03

Business Philosophy & Outlook

Consolidating Retail Finance

Driven by digital intelligence

Digital marketing

Digital risk control

Digital operation

Digital management



Driven by ecological scenarios

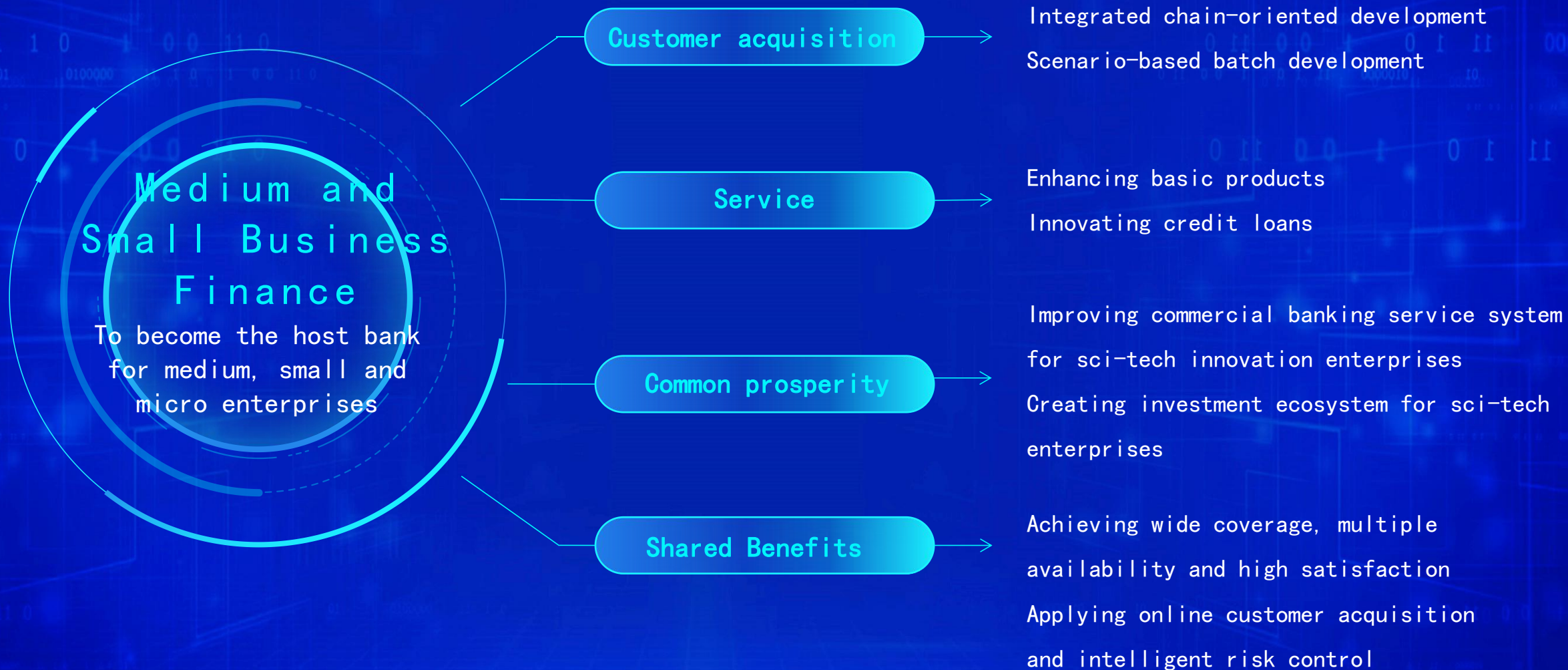
Online app ecosystem

Offline network ecosystem

Strategic customer
cooperation ecosystem

Prioritised long-term and fundamental
strategic business

Expanding Medium and Small Business Finance



Improving Corporate Finance -- Focusing on Key Customer Groups



Through: Coordinated marketing,
efficient approval, comprehensive services

Through: Chain-oriented customer acquisition,
corporate-private banking coordination,
coordinated services of 2G2B2C

Enhancing Corporate Finance-- Improving Products and Services



Refining transaction banking

Improving product offerings
Building service platforms
Expanding touch points of scenarios



Advancing investment banking

Strengthening industry researches
Integrating customer demands
Designing financing plans



Bettering green finance

Implementing green development philosophy
Improving organisational management process
Creating distinctive products and services

Advancing Financial Markets Business

