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**BQD  青岛银行**

**Bank of Qingdao Co., Ltd.\***

**青島銀行股份有限公司\***

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

**(H Shares Stock Code: 3866)**

**(Preference Shares Stock Code: 4611)**

## **UPDATES ON 2021 PRELIMINARY ANNUAL RESULTS**

This announcement is made by Bank of Qingdao Co., Ltd. (the “**Bank**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Unless otherwise specified, the amounts stated in this announcement are expressed in Renminbi (“**RMB**”).

The financial data of 2021 contained in this announcement are the data of the group preliminarily calculated according to the China Accounting Standards for Business Enterprises and have been audited by internal audit department of the Bank, but have not been audited by accounting firm. The detailed data shall be subject to the 2021 annual report of the Bank to be released in due course. Shareholders and potential investors of the Bank should exercise caution when dealing in the securities of the Bank.

### **I. KEY FINANCIAL DATA AND INDICATORS OF 2021**

*Unit: in RMB thousand, unless otherwise specified*

<b>Item</b>	<b>2021 (Unaudited)</b>	<b>2020 (Audited)</b>	<b>Changes (%)</b>
Operating income	11,136,017	10,540,661	5.65
Operating profit	3,223,054	2,720,237	18.48
Total profit	3,225,410	2,728,296	18.22
Net profit attributable to shareholders of the Bank	2,922,664	2,394,072	22.08
Net profit attributable to shareholders of the Bank after deducting extraordinary profit or loss	2,903,564	2,383,502	21.82
Basic earnings per share (RMB/share)	0.54	0.42	28.57
Weighted average return on net assets (%)	10.40	8.56	Increase by 1.84 percentage points

<b>Item</b>	<b>31 December 2021 (Unaudited)</b>	<b>31 December 2020 (Audited)</b>	<b>Changes (%)</b>
Total assets	522,249,610	459,827,605	13.58
Equity attributable to shareholders of the Bank	32,635,495	30,285,174	7.76
Share capital	4,509,690	4,509,690	–
Net assets per share attributable to ordinary shareholders of the Bank (RMB/share)	5.50	4.97	10.66
Non-performing loan ratio (%)	1.34	1.51	Decrease by 0.17 percentage point
Provision coverage ratio (%)	197.42	169.62	Increase by 27.80 percentage points

*Notes:*

- (1) Basic earnings per share and weighted average return on net assets were calculated according to the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 – Computation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision) (《公開發行證券的公司信息披露編報規則第9號——淨資產收益率和每股收益的計算及披露》(2010年修訂)). Basic earnings per share was RMB0.54, representing a year-on-year increase of RMB0.12; weighted average return on net assets reached 10.40%, representing a year-on-year increase of 1.84 percentage points, which was mainly due to the increase in net profit attributable to shareholders of the Bank. The Bank issued offshore preference shares in 2017. Therefore, in calculating earnings per share and weighted average return on net assets for the period, the dividends of the preference shares distributed in the period have been deducted from the “net profit attributable to ordinary shareholders of the Bank”, and the effect from preferences shares has been deducted from the “weighted average net assets”.
- (2) Net assets per share attributable to ordinary shareholders of the Bank = (equity attributable to shareholders of the Bank – other equity instrument)/the number of ordinary shares as at the end of the period.
- (3) In this announcement, “the Company” refers to Bank of Qingdao Co., Ltd. and its subsidiaries and branches, and “the Bank” refers to Bank of Qingdao Co., Ltd. and its branches.

## **II. INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION**

In 2021, the Company adhered to our basic operating guiding principle for the year of “solidifying foundation, serving the real economy, preventing and mitigating risks and improving comprehensively” and implemented the national policy guidance and industry regulatory requirements. We overcame the impact of the pandemic and increased support for the real economy. Meanwhile, we were committed to business expansion and structural adjustments, enhanced asset quality control, and realized continuous improvement in operating quality and efficiency.

Both assets and liabilities increased steadily and the structure adjustment continued to advance. As at the end of 2021, the total assets of the Company reached RMB522.250 billion, representing an increase of RMB62.422 billion or 13.58% as compared with that at the end of the previous year, among which, the total loans and advances to customers (excluding accrued interest) reached RMB244.205 billion, representing an increase of RMB37.458 billion or 18.12% as compared with that at the end of the previous year, accounting for 46.76% of the total assets, representing an increase of 1.80 percentage points as compared with that at the end of the previous year; the total liabilities reached RMB488.922 billion, representing an increase of RMB60.001 billion or 13.99% as compared with that at the end of the previous year, among which, total deposits from customers (excluding accrued interest) reached RMB313.525 billion, representing an increase of RMB41.293 billion or 15.17% as compared with that at the end of the previous year, accounting for 64.13% of the total liabilities, representing an increase of 0.66 percentage point as compared with that at the end of the previous year.

The operating quality and efficiency realized continuous improvement and the operating income increased at a steady pace. In 2021, the Company achieved a net profit attributable to shareholders of the Bank of RMB2.923 billion, representing an increase of RMB529 million or 22.08% as compared with that of the previous year; the operating income reached RMB11.136 billion, representing an increase of RMB595 million or 5.65% as compared with that of the previous year.

The asset quality improved steadily, with non-performing loan ratio continuing to decline, and the provision coverage continuing to increase. As at the end of 2021, the non-performing loan ratio of the Company was 1.34%, representing a decrease of 0.17 percentage point as compared with that at the end of the previous year; and the provision coverage ratio was 197.42%, representing an increase of 27.80 percentage points as compared with that at the end of the previous year.

By order of the Board  
**Bank of Qingdao Co., Ltd.\***  
**GUO Shaoquan**  
*Chairman*

Qingdao, Shandong Province, the PRC  
12 January 2022

*As at the date of this announcement, the Board of Directors comprises Mr. Guo Shaoquan, Mr. Wang Lin, Mr. Liu Peng and Ms. Lu Lan as executive Directors; Mr. Zhou Yunjie, Mr. Rosario Strano, Ms. Tan Lixia, Mr. Marco Mussita, Mr. Deng Youcheng and Mr. Choi Chi Kin, Calvin as non-executive Directors; Mr. Simon Cheung, Ms. Fang Qiaoling, Mr. Tingjie Zhang, Mr. Xing Lecheng and Mr. Zhang Xu as independent non-executive Directors.*

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