

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

(Incorporated in The People's Republic of China)

Head Office

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
As at 31 December 2022 (In RMB millions, unless otherwise stated)		
	2022	2021
ASSETS		
Cash and balances with central banks	3,427,892	3,098,438
Due from banks and other financial institutions	1,042,504	827,150
Derivative financial assets	87,205	76,140
Reverse repurchase agreements	864,067	663,496
Loans and advances to customers	22,593,648	20,109,200
Financial investments	10,527,292	9,257,760
- Financial investments measured at fair value through profit or loss	714,879	623,223
- Financial investments measured at fair value through other comprehensive income	2,178,018	1,803,604
- Financial investments measured at amortised cost	7,634,395	6,830,933
Investments in associates and joint ventures	65,878	61,782
Property and equipment	293,887	290,296
Deferred tax assets	101,600	79,259
Other assets	605,684	707,862
TOTAL ASSETS	39,609,657	35,171,383
LIABILITIES		
Due to central banks	145,781	39,723
Due to banks and other financial institutions	3,185,564	2,921,029
Financial liabilities measured at fair value through profit or loss	64,126	87,180
Derivative financial liabilities	96,350	71,337
Repurchase agreements	574,778	365,943
Certificates of deposit	375,452	290,342
Due to customers	29,870,491	26,441,774
Income tax payable	85,581	92,443
Debt securities issued	905,953	791,375
Deferred tax liabilities	3,800	5,624
Other liabilities	787,955	789,355
TOTAL LIABILITIES	36,095,831	31,896,125
EQUITY		
Equity attributable to equity holders of the parent company		
Share capital	356,407	356,407
Other equity instruments	354,331	354,331
Preference shares	134,614	134,614
Perpetual bonds	219,717	219,717
Reserves	1,016,896	926,375
Retained earnings	1,767,537	1,620,642
	3,495,171	3,257,755
Non-controlling interests	18,655	17,503
TOTAL EQUITY	3,513,826	3,275,258
TOTAL EQUITY AND LIABILITIES	39,609,657	35,171,383

CONSOLIDATED STATEMENT OF PROFIT OR LOSS		
Year ended 31 December 2022 (In RMB millions, unless otherwise stated)		
	2022	2021
Interest income	1,280,376	1,162,218
Interest expense	(586,689)	(471,538)
NET INTEREST INCOME	693,687	690,680
Fee and commission income	145,818	148,727
Fee and commission expense	(16,553)	(15,703)
NET FEE AND COMMISSION INCOME	129,265	133,024
Net trading income	8,610	8,955
Net gains on financial investments	6,315	16,440
Other operating income, net	3,564	11,781
OPERATING INCOME	841,441	860,880
Operating expenses	(240,884)	(236,227)
Impairment losses on assets	(182,419)	(202,623)
OPERATING PROFIT	418,138	422,030
Share of results of associates and joint ventures	4,427	2,869
PROFIT BEFORE TAXATION	422,565	424,899
Income tax expense	(61,527)	(74,683)
PROFIT FOR THE YEAR	361,038	350,216
Profit for the year attributable to:		
Equity holders of the parent company	360,483	348,338
Non-controlling interests	555	1,878
PROFIT FOR THE YEAR	361,038	350,216
EARNINGS PER SHARE		
- Basic (RMB yuan)	0.97	0.95
- Diluted (RMB yuan)	0.97	0.95

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Year ended 31 December 2022 (In RMB millions, unless otherwise stated)		
	2022	2021
Profit for the year	361,038	350,216
Other comprehensive income (after tax, net):		
Items that will not be reclassified to profit or loss:		
Changes in fair value of equity instruments designated as at fair value through other comprehensive income	(2,968)	(1,180)
Other comprehensive income recognised under the equity method	(25)	15
Other	13	28
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of debt instruments measured at fair value through other comprehensive income	(24,375)	1,623
Credit losses of debt instruments measured at fair value through other comprehensive income	3,831	1,827
Cash flow hedging reserve	1,284	442
Other comprehensive income recognised under the equity method	(313)	541
Foreign currency translation reserve	21,345	(12,353)
Other	(1,975)	885
Subtotal of other comprehensive income for the year	(3,183)	(8,172)
Total comprehensive income for the year	357,855	342,044
Total comprehensive income for the year attributable to:		
Equity holders of the parent company	356,711	340,089
Non-controlling interests	1,144	1,955
	357,855	342,044

The notes form an integral part of the audited Financial Statements of Bank and a full understanding of the statements and the state of affairs of the bank cannot be achieved without reference to the complete set of the Bank's audited Financial Statements. The Bank's Annual Report with the notes to the Financial Statements and the list of Subsidiaries can be obtained from: Industrial and Commercial Bank of China Limited, Singapore Branch, 6 Raffles Quay, #12-01 Singapore 048580, or from website (www.icbc-ltd.com)

CAPITAL ADEQUACY RATIO		
(In RMB millions, except for percentages)		
	At 31 December 2022	At 31 December 2021
Item		
Net capital base	4,281,079	3,909,669
Net common equity tier 1 capital	3,121,080	2,886,378
Risk-weighted assets	22,225,272	21,690,349
Common equity tier 1 capital adequacy ratio	14.04%	13.31%
Tier 1 capital adequacy ratio	15.64%	14.94%
Capital adequacy ratio	19.26%	18.02%

In the event of receivership, winding up proceedings or equivalent proceedings of the bank, the laws of the country of incorporation does not require the bank to confer lower priority to depositors of its foreign offices, including that of its Singapore branch, vis-a-vis the home country depositors, in repayment of deposits.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE BANK	
Name	Position
Chen Siqing	Chairman, Executive Director
Liao Lin	Vice Chairman, Executive Director, President
Zheng Guoyu	Executive Director, Senior Executive Vice President
Wang Jingwu	Executive Director, Senior Executive Vice President, Chief Risk Officer
Lu Yongzhen	Non-executive Director
Feng Weidong	Non-executive Director
Cao Liquan	Non-executive Director
Chen Yifang	Non-executive Director
Dong Yang	Non-executive Director
Anthony Francis Neoh	Independent Non-executive Director
Yang Siu Shun	Independent Non-executive Director
Shen Si	Independent Non-executive Director
Fred Zuliu Hu	Independent Non-executive Director
Norman Chan Tak Lam	Independent Non-executive Director

INDEPENDENT AUDITOR'S REPORT	
To the Shareholders of Industrial and Commercial Bank of China Limited (Incorporated in the People's Republic of China with limited liability)	
Opinion	
We have audited the consolidated financial statements of Industrial and Commercial Bank of China Limited (the "Bank") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.	
In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.	

Basis for opinion	
We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by International Ethics Standards Board for Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.	
Key audit matters	
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.	
Other Information	
The Directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.	
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.	
In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.	
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.	

Responsibilities of the directors for the consolidated financial statements	
The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.	
In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.	
The Directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.	
Auditor's responsibilities for the audit of the consolidated financial statements	
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.	
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.	
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:	
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.	
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.	
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.	
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.	
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.	
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.	
We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.	
We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.	

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.	
The engagement partner on the audit resulting in this independent auditor's report is Wu Wei Jun, David.	
Deloitte Touche Tohmatsu Certified Public Accountants Hong Kong	
30-Mar-23	