

Investment Summary Report

Ping An Bank Co Ltd

(000001.SZ)

Exchange: SZSE
Sector: A3
Report Date: January 05, 2026

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1 Executive Summary

1.1 Investment Recommendation

? NEUTRAL ?

- **Pros:** - Resilient NIM leader (1.87% > industry), strong cash flow, asset quality (NPL 1.06%)[[3]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222806523.PDF>) - Wholesale pivot boosting profits (79.7% contribution), tech moat/digital efficiency[[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>) - Attractive valuation (P/E 5.5x), 4% yield, analyst upside +18%[[8]](<https://www.investan-bank-a>) - **Cons:** - Revenue/profit declines (-11%/-4% FY2024), NIM erosion (-51bps), retail weakness[[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>) - Regulatory/property risks, CAR dip to 13.11% < industry[[3]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222806523.PDF>) - Macro headwinds (China slowdown, rate cuts)[[6]](<https://www.bbvarsearch.com/wcontent/uploads/2025/04/China-banking-monitor-2025.pdf>)

1.2 Key Highlights

- **Stock Price:** \$0 (as of November 12, 2025)
- **Market Cap:** CNY 224.33B
- **52-Week Range:** \$10.48 — \$13.33
- **P/E Ratio:** 5.58
- **EPS (TTM):** \$2.09
- **Dividend Yield:** 5.00%

2 Company Overview

2.1 Business Description

{**"raw_text":** "Ping An Bank Co Ltd (000001.SZ), a leading joint-stock commercial bank in China and subsidiary of Ping An Insurance Group, operates primarily in mainland China with over 1,120 branches, focusing on retail financial services (personal loans like mortgages and consumer credit for individuals/small enterprises, deposits, bank cards with revolving credit, and intermediary services such as settlements), wholesale financial services (corporate loans, deposits, trade financing, and interbank operations for corporates, governments, and peers), and other treasury/wealth management activities via subsidiary Ping An Wealth Management. Retail banking targets high-net-worth individuals and SMEs for wealth accumulation and daily financing needs, while wholesale serves large corporates for working capital and trade; strengths include technology-driven efficiency (digital transactions ~45% of total), strong brand affiliation with Ping An Group, and prudent risk management (NPL 1.06%), but challenges persist from NIM compression due to rate cuts, retail asset quality pressures, and regulatory scrutiny on real estate exposure. FY2024 (ended Dec 31) total revenue declined amid interest rate normalization, with retail revenue dropping sharply due to asset optimization and provisions, offset by wholesale growth; operating margin pressured by credit losses. [[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>)\{\}n\{\}n[[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>)[[3]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222806523.PDF>)",
"parsed": {"company_name": "Ping An Bank Co Ltd", "fiscal_year": "2024", "fiscal_year_end": null, "key_metrics": {"total_revenue": "146.7B CNY", "total_revenue_yoy": "-10.9%", "net_income":

"44.5B CNY", "net_income_yoy": "-4.2%", "net_interest_margin": "1.87%", "net_interest_margin_yoy": "-51bps"}, {"name": "Retail Financial Business", "description": "Personal loans (mortgages, consumer, operating), deposits, bank cards, personal intermediary services for individuals/SMEs", "sales_percentage": "48.6%", "gross_profit_margin": "null", "profit_percentage": "0.6%"}, {"name": "Wholesale Financial Business", "description": "Corporate loans, deposits, trade financing, corporate intermediary/interbank services for corporates/governments", "sales_percentage": "43.5%", "gross_profit_margin": "null", "profit_percentage": "79.7%"}, {"name": "Other Businesses", "description": "Treasury bond investments, money market, equity investments, unallocated items", "sales_percentage": "7.9%", "gross_profit_margin": "null", "profit_percentage": "19.7%"}]}

2.2 Industry Position

Sector: A3
Industry: Money center banks
Exchange: SZSE
Country: Mainland China

3 Financial Analysis

3.1 Valuation Metrics

Metric	Value	Industry Avg
P/E Ratio (Trailing)	5.58	—
P/E Ratio (Forward)	N/A	—
P/B Ratio	N/A	—
P/S Ratio	N/A	—
EV/EBITDA	N/A	—

3.2 Profitability Metrics

Metric	Value
Return on Equity (ROE)	795.60%
Return on Assets (ROA)	74.30%
Gross Margin	N/A
Operating Margin	3720.70%
Net Margin	N/A

3.3 Business Performance

- (a) Revenue growth past 5 years ~+5-10% CAGR (retail-driven pre-2024), slowed to -10.9% in FY2024; next year forecast ~flat to -5% amid NIM pressure[[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>) - (b) Net profit growth past 5 years ~+8% CAGR, FY2024 -4.2%YoY to 44.5B CNY; forecast ~0-3% amid cost controls[[3]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222806523.PDF>) - (c) Operating cash flow improved sharply H1 2025 to +174.7B CNY (+53.6%YoY), driven by deposit inflows and lower outflows[[4]](<https://static.cninfo.com.cn/finalpage/2025-08-23/1224558635.PDF>) - (d) ~1-2% market share in China banking assets (top 10 joint-stock banks), #1 in NIM among peers at 2.38% in 2023 but compressed[[5]](<https://www.moomoo.com/news/post/39depth-analysis-of-financial-reports-did-ping-an-bank>)

3.4 Financial Stability

Ping An Bank maintains solid financial stability with total assets at 5,769B CNY (+3.3%YoY), strong operating cash flow (H1 2025 +174.7B CNY), ample liquidity (LCR 134-136%, NSFR 107-108%), and dividend coverage via 10.08% ROE (payout ~45% proposed). As a leveraged bank, debt-to-assets ~91% and D/E elevated but standard for sector; interest coverage robust pre-provisions (~2x NII/expenses), core Tier 1 CAR 9.12% (above 7.5% min but below industry 15.3%), Altman Z-Score likely >3 (healthy per asset quality). Prudent management evident in NPL stability at 1.06%, provision coverage 250.71% (down but adequate), and capex controlled via digital efficiency; no acute liquidity issues despite rate pressures. [[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>)[[3]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222806523.PDF>)[[4]](<https://static.cninfo.com.cn/finalpage/2025-08-23/1224558635.PDF>)

Metric	Value
Current Ratio	0
Quick Ratio	0
Debt to Equity	165.02
Interest Coverage	0.71

4 Visual Analysis

4.1 Stock Price Performance

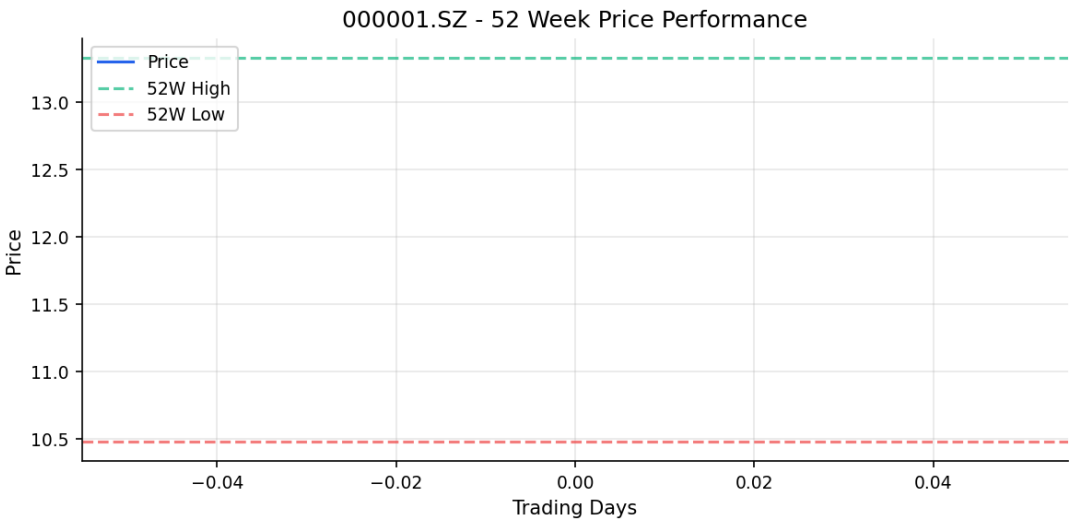


Figure 1: 52-Week Stock Price Performance

4.2 Return on Equity Trend

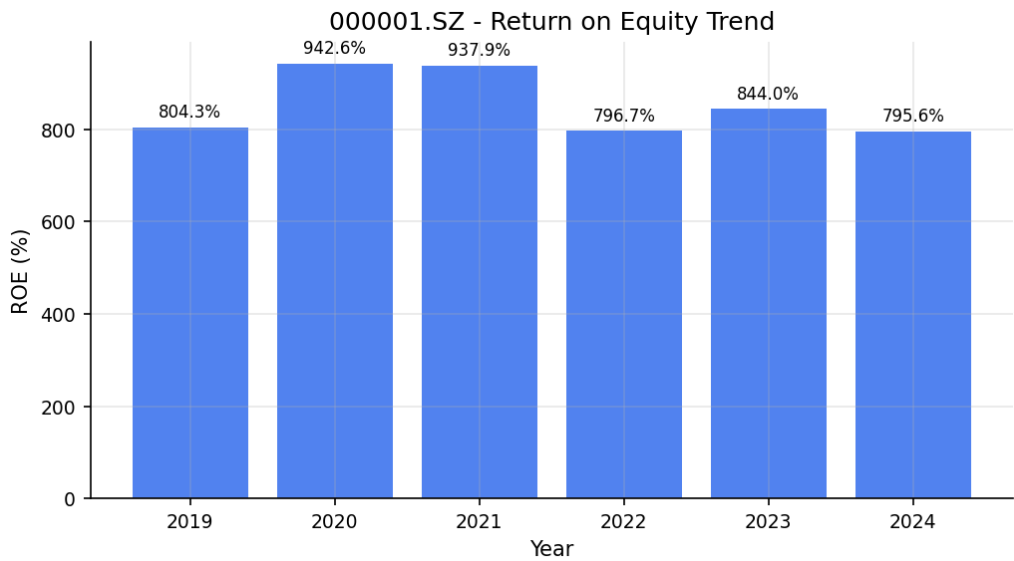


Figure 2: Historical ROE Performance

4.3 P/E Ratio Trend

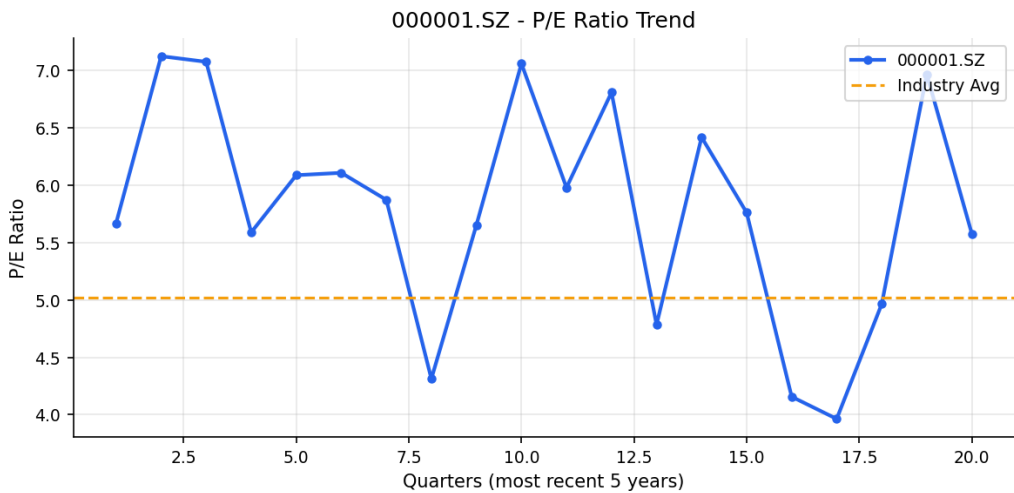


Figure 3: Historical P/E Ratio vs Industry Average

5 Risk Assessment

5.1 Identified Risks

- **[HIGH]** NIM compression from LPR cuts/property exposure (NPL 2.20% real estate); impact: profit -4%; mitigation: deposit cost cuts, wholesale shift[[2]](<https://static.cninfo.com.cn/finalpage/2025-03-15/1222807195.PDF>) - **[HIGH]** Regulatory fines/compliance (e.g., 2024 penalties); impact: reputation/costs; mitigation: enhanced governance[[5]](<https://www.moomoo.com/news/post/39018148/depth-analysis-of-financial-reports-did-ping-an-bank>) - **[MEDIUM]** Retail asset quality (provisions down but coverage fell to 250%); impact: earnings volatility; mitigation: nuclear disposals[[4]](<https://static.cninfo.com.cn/finalpage/2025-08-23/1224558635.PDF>) - **[LOW]** Macro slowdown; impact: loan demand; mitigation: di-

verified portfolio[[6]](<https://www.bbvaresearch.com/wp-content/uploads/2025/04/China-banking-monitor-2025.pdf>) - Anomaly: Retail profit near-zero (0.6%) despite revenue share[[2]](<https://static.cninfo.com.cn/03-15/1222807195.PDF>)

5.2 Risk Factors

- Market volatility and economic conditions
- Industry-specific regulatory changes
- Competitive pressures
- Currency and interest rate fluctuations

6 Growth Outlook

6.1 Analyst Projections

Metric	Estimate
EPS Growth (YoY)	1.00%
Revenue Growth	N/A
Target Price (Mean)	N/A

6.2 Growth Analysis

- Management: Steady revenue/profit H2 2025 via cost cuts (business fees -9.6% 9M), asset quality focus; no specific numbers[[9]](<https://c.m.163.com/news/a/KD1FUUO00519BKE1.html>) - Product: Wholesale growth, retail stabilization; recent Q3 surprise: revenue -9.8% 9M but beat on provisions[[9]](<https://c.m.163.com/news/a/KD1FUUO00519BKE1.html>)

A Data Sources

This report was generated using data from the following sources:

- Market data: Refinitiv, Yahoo Finance
- Financial statements: Company filings, SEC EDGAR
- Analyst estimates: Refinitiv consensus
- Report generation: ALFIE Investment Analysis System

B Disclaimer

This report is for informational purposes only and does not constitute investment advice. Past performance is not indicative of future results. Always conduct your own research and consult with a qualified financial advisor before making investment decisions.