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中国农业银行

AGRICULTURAL BANK OF CHINA

AGRICULTURAL BANK OF CHINA LIMITED

中國農業銀行股份有限公司

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

(Stock Code: 1288)

THE THIRD QUARTERLY REPORT OF 2021

The board of directors (the “**Board of Directors**”) of Agricultural Bank of China Limited (the “**Bank**”) is pleased to announce the unaudited results of the Bank and its subsidiaries (collectively the “**Group**”) for the third quarter ended 30 September 2021, prepared under International Financial Reporting Standards (“**IFRSs**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. BASIC CORPORATE INFORMATION

Stock exchange on which A Shares are listed Stock name Stock code	Shanghai Stock Exchange 農業銀行 601288
Stock exchange on which H Shares are listed Stock name Stock code	The Stock Exchange of Hong Kong Limited ABC 1288
Trading exchange and platform of preference shares Stock name Stock code	The Integrated Business Platform of Shanghai Stock Exchange 農行優1, 農行優2 360001, 360009
Secretary to the Board of Directors and Company Secretary	HAN Guoqiang Address: No. 69, Jianguomen Nei Avenue, Dongcheng District, Beijing, PRC (Postal code: 100005) Tel: 86-10-85109619 (Investors enquiry) Fax: 86-10-85126571 E-mail: ir@abchina.com

II. MAJOR FINANCIAL DATA

Financial data and indicators recorded in this quarterly financial report are data of the Group prepared in accordance with IFRSs and denominated in Renminbi (“RMB”), unless otherwise stated.

(I) Major financial data and financial indicators

In millions of RMB, unless otherwise stated

Items	Reporting period (July–September)	Change as compared to the same period of 2020 (%)	From beginning of the year to the end of the reporting period (January–September)	Change as compared to the same period of 2020 (%)
Operating income	179,627	12.66	545,881	9.35
Net profit attributable to equity holders of the Bank	64,431	14.04	186,709	12.93
Net cash flows from operating activities	N/A	N/A	152,556	—
Basic earnings per share (RMB/share)	0.16	6.67	0.50	11.11
Diluted earnings per share (RMB/share)	0.16	6.67	0.50	11.11
Return on weighted average net assets (annualized, %) ¹	12.74	Increased by 0.62 percentage point	12.17	Increased by 0.36 percentage point

	30 September 2021	31 December 2020	Change as compared to the end of 2020 (%)
Total assets	28,988,663	27,205,047	6.56
Equity attributable to equity holders of the Bank	2,320,428	2,204,789	5.24

Notes: 1. Calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 — Computation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision) issued by the China Securities Regulatory Commission (the “CSRC”) and International Accounting Standard 33 — Earnings per share.

2. The “reporting period” refers to the three months ended 30 September 2021, similarly hereinafter.

(II) Changes in major financial data and financial indicators and reasons

In millions of RMB, except for percentages

Item	Nine months ended 30 September 2021	Nine months ended 30 September 2020	Change as compared to the same period of 2020 (%)	Main reason for change
Net cash flows from operating activities	152,556	(289,805)	—	The increase in cash inflows was due to net decrease in balances with central banks, deposits with banks and other financial institutions.

III. SHAREHOLDERS INFORMATION

(I) Total number of holders of ordinary shares and particulars of shareholding of the top 10 shareholders

Total number of holders of ordinary shares at the end of the reporting period			485,761, including 21,561 holders of H Shares and 464,200 holders of A Shares.			
Particulars of shareholding of the top 10 shareholders (based on the registers of shareholders as at 30 September 2021)						
Name of shareholders	Nature of shareholders	Number of shares held	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Pledged, marked or locked-up	
					Status	Number of shares
Central Huijin Investment Ltd.	State-owned	140,087,446,351	40.03	10,082,342,569	None	None
Ministry of Finance of the PRC (the “MOF”)	State-owned	123,515,185,240	35.29	9,877,329,974	None	None
HKSCC Nominees Limited	Overseas legal entity	30,547,962,003	8.73	—	Unknown	Unknown
National Council for Social Security Fund of the PRC (the “SSF”)	State-owned	23,520,968,297	6.72	—	None	None
China Life Insurance Company Limited — Traditional — General insurance products — 005L — CT001 Hu	Others	2,691,045,800	0.77	—	None	None

Name of shareholders	Nature of shareholders	Number of shares held	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Pledged, marked or locked-up	
					Status	Number of shares
China National Tobacco Corporation	State-owned legal entity	2,518,891,687	0.72	—	None	None
China Securities Finance Corporation Limited	State-owned legal entity	1,842,751,177	0.53	—	None	None
China Life Insurance Company Limited — Dividend — Individual dividend — 005L — FH002 Hu	Others	1,759,391,723	0.50	—	None	None
Hong Kong Securities Clearing Company Limited	Overseas legal entity	1,581,376,802	0.45	—	None	None
Shanghai Haiyan Investment Management Company Limited	State-owned legal entity	1,259,445,843	0.36	—	None	None

**Particulars of shareholding of the top 10 shareholders not subject to restrictions on sales
(based on the registers of shareholders as at 30 September 2021)**

Name of shareholders	Number of shares not subject to restrictions on sales	Type and number of shares	
		Type of shares	Number of shares
Central Huijin Investment Ltd.	130,005,103,782	A Shares	130,005,103,782
MOF	113,637,855,266	A Shares	113,637,855,266
HKSCC Nominees Limited	30,547,962,003	H Shares	30,547,962,003
SSF	23,520,968,297	A Shares	23,520,968,297
China Life Insurance Company Limited — Traditional — General insurance products — 005L — CT001 Hu	2,691,045,800	A Shares	2,691,045,800
China National Tobacco Corporation	2,518,891,687	A Shares	2,518,891,687
China Securities Finance Corporation Limited	1,842,751,177	A Shares	1,842,751,177
China Life Insurance Company Limited — Dividend — Individual dividend — 005L — FH002 Hu	1,759,391,723	A Shares	1,759,391,723
Hong Kong Securities Clearing Company Limited	1,581,376,802	A Shares	1,581,376,802
Shanghai Haiyan Investment Management Company Limited	1,259,445,843	A Shares	1,259,445,843

- Notes:
1. The total number of shares held by HKSCC Nominees Limited represents the number of H Shares held by it in aggregate as a nominee on behalf of all institutional and individual investors registered with it as at 30 September 2021.
 2. The number of shares held by Hong Kong Securities Clearing Company Limited represents the number of A Shares (northbound shares of Shanghai-Hong Kong Stock Connect) held by it as a nominee designated by and on behalf of investors from Hong Kong and overseas.
 3. Among the shareholders listed above, both “China Life Insurance Company Limited — Traditional — General insurance products — 005L — CT001 Hu” and “China Life Insurance Company Limited — Dividend — Individual dividend — 005L — FH002 Hu” are under the management of China Life Insurance Company Limited; China National Tobacco Corporation is the *de facto* controller of Shanghai Haiyan Investment Management Company Limited. Save as mentioned above, the Bank is not aware of any connections between the shareholders above or whether they are parties acting in concert. The number of shares held by “China Life Insurance Company Limited — Traditional — General insurance products — 005L — CT001 Hu” and “China Life Insurance Company Limited — Dividend — Individual dividend — 005L — FH002 Hu” amounted to 4,450,437,523 in aggregate, accounting for 1.27% of the total share capital of the Bank. The number of shares held by China National Tobacco Corporation and Shanghai Haiyan Investment Management Company Limited amounted to 3,778,337,530 in aggregate, accounting for 1.08% of the total share capital of the Bank.
 4. Pursuant to the *Notice on the Full Implementation of Transferring Part of State-owned Capital to Replenish Social Security Funds* (Cai Zi [2019] No. 49) jointly issued by the MOF, Ministry of Human Resources and Social Security, State-owned Assets Supervision and Administration Commission of the State Council, State Taxation Administration and the CSRC, the MOF transferred 13,723,909,471 shares to the state-owned capital transfer account of the SSF on one-off basis. In compliance with the *Notice of the State Council on Printing and Distributing the Implementation Plan of Transferring Part of State-owned Capital to Replenish Social Security Funds* (Guo Fa [2017] No. 49), the SSF shall be obligated to observe a lock-up period not less than three years from the date on which the shares are credited to the account.
 5. According to the Private Placement Subscription Agreements, the A shares subscribed for thereunder by China National Tobacco Corporation, Shanghai Haiyan Investment Management Company Limited, Zhongwei Capital Holding Company Limited, China National Tobacco Corporation Hubei Province Company and New China Life Insurance Company Limited under the private placement shall not be transferred within 36 months from the date of completion of the private placement. As at 27 August 2021, the commitments made by these subscribing shareholders have been duly fulfilled and the underlying shares held subject to restrictions on sales have become tradable in the market. For details, please refer to the relevant announcements published on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (www.hkexnews.hk).
 6. None of the top 10 shareholders or the top 10 shareholders not subject to restrictions on sales were engaged in the business of margin trading and short selling or refinancing, among which HKSCC Nominees Limited held the H Shares as a nominee and it was not engaged in the business of margin trading and short selling or refinancing.

(II) The total number of holders of preference shares and particulars of shareholding of the top 10 holders of preference shares¹

The total number of holders of preference shares of “農行優1” (stock code: 360001) at the end of the reporting period					31	
Particulars of shareholding of the top 10 holders of preference shares of “農行優1” (based on the registers of shareholders as at 30 September 2021)						
Name of shareholders	Nature of shareholders	Number of preference shares held	Shareholding percentage (%)	Number of shares held subject to restrictions on sales	Pledged, marked or locked-up	
					Status	Number of shares
Bank of Communications Schroder Fund Management Co., Ltd.	Others	76,000,000	19.00	None	None	None
China Merchants Fund Management Co., Ltd.	Others	49,000,000	12.25	None	None	None
PICC Life Insurance Company Limited	Others	30,000,000	7.50	None	None	None
Ping An Life Insurance Company of China, Ltd.	Others	30,000,000	7.50	None	None	None
CITIC — Prudential Life Insurance Co., Ltd.	Others	29,760,000	7.44	None	None	None
Xinyuan Capital Management Co., Ltd.	Others	20,000,000	5.00	None	None	None
Beijing Tiandi Fangzhong Asset Management Co., Ltd.	Others	18,210,000	4.55	None	None	None
CITIC Securities Co., Ltd.	Others	18,000,000	4.50	None	None	None
Everbright Securities Asset Management Co., Ltd.	Others	16,000,000	4.00	None	None	None
China Merchants Securities Asset Management Co., Ltd.	Others	13,600,000	3.40	None	None	None

Notes: 1. China Merchants Fund Management Co., Ltd. and China Merchants Securities Asset Management Co., Ltd. are acting in concert. Save as mentioned above, the Bank is not aware of any other connections between the above holders of preference shares, or between the above holders of preference shares and the top 10 holders of ordinary shares, or whether they are parties acting in concert.

¹ The number of holders of preference shares was calculated by the number of qualified investors that held the preference shares. When calculating the number of the qualified investors, two or more products under the control of the same asset management institution will be counted as one investor that purchases or transfers the preference shares.

2. According to the No. 2 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Annual Report (Revision 2021), “Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the states and foreign holders”. Except for the entities which hold shares on behalf of the states and foreign holders, the nature of other holders of preference shares is categorized as “others”.
3. “Shareholding percentage” refers to the percentage of “農行優1” held by the holders of preference shares to the total number of “農行優1” (i.e. 400 million shares).

The total number of holders of preference shares of “農行優2” (stock code: 360009) at the end of the reporting period					37	
Particulars of shareholding of the top 10 holders of preference shares of “農行優2” (based on the registers of shareholders as at 30 September 2021)						
Name of shareholders	Nature of shareholders	Number of preference shares held	Shareholding percentage (%)	Number of shares held subject to restrictions on sales	Pledged, marked or locked-up	
					Status	Number of shares
China Life Insurance Company Limited	Others	50,000,000	12.50	None	None	None
China National Tobacco Corporation	Others	50,000,000	12.50	None	None	None
Bank of Communications Schroder Fund Management Co., Ltd.	Others	29,000,000	7.25	None	None	None
China National Tobacco Corporation Jiangsu Province Company	Others	20,000,000	5.00	None	None	None
China National Tobacco Corporation Yunnan Province Company	Others	20,000,000	5.00	None	None	None
China Mobile Communications Group Co., Ltd.	Others	20,000,000	5.00	None	None	None
Bank of China Limited, Shanghai Branch	Others	20,000,000	5.00	None	None	None
China Zheshang Bank Co., Ltd.	Others	19,000,000	4.75	None	None	None
Shanghai Tobacco Group Co., Ltd.	Others	15,700,000	3.93	None	None	None
Xinyuan Capital Management Co., Ltd.	Others	15,405,000	3.85	None	None	None

Notes: 1. China National Tobacco Corporation Jiangsu Province Company, China National Tobacco Corporation Yunnan Province Company and Shanghai Tobacco Group Co., Ltd. are wholly-owned subsidiaries of China National Tobacco Corporation. China National Tobacco Corporation is the *de facto* controller of Shanghai Haiyan Investment Management Company Limited. “China Life Insurance Company Limited — Traditional — General insurance products — 005L — CT001 Hu” and “China Life Insurance Company Limited — Dividend — Individual dividend — 005L — FH002 Hu” are under the management of China Life Insurance Company Limited. Save as mentioned above, the Bank is not aware of any connections between the above holders of preference shares, or between the above holders of preference shares and the top 10 holders of ordinary shares or whether they are parties acting in concert.

2. According to the No. 2 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Annual Report (Revision 2021), “Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the states and foreign holders”. Except for the entities which hold shares on behalf of the states and foreign holders, the nature of other holders of preference shares is categorized as “others”.
3. “Shareholding percentage” refers to the percentage of “農行優2” held by the holders of preference shares to the total number of “農行優2” (i.e. 400 million shares).

IV. OTHER MATTERS

(I) Brief analysis on overall operating activities in the third quarter

(The financial data herein are presented in RMB unless otherwise indicated)

Financial results

For the nine months ended 30 September 2021, the Group achieved a net profit of RMB187,370 million, representing an increase of 12.93% as compared to the same period of the previous year. Annualized return on average total assets was 0.89%, representing an increase of 0.04 percentage point as compared to the same period of the previous year; annualized return on weighted average net assets was 12.17%, representing an increase of 0.36 percentage point as compared to the same period of the previous year. We achieved basic earnings per share of RMB0.50, representing an increase of RMB0.05 as compared to the same period of the previous year.

For the nine months ended 30 September 2021, the Group achieved an operating income of RMB545,881 million, representing an increase of 9.35% as compared to the same period of the previous year. Net interest income amounted to RMB429,717 million, representing an increase of 5.86% as compared to the same period of the previous year. Net interest margin was 2.12%. Net fee and commission income amounted to RMB65,476 million, representing an increase of 6.53% as compared to the same period of the previous year. Operating expenses amounted to RMB173,284 million, representing an increase of 8.19% as compared to the same period of the previous year. Cost-to-income ratio (under PRC GAAP) amounted to 25.58%, representing a decrease of 0.37 percentage point as compared to the same period of the previous year. Credit impairment losses amounted to RMB141,616 million², representing an increase of RMB2,544 million as compared to the same period of the previous year.

² The Group has identified the macroeconomic variables affecting expected credit losses through historical data analysis and conducted periodic evaluation and prediction. On 30 September 2021, the prediction of 2021 GDP growth rate under each of the following scenarios are: 8.51% under base scenario, 11.14% under upside scenario, and 6.28% under downside scenario.

Assets and liabilities

At 30 September 2021, the Group's total assets amounted to RMB28,988,663 million, representing an increase of RMB1,783,616 million or 6.56% as compared to the end of the previous year. Total loans and advances to customers amounted to RMB16,911,540 million, representing an increase of RMB1,741,098 million or 11.48% as compared to the end of the previous year. Total loans and advances to customers (excluding accrued interest) by business type consist of corporate loans, retail loans, discounted bills, and overseas and other loans, which amounted to RMB9,152,568 million, RMB6,932,527 million, RMB322,982 million and RMB461,336 million, respectively. Financial investment amounted to RMB8,003,295 million, representing an increase of RMB180,636 million or 2.31% as compared to the end of the previous year.

Total liabilities amounted to RMB26,661,513 million, representing an increase of RMB1,667,212 million or 6.67% as compared to the end of the previous year. Deposits from customers amounted to RMB22,035,457 million, representing an increase of RMB1,662,556 million or 8.16% as compared to the end of the previous year. In terms of the maturity, deposits from customers (excluding accrued interest) consist of time deposits, demand deposits and other deposits, which amounted to RMB9,864,860 million, RMB11,331,471 million and RMB546,528 million, respectively. In terms of business line, deposits from customers (excluding accrued interest) consist of corporate deposits, retail deposits and other deposits, which amounted to RMB8,201,422 million, RMB12,994,909 million and RMB546,528 million, respectively.

Shareholders' equity amounted to RMB2,327,150 million, representing an increase of RMB116,404 million or 5.27% as compared to the end of the previous year, with ordinary shares of RMB349,983 million, other equity instruments of RMB319,875 million, capital reserve of RMB173,556 million, investment revaluation reserve of RMB32,150 million, surplus reserve of RMB196,354 million, general reserve of RMB351,958 million, retained earnings of RMB897,704 million, and foreign currency translation reserve of RMB-1,152 million.

Assets quality

At 30 September 2021, the balance of non-performing loans amounted to RMB250,163 million, representing an increase of RMB13,050 million as compared to the end of the previous year. Non-performing loan ratio was 1.48%, representing a decrease of 0.09 percentage point as compared to the end of the previous year. Allowance to non-performing loans was 288.04%, representing an increase of 27.40 percentage points as compared to the end of the previous year.

County Area Banking Business

At 30 September 2021, total loans and advances to customers of County Area Banking Business amounted to RMB6,100,346 million, representing an increase of RMB795,041 million or 14.99% as compared to the end of the previous year. Deposits from customers of County Area Banking Business amounted to RMB9,437,836 million, representing an increase of RMB683,352 million or 7.81% as compared to the end of the previous year.

Non-performing loan ratio of County Area Banking Business amounted to 1.50%, representing a decrease of 0.02 percentage point as compared to the end of the previous year. Allowance to non-performing loans was 316.74%, representing an increase of 9.43 percentage points as compared to the end of the previous year.

(II) Progress of significant events and analysis on their effects and solutions

✓ Applicable ☐ Not Applicable

The Bank is intended to issue no more than RMB120 billion of write-down undated capital bonds in the domestic market to raise funds for replenishing the Bank's additional Tier 1 capital. The above issuance plan has been considered and approved at the meeting of the Board of Directors on 17 June 2021 and the extraordinary general meeting of the Bank on 9 July 2021, and has been approved by the relevant regulators.

Please refer to the relevant announcements published by the Bank on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Hong Kong Stock Exchange (www.hkexnews.hk) for details.

(III) Implementation of cash dividend policy during the reporting period

On 30 August 2021, the Board of Directors considered and approved the Dividend Payment Scheme of 2020–2021 for the First Tranche of the Preference Shares. On 5 November 2021, the Bank will pay cash dividends of RMB5.32 (tax inclusive) per preference share or RMB2.128 billion (tax inclusive) in aggregate, at a coupon rate of 5.32% to all holders of “農行優1” (stock code: 360001) whose names appear on the register of shareholders at the close of business on 4 November 2021.

Please refer to the relevant announcements published by the Bank on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Hong Kong Stock Exchange (www.hkexnews.hk) for details.

V. QUARTERLY FINANCIAL STATEMENTS

There are no differences between the net profit or shareholders' equity for the reporting period in the consolidated financial statements of the Group prepared under IFRSs and those under PRC GAAP. See Appendix IV for the quarterly financial statements prepared under IFRSs.

VI. RELEASE OF QUARTERLY REPORT

The quarterly report prepared under IFRSs will be published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Bank (www.abchina.com). The quarterly report prepared under PRC GAAP will be simultaneously published on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Bank (www.abchina.com).

By order of the Board of Directors
Agricultural Bank of China Limited
HAN Guoqiang
Company Secretary

Beijing, the PRC
28 October 2021

As at the date of this announcement, the executive directors of the Bank are Mr. GU Shu, Mr. ZHANG Qingsong, Mr. ZHANG Xuguang and Mr. LIN Li; the non-executive directors are Mr. LIAO Luming, Mr. LI Qiyun, Mr. LI Wei and Ms. ZHOU Ji; and the independent non-executive directors are Ms. XIAO Xing, Mr. WANG Xinxin, Mr. HUANG Zhenzhong, Ms. LEUNG KO May Yee, Margaret and Mr. LIU Shouying.

APPENDIX I CAPITAL ADEQUACY RATIO INFORMATION

According to the application scope of the advanced approach of capital management as approved by the regulatory authority, the Bank adopted the foundation Internal Ratings-Based (IRB) approach for non-retail exposures and IRB approach for retail exposures to measure credit risk-weighted assets, weighting approach for credit risk-weighted assets uncovered by IRB approach. Internal Model Approach (IMA) was adopted to measure market risk-weighted assets, Standardized Approach was adopted to measure market risk-weighted assets uncovered by IMA. Standardized Approach was adopted to measure operational risk-weighted assets. The table below sets out the net capital, risk-weighted assets and capital adequacy ratios calculated pursuant to the *Capital Rules for Commercial Banks (Provisional)* at 30 September 2021.

In millions of RMB, except for percentages

Item	30 September 2021		31 December 2020	
	The Group	The Bank	The Group	The Bank
CET 1 capital, net	1,987,338	1,930,587	1,875,372	1,814,475
Tier 1 capital, net	2,307,222	2,250,462	2,195,256	2,134,350
Total capital, net	2,967,580	2,904,077	2,817,924	2,756,883
Risk-weighted assets	17,775,020	17,211,315	16,989,668	16,434,275
CET 1 capital adequacy ratio	11.18%	11.22%	11.04%	11.04%
Tier 1 capital adequacy ratio	12.98%	13.08%	12.92%	12.99%
Capital adequacy ratio	16.70%	16.87%	16.59%	16.78%

APPENDIX II LIQUIDITY COVERAGE RATIO INFORMATION

The Bank disclosed the following information of liquidity coverage ratio in accordance with relevant regulations of the China Banking and Insurance Regulatory Commission (the “CBIRC”).

Regulatory Requirements of Liquidity Coverage Ratio

In accordance with the *Rules on Liquidity Risk Management of Commercial Banks* issued by the CBIRC, it is required that the liquidity coverage ratio of commercial banks should be no less than 100%. In addition, in accordance with the *Rules on Disclosure for Liquidity Coverage Ratio Information of Commercial Banks*, commercial banks are required to disclose liquidity coverage ratio information at the same frequency as issuing the financial reports, and to disclose the simple average of the liquidity coverage ratio based on daily data in every quarter from 2017 onwards and the quantity of daily data adopted in calculation of such average.

Liquidity Coverage Ratio

The Bank calculated the liquidity coverage ratio in accordance with the *Rules on Liquidity Risk Management of Commercial Banks* and applicable calculation requirements. The average of daily liquidity coverage ratio of the Bank was 127.9% in the third quarter of 2021, representing an increase of 0.6 percentage point over the previous quarter. The number of days used in calculating such average was 92 days. The high-quality liquid assets of the Bank mainly consist of cash, available excess reserves of central bank under stress conditions as well as the bonds which satisfy the requirements of Level 1 and Level 2 assets defined in the *Rules on Liquidity Risk Management of Commercial Banks*.

The table below sets out the average of the daily liquidity coverage ratio and averages of individual line items over the third quarter in 2021:

In millions of RMB, except for percentages

No.		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		5,645,886
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	13,263,731	1,241,595
3	Stable deposits	1,695,496	84,772
4	Less stable deposits	11,568,235	1,156,823
5	Unsecured wholesale funding, of which:	7,981,064	2,898,167
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	3,100,289	761,014
7	Non-operational deposits (all counterparties)	4,840,079	2,096,457
8	Unsecured debt	40,696	40,696
9	Secured wholesale funding		2,644
10	Additional requirements, of which:	3,534,259	1,052,376
11	Outflows related to derivative exposures and other collateral requirements	839,296	839,296
12	Outflows related to loss of funding on debt products	58	58
13	Credit and liquidity facilities	2,694,905	213,022
14	Other contractual funding obligations	151,702	151,702
15	Other contingent funding obligations	1,348,485	32,059
16	TOTAL CASH OUTFLOWS		5,378,543
CASH INFLOWS			
17	Secured lending (e.g. reverse repos and borrowed securities)	288,308	288,308
18	Inflows from fully performing exposures	1,110,968	571,701
19	Other cash inflows	933,721	933,721
20	TOTAL CASH INFLOWS	2,332,997	1,793,730
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		4,582,530
22	TOTAL NET CASH OUTFLOWS		3,584,813
23	LIQUIDITY COVERAGE RATIO (%)		127.9%

APPENDIX III LEVERAGE RATIO INFORMATION

At 30 September 2021, the Bank's leverage ratio, calculated in accordance with the *Rules for the Administration of the Leverage Ratio of Commercial Banks (Revised)* issued by the CBIRC, was 7.46%, which was higher than the regulatory requirement.

In millions of RMB, except for percentages

Item	30 September 2021	30 June 2021	31 March 2021	31 December 2020
Tier 1 capital, net	2,307,222	2,245,341	2,253,523	2,195,256
Adjusted on- and off-balance sheet assets	30,918,813	30,555,010	30,951,031	29,572,540
Leverage ratio	7.46%	7.35%	7.28%	7.42%

APPENDIX IV FINANCIAL STATEMENTS PREPARED UNDER IFRS

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 30 September		Nine months ended 30 September	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
Interest income	255,074	234,279	748,545	692,710
Interest expense	(108,714)	(95,349)	(318,828)	(286,771)
Net interest income	146,360	138,930	429,717	405,939
Fee and commission income	21,742	21,665	79,229	72,935
Fee and commission expense	(4,416)	(4,441)	(13,753)	(11,473)
Net fee and commission income	17,326	17,224	65,476	61,462
Net trading gain	17,814	7,918	26,173	15,306
Net loss on financial investments	(7,331)	(6,564)	(5,899)	(10,355)
Net gain on derecognition of financial assets measured at amortized cost	7	-	8	-
Other operating income	5,451	1,929	30,406	26,859
Operating income	179,627	159,437	545,881	499,211
Operating expenses	(56,593)	(52,122)	(173,284)	(160,165)
Credit impairment losses	(45,478)	(39,949)	(141,616)	(139,072)
Impairment losses on other assets	(10)	(90)	(13)	(141)
Operating profit	77,546	67,276	230,968	199,833
Share of results of associates and joint ventures	212	(14)	328	(16)
Profit before tax	77,758	67,262	231,296	199,817
Income tax expense	(13,221)	(10,541)	(43,926)	(33,906)
Profit for the period	64,537	56,721	187,370	165,911
Attributable to:				
Equity holders of the Bank	64,431	56,501	186,709	165,335
Non-controlling interests	106	220	661	576
	64,537	56,721	187,370	165,911
Earnings per share attributable to the ordinary equity holders of the Bank (expressed in RMB yuan per share)				
- Basic and diluted	0.16	0.15	0.50	0.45

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 30 September		Nine months ended 30 September	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
Profit for the period	64,537	56,721	187,370	165,911
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Fair value changes on financial assets at fair value through other comprehensive income	6,506	(16,185)	8,695	(14,205)
Loss allowance on financial assets at fair value through other comprehensive income	2,589	(1,700)	(1,031)	3,306
Income tax impact for fair value changes and loss allowance on financial assets at fair value through other comprehensive income	(1,905)	4,321	(1,499)	2,725
Foreign currency translation differences	(128)	(1,629)	(779)	(1,063)
Items that will not be reclassified subsequently to profit or loss:				
Fair value changes on other equity investments designated at fair value through other comprehensive income	(53)	62	133	78
Income tax impact for fair value changes on other equity investments designated at fair value through other comprehensive income	14	(16)	(32)	(20)
Other comprehensive income, net of tax	7,023	(15,147)	5,487	(9,179)
Total comprehensive income for the period	71,560	41,574	192,857	156,732
Total comprehensive income attributable to:				
Equity holders of the Bank	71,360	41,425	192,092	156,067
Non-controlling interests	200	149	765	665
	71,560	41,574	192,857	156,732

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	30 September 2021 (Unaudited)	31 December 2020 (Audited)
Assets		
Cash and balances with central banks	2,535,325	2,437,275
Deposits with banks and other financial institutions	293,957	434,185
Precious metals	128,238	87,357
Placements with and loans to banks and other financial institutions	448,023	546,948
Derivative financial assets	26,760	61,937
Financial assets held under resale agreements	836,540	816,206
Loans and advances to customers	16,190,959	14,552,433
Financial investments		
Financial assets at fair value through profit or loss	418,896	583,069
Debt instrument investments at amortized cost	6,199,796	5,684,220
Other debt instrument and other equity investments at fair value through other comprehensive income	1,384,603	1,555,370
Investment in associates and joint ventures	9,808	8,865
Property and equipment	148,391	151,154
Goodwill	1,381	1,381
Deferred tax assets	138,520	133,355
Other assets	227,466	151,292
Total assets	<u>28,988,663</u>	<u>27,205,047</u>
Liabilities		
Borrowings from central banks	695,661	737,161
Deposits from banks and other financial institutions	1,526,881	1,394,516
Placements from banks and other financial institutions	334,627	390,660
Financial liabilities at fair value through profit or loss	16,680	27,817
Derivative financial liabilities	15,190	65,282
Financial assets sold under repurchase agreements	27,859	109,195
Due to customers	22,035,457	20,372,901
Debt securities issued	1,497,419	1,371,845
Deferred tax liabilities	299	334
Other liabilities	511,440	524,590
Total liabilities	<u>26,661,513</u>	<u>24,994,301</u>

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

AS AT 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	30 September 2021 (Unaudited)	31 December 2020 (Audited)
Equity		
Ordinary shares	349,983	349,983
Other equity instruments	319,875	319,875
Preference shares	79,899	79,899
Perpetual bonds	239,976	239,976
Capital reserve	173,556	173,556
Investment revaluation reserve	32,150	25,987
Surplus reserve	196,354	196,071
General reserve	351,958	311,449
Retained earnings	897,704	828,240
Foreign currency translation reserve	(1,152)	(372)
Equity attributable to equity holders of the Bank	2,320,428	2,204,789
Non-controlling interests	6,722	5,957
Total equity	2,327,150	2,210,746
Total equity and liabilities	28,988,663	27,205,047

The consolidated financial statements on page I to VI were approved and authorized for issue by the Board of Directors on 28 October 2021 and are signed on its behalf by:

Gu Shu

Chairman

Zhang Qingsong

Vice Chairman

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	Nine months ended 30 September	
	2021	2020
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	231,296	199,817
Adjustments for:		
Amortization of intangible assets and other assets	1,935	1,706
Depreciation of property, equipment and right-of-use assets	12,712	12,463
Credit impairment losses	149,610	139,072
Impairment losses on other assets	13	141
Interest income arising from investment securities	(187,657)	(177,143)
Interest expense on debt securities issued	29,179	26,476
Revaluation loss/(gain) on financial instruments at fair value through profit or loss	4,577	(3,770)
Net gain on investment securities	(459)	(638)
Share of results of associates and joint ventures	(328)	16
Net gain on disposal of property, equipment and other assets	(752)	(605)
Net foreign exchange loss	1,254	9,838
	<u>241,380</u>	<u>207,373</u>
Net change in operating assets and operating liabilities:		
Net decrease/(increase) in balances with central banks, deposits with banks and other financial institutions	168,417	(345,296)
Net decrease in placements with and loans to banks and other financial institutions	22,317	53,510
Net increase in financial assets held under resale agreements	(29,187)	(68,655)
Net increase in loans and advances to customers	(1,772,481)	(1,618,308)
Net (decrease)/increase in borrowings from central banks	(44,995)	22,853
Net (decrease)/increase in placements from banks and other financial institutions	(55,748)	34,327
Net increase in due to customers and deposits from banks and other financial institutions	1,765,848	1,749,261
Decrease/(increase) in other operating assets	31,326	(422,020)
(Decrease)/increase in other operating liabilities	(116,095)	160,242
	<u>210,782</u>	<u>(226,713)</u>
Cash from/(used in) operations	<u>(58,226)</u>	<u>(63,092)</u>
Income tax paid		
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	<u>152,556</u>	<u>(289,805)</u>

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

(Amounts in millions of Renminbi, unless otherwise stated)

	Nine months ended 30 September	
	2021	2020
	(Unaudited)	(Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from disposal/redemption of investment securities	1,216,054	1,545,430
Cash received from investment income	198,964	188,452
Cash received from disposal of investment in associates and joint ventures	1,352	-
Cash received from disposal of property, equipment and other assets	3,640	679
Cash paid for purchase of investment securities	(1,527,709)	(2,034,772)
Increase in investment in associates and joint ventures	(2,147)	(1,785)
Cash paid for purchase of property, equipment and other assets	(14,673)	(7,045)
NET CASH USED IN INVESTING ACTIVITIES	(124,519)	(309,041)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contribution from issues of other equity instruments	-	120,000
Cash payments for transaction cost of other equity instruments issued	-	(11)
Cash received from debt securities issued	1,321,385	1,141,700
Repayments of debt securities issued	(1,194,766)	(872,428)
Cash payments for interest on debt securities issued	(29,592)	(25,728)
Cash payments for transaction cost of debt securities issued	(26)	(7)
Cash payments for principal portion and interest portion of the lease liability	(3,444)	(3,501)
Capital distribution to non-controlling interests	-	(928)
Dividends paid	(76,453)	(71,177)
NET CASH FROM FINANCING ACTIVITIES	17,104	287,920
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	45,141	(310,926)
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	1,175,153	1,454,581
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(5,682)	(4,937)
CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER	1,214,612	1,138,718