

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

(Incorporated in The People's Republic of China)

Head Office

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Singapore Branch

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
As at 31 December 2023 (In RMB millions, unless otherwise stated)		
	2023	2022
ASSETS		
Cash and balances with central banks	4,042,293	3,427,892
Due from banks and other financial institutions	1,116,717	1,192,532
Derivative financial assets	75,339	87,205
Reverse repurchase agreements	1,224,257	864,122
Loans and advances to customers	25,386,933	22,591,676
Financial investments	11,849,668	10,533,702
- Financial investments measured at fair value through profit or loss	811,957	747,474
- Financial investments measured at fair value through other comprehensive income	2,230,862	2,223,096
- Financial investments measured at amortised cost	8,806,849	7,563,132
Investments in associates and joint ventures	64,778	65,790
Property and equipment	298,878	293,887
Deferred tax assets	104,669	101,117
Other assets	533,547	452,223
TOTAL ASSETS	44,697,079	39,610,146
LIABILITIES		
Due to central banks	231,374	145,781
Due to banks and other financial institutions	3,369,858	3,187,712
Financial liabilities measured at fair value through profit or loss	62,859	64,287
Derivative financial liabilities	76,251	96,350
Repurchase agreements	1,018,106	574,778
Certificates of deposit	385,198	375,452
Due to customers	33,521,174	29,870,491
Income tax payable	63,322	85,581
Debt securities issued	1,369,777	905,953
Deferred tax liabilities	3,930	3,950
Other liabilities	818,642	784,392
TOTAL LIABILITIES	40,920,491	36,094,727
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	1,134,082	1,013,624
Retained profits	1,912,067	1,771,747
	3,756,887	3,496,109
Non-controlling interests	19,701	19,310
TOTAL EQUITY	3,776,588	3,515,419
TOTAL EQUITY AND LIABILITIES	44,697,079	39,610,146

CONSOLIDATED STATEMENT OF PROFIT OR LOSS		
Year ended 31 December 2023 (In RMB millions, unless otherwise stated)		
	2023	2022
Interest income	1,405,039	1,278,674
Interest expense	(750,026)	(586,689)
NET INTEREST INCOME	655,013	691,985
Fee and commission income	137,891	145,818
Fee and commission expense	(18,534)	(16,493)
NET FEE AND COMMISSION INCOME	119,357	129,325
Net trading income	14,928	8,308
Net gains on financial investments	21,560	7,906
Other operating (expense)/income, net	(4,400)	4,828
OPERATING INCOME	806,458	842,352
Operating expenses	(238,698)	(239,351)
Impairment losses on assets	(150,816)	(182,677)
OPERATING PROFIT	416,944	420,324
Share of results of associates and joint ventures	5,022	4,396
PROFIT BEFORE TAXATION	421,966	424,720
Income tax expense	(56,850)	(62,610)
PROFIT FOR THE YEAR	365,116	362,110
Profit for the year attributable to:		
Equity holders of the parent company	363,993	361,132
Non-controlling interests	1,123	978
PROFIT FOR THE YEAR	365,116	362,110
EARNINGS PER SHARE		
- Basic (RMB yuan)	0.98	0.97
- Diluted (RMB yuan)	0.98	0.97

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Year ended 31 December 2023 (In RMB millions, unless otherwise stated)		
	2023	2022
Profit for the year	365,116	362,110
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	1,530	(2,927)
Other comprehensive income recognised under the equity method	(7)	(25)
Other	(28)	13
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	21,104	(24,220)
Credit losses of debt instruments measured at fair value through other comprehensive income	205	3,830
Cash flow hedging reserve	117	1,284
Other comprehensive income recognised under the equity method	(372)	(224)
Foreign currency translation reserve	1,823	21,276
Other	(5,145)	(3,557)
Subtotal of other comprehensive income for the year	19,227	(4,550)
Total comprehensive income for the year	384,343	357,560
Total comprehensive income for the year attributable to:		
Equity holders of the parent company	383,921	356,548
Non-controlling interests	422	1,012
	384,343	357,560

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)		
Item	At 31 December 2023	At 31 December 2022
Net capital base	4,707,100	4,281,079
Net common equity tier 1 capital	3,381,941	3,121,080
Risk-weighted assets	24,641,631	22,225,272
Common equity tier 1 capital adequacy ratio	13.72%	14.04%
Tier 1 capital adequacy ratio	15.17%	15.64%
Capital adequacy ratio	19.10%	19.26%

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
Liao Lin	Chairman, Executive Director
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
Yang Siu Shun	Independent Non-executive Director
Shen Si	Independent Non-executive Director
Fred Zulu Hu	Independent Non-executive Director
Norman Chan Tak Lam	Independent Non-executive Director
Herbert Walter	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 2023, 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 material accounting policy information 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 2023, 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 IESBA 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
27-Mar-24