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中國工商銀行股份有限公司

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

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

Stock Code: 1398

USD Preference Shares Stock Code: 4620

2024 Interim Results Announcement

The Board of Directors of Industrial and Commercial Bank of China Limited (the “Bank”) announces the unaudited interim results of the Bank and its subsidiaries (the “Group”) for the six months ended 30 June 2024. The Board of Directors and the Audit Committee of the Board of Directors of the Bank have reviewed and confirmed the unaudited interim results.

1. Corporate Information

1.1 Basic Information

	Stock name	Stock code	Stock exchange on which shares are listed
A Share	工商銀行	601398	Shanghai Stock Exchange
H Share	ICBC	1398	The Stock Exchange of Hong Kong Limited
Offshore Preference Share	ICBC 20USDPREF	4620	The Stock Exchange of Hong Kong Limited
Domestic Preference Share	工行優 1	360011	Shanghai Stock Exchange
	工行優 2	360036	

1.2 Contact

Board Secretary and Company Secretary

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2. Financial Highlights

(Financial data and indicators in this Results Announcement are prepared in accordance with International Financial Reporting Standards (“IFRSs”) and, unless otherwise specified, are consolidated amounts of the Bank and its subsidiaries and denominated in Renminbi.)

2.1 Financial Data

	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 30 June 2022
Operating results (in RMB millions)			
Net interest income	313,950	336,987	350,611
Net fee and commission income	67,405	73,465	76,041
Operating income	401,999	428,906	444,161
Operating expenses	105,208	105,379	102,496
Impairment losses on assets ⁽²⁾	102,069	122,255	133,849
Operating profit	194,722	201,272	207,816
Profit before taxation	197,184	203,655	210,003
Net profit	171,296	174,720	172,819
Net profit attributable to equity holders of the parent company	170,467	173,744	171,670
Net cash flows from operating activities	26,983	1,297,269	1,410,405
Per share data (in RMB yuan)			
Basic earnings per share ⁽³⁾	0.47	0.48	0.47
Diluted earnings per share ⁽³⁾	0.47	0.48	0.47

	30 June 2024	31 December 2023	31 December 2022
Assets and liabilities (in RMB millions)			
Total assets	47,116,536	44,697,079	39,610,146
Total loans and advances to customers	27,837,550	26,086,482	23,210,376
Corporate loans	17,515,667	16,145,204	13,826,966
Personal loans	8,834,543	8,653,621	8,234,625
Discounted bills	1,487,340	1,287,657	1,148,785
Allowance for impairment losses on loans ⁽⁴⁾	819,886	756,391	672,762
Investment	12,988,922	11,849,668	10,533,702
Total liabilities	43,252,035	40,920,491	36,094,727
Due to customers	34,107,316	33,521,174	29,870,491
Corporate deposits	15,879,570	16,209,928	14,671,154
Personal deposits	17,521,361	16,565,568	14,545,306
Other deposits	212,811	210,185	199,465
Accrued interest	493,574	535,493	454,566
Due to banks and other financial institutions	4,113,777	3,369,858	3,187,712
Equity attributable to equity holders of the parent company	3,843,526	3,756,887	3,496,109
Share capital	356,407	356,407	356,407
Net common equity tier 1 capital ⁽⁵⁾	3,477,144	3,381,941	3,121,080
Net tier 1 capital ⁽⁵⁾	3,832,172	3,736,919	3,475,995
Net capital base ⁽⁵⁾	4,812,406	4,707,100	4,281,079
Risk-weighted assets ⁽⁵⁾	25,123,488	24,641,631	22,225,272
Per share data (in RMB yuan)			
Net asset value per share ⁽⁶⁾	9.79	9.55	8.82
Credit rating			
S&P ⁽⁷⁾	A	A	A
Moody's ⁽⁷⁾	A1	A1	A1

- Notes:*
- (1) Since 1 January 2023, the Group has implemented IFRS 17 – Insurance Contracts. In accordance with the IFRS requirements, the Group made retroactive adjustments to relevant data and indicators for the comparable periods in 2022. According to the accounting requirements of the Interim Measures for the Administration of the Gold Leasing Business issued by PBC, the Group has made adjustments to the presentation of the interbank gold leasing business since 2023 and adjusted relevant data for the comparable periods in 2022 accordingly.
 - (2) Calculated by adding credit impairment losses with impairment losses on other assets.
 - (3) Calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revision 2010) issued by China Securities Regulatory Commission (“CSRC”).
 - (4) Calculated by adding allowance for impairment losses on loans and advances to customers measured at amortised cost with allowance for impairment losses on loans and advances to customers measured at fair value through other comprehensive income.
 - (5) Calculated in accordance with the Regulation Governing Capital of Commercial Banks as at the end of June 2024. Calculated in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) for the comparable periods of 2023 and 2022.
 - (6) Calculated by dividing equity attributable to equity holders of the parent company after deduction of other equity instruments at the end of the reporting period by the total number of ordinary shares at the end of the reporting period.
 - (7) The rating results are in the form of “long-term foreign currency deposits rating”.

2.2 Financial Indicators

	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 30 June 2022
Profitability (%)			
Return on average total assets ⁽¹⁾	0.75*	0.84*	0.94*
Return on weighted average equity ⁽²⁾	9.53*	10.51*	11.26*
Net interest spread ⁽³⁾	1.24*	1.52*	1.85*
Net interest margin ⁽⁴⁾	1.43*	1.72*	2.03*
Return on risk-weighted assets ⁽⁵⁾⁽¹⁰⁾	1.38*	1.50*	1.58*
Ratio of net fee and commission income to operating income	16.77	17.13	17.12
Cost-to-income ratio ⁽⁶⁾	24.79	23.29	21.97

	30 June 2024	31 December 2023	31 December 2022
Asset quality (%)			
Non-performing loans (“NPLs”) ratio ⁽⁷⁾	1.35	1.36	1.38
Allowance to NPLs ⁽⁸⁾	218.43	213.97	209.47
Allowance to total loans ratio ⁽⁹⁾	2.95	2.90	2.90
Capital adequacy (%)			
Common equity tier 1 capital adequacy ratio ⁽¹⁰⁾	13.84	13.72	14.04
Tier 1 capital adequacy ratio ⁽¹⁰⁾	15.25	15.17	15.64
Capital adequacy ratio ⁽¹⁰⁾	19.16	19.10	19.26
Total equity to total assets ratio	8.20	8.45	8.88
Risk-weighted assets to total assets ratio ⁽¹⁰⁾	<u>53.32</u>	<u>55.13</u>	<u>56.11</u>

Notes: * indicates annualised ratios.

- (1) Calculated by dividing net profit by the average balance of total assets at the beginning and at the end of the reporting period.
- (2) Calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revision 2010) issued by CSRC.
- (3) Calculated by the spread between yield on average balance of interest-generating assets and cost on average balance of interest-bearing liabilities.
- (4) Calculated by dividing net interest income by the average balance of interest-generating assets.
- (5) Calculated by dividing net profit by the average balance of risk-weighted assets at the beginning and at the end of the reporting period.
- (6) Calculated by dividing operating expense (less taxes and surcharges) by operating income.
- (7) Calculated by dividing the balance of NPLs by total balance of loans and advances to customers.
- (8) Calculated by dividing allowance for impairment losses on loans by total balance of NPLs.
- (9) Calculated by dividing allowance for impairment losses on loans by total balance of loans and advances to customers.
- (10) Calculated in accordance with the Regulation Governing Capital of Commercial Banks as at the end of June 2024. Calculated in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) for the comparable periods of 2023 and 2022.

2.3 Reconciliation of Differences between the Financial Statements Prepared under PRC GAAP and Those under IFRSs

In respect of the financial statements of the Bank prepared under PRC GAAP and those under IFRSs, net profit attributable to equity holders of the parent company for the six months ended 30 June 2024 and equity attributable to equity holders of the parent company as at the end of the reporting period have no differences.

3. Overview of Business Operation

Since the beginning of the year, in the face of severe and complex external environment, the Bank studied and carried out in depth Xi Jinping's Economic Thought on Finance, and adhered to the general principle of pursuing progress while ensuring stability. Taking the opportunity of accepting the central inspections and carrying out the Party discipline learning and education, the Bank stuck to the political and people-oriented nature of financial work, adhered to the guidance of the Party building theory, and accelerated the "five transformations" of intelligent risk control, modern layout, digital driver, diversified structure and ecological foundation. Keeping forging ahead, despite the challenges, the Bank worked proactively and played the key and ballast stone roles in consolidating and building up economic recovery. While keeping major performance indicators stable, it advanced high-quality development solidly.

In the first half of the year, various business segments of the Group worked together to achieve a dynamic balance of assets, capital, and funds. The core indicators of being "Strong, Excellent and Large" maintained steady growth, demonstrating strong operating resilience. The Bank achieved an operating income of RMB401,999 million, and generated a net profit of RMB171,296 million, with the annualised return on average total assets (ROA) and the annualised return on weighted average equity (ROE) of 0.75% and 9.53%, respectively. It planned to distribute an interim cash dividend of RMB51,109 million for the first time, with a dividend payout ratio of 30.0%. The Bank issued the first TLAC non-capital bond in China. Its capital adequacy ratio was 19.16%; its non-performing loans ratio was 1.35%, representing a decrease of 0.01 percentage points over the beginning of the year; its allowance to NPLs was 218.43%, representing an increase of 4.46 percentage points, and the balance of total allowances stood at RMB954,237 million, further enhancing its risk resistance capacity.

Assets maintained stable growth, and the quality and efficiency of serving the real economy continued to rise. The Bank highlighted its major responsibilities and core businesses, proactively implemented various macroeconomic policies, and made good use of the total amount, structure, incremental and existing amounts of investment and financing, to meet the financial needs of the real economy in a more targeted and effective way. RMB-denominated loans of domestic branches recorded an increase of RMB1.74 trillion or 7.1%; RMB-denominated bond investments increased by RMB1.09 trillion, and domestic underwritten bonds as the lead underwriters amounted to RMB769,533 million, all maintaining market leading position. The Bank made solid progress in the “Five Priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance, and strengthened high-quality financial services for major strategies, key areas, and weak links. Its loans to manufacturing, loans to strategic and emerging industries, green loans and inclusive loans increased by 13.0%, 14.7%, 13.7% and 21.5%, all higher than the average growth rate of total loans. The Bank strengthened services for the areas such as “Major Strategies and Key Fields”, “Renewal and Trade-in” and “Three Major Projects”¹, and actively implemented the coordinated urban real estate financing mechanism, providing strong support for ensuring timely delivery of housing. Thanks to the efforts made to promote consumption and expand domestic demand, the total amount of personal consumption loans, business loans, and card overdrafts increased by RMB304,014 million. The Bank has significantly enhanced payment facilitation and elderly services, and continuously improved the brand value of “By Your Side and As Your Trust”.

¹ “Major Strategies and Key Fields” refer to implementation of major national strategies and the construction of security capabilities in key areas; “Renewal and Trade-in” refer to equipment renewal and trade-in of old consumer goods; “Three Major Projects” refer to government-subsidized housing, urban village redeveloping and dual-use public infrastructure that can accommodate emergency needs.

Firmly reinforcing the defense line of security and ensuring various risks are controllable as a whole. The Bank adhered to the principle of “early identification, warning, exposure, and resolution” of risks, coordinated development and safety, followed the path of “active prevention, smart control and comprehensive management”, deepened the “Five-pronged Risk Management Approach”¹, and upheld safe development as the bottom line. The Bank continued to tackle asset quality issues, further applied investment banking thinking to activate existing assets and make good use of incremental assets. Risks arising from key areas such as real estate, local government debts, and small and medium-sized financial institutions have been effectively controlled, contributing to the overall stability of asset quality. The Bank improved the Group’s internal control system and mechanism for risks, reinforced risk officers, and continuously enhanced the bonding force of the “three lines of defense”. It accelerated the construction of enterprise-level intelligent risk control platforms, and strengthened the coordinated management of the Group’s cyber security. The Bank ensured workplace safety with a strong sense of responsibility of being vigilant all the time by controlling the sources and eliminating potential risks. It maintained continuous and stable business operations, effectively protecting the life and property safety of customers and employees.

Reform and transformation were picking up, and the momentum of high-quality development was continuously increasing. The Bank adhered to integrity and innovation, deeply implemented the development plan of the Group, further reinforced strengths while making up for weaknesses, consolidated the foundation and exploited more sources of growth. The Bank deepened the “GBC+” projects, fully implemented the mechanism of “allocating the land on the household basis and assessing it by household”². The number of corporate, personal and inclusive customers rose by 788 thousand, 8,932 thousand, and 463 thousand, respectively. The Bank launched the first financial infrastructure service program in the banking industry, improving the customer management system for industrial funds, and continuously enriching the financial cooperation ecosystem. The Bank tracked and analyzed customers’ fund flows by tier and category, and promoted cost reduction and structural optimization of liabilities. Its RMB deposit balance stood at RMB32.39 trillion, an increase of RMB557,010 million, achieving a significant improvement in stability. The balance of personal financial assets under management (“AUM”) amounted to RMB21.77 trillion. The Bank actively served the RMB internationalization relying on its global financial service network. In the first half of 2024, cross-border RMB business reached RMB4.75 trillion. The construction of D-ICBC continued to advance. The Bank released version 9.0 of mobile banking, and deepened the construction and empowerment of hundreds of billion-level large model technology, which has been applied in dozens of business scenarios such as financial markets, credit risk control, and internet finance, accelerating the cultivation of new growth drivers and new advantages.

¹ “Five-pronged Risk Management Approach” refers to the overall risk management system of Head Office and branches, domestic and overseas institutions, on- and off-balance sheet businesses, online and offline business, commercial banking and investment banking subordinated institutions.

² “Allocating the land on the household basis and assessing it by household” refers to improving the broadest customer base maintenance system, further defining the “responsible fields” of customers under management, and promoting the enhancement of service quality and efficiency.

4. Discussion and Analysis

4.1 Income Statement Analysis

In the first half of 2024, the Bank steadily carried forward the “five transformations” of intelligent risk control, modern layout, digital driver, diversified structure and ecological foundation, and promoted its high-quality development while serving the high-quality development of the real economy. As a result, major operating indicators remained stable. In the first half year, the Bank realized a net profit of RMB171,296 million, representing a decrease of 2.0% as compared to the same period of last year. Annualised return on average total assets stood at 0.75%, and annualised return on weighted average equity was 9.53%. Operating income amounted to RMB401,999 million, recording a decrease of 6.3%. Specifically, net interest income was RMB313,950 million, dropping by 6.8%. Non-interest income reached RMB88,049 million, decreasing by 4.2%. Operating expenses amounted to RMB105,208 million, representing a decrease of 0.2%, and the cost-to-income ratio was 24.79%. Impairment losses on assets were RMB102,069 million, indicating a decrease of 16.5%. Income tax expense decreased by 10.5% to RMB25,888 million.

Net Interest Income

In the first half year, net interest income amounted to RMB313,950 million, representing a decrease of RMB23,037 million or 6.8% as compared to the same period of last year. Interest income amounted to RMB721,053 million, growing by RMB24,470 million or 3.5%, and interest expenses rose by RMB47,507 million or 13.2% to RMB407,103 million. Affected by factors such as reduction in the Loan Prime Rate (LPR), interest rate adjustment of existing housing loans and changes in the structure of deposit maturities, annualised net interest spread and net interest margin were 1.24% and 1.43%, 28 basis points and 29 basis points lower than those of the same period of last year, respectively.

AVERAGE YIELD OF INTEREST-GENERATING ASSETS AND AVERAGE COST OF INTEREST-BEARING LIABILITIES

In RMB millions, except for percentages

Item	Six months ended 30 June 2024			Six months ended 30 June 2023		
	Average balance	Interest income/expense	Average yield/cost (%)	Average balance	Interest income/expense	Average yield/cost (%)
Assets						
Loans and advances to customers	27,178,867	476,198	3.52	24,402,847	477,435	3.95
Investment	11,232,963	178,910	3.20	9,931,498	165,748	3.37
Due from central banks ⁽²⁾	3,204,355	27,068	1.70	3,185,687	26,216	1.66
Due from banks and other financial institutions ⁽³⁾	<u>2,586,357</u>	<u>38,877</u>	3.02	<u>1,904,974</u>	<u>27,184</u>	2.88
Total interest-generating assets	<u>44,202,542</u>	<u>721,053</u>	3.28	<u>39,425,006</u>	<u>696,583</u>	3.56
Non-interest-generating assets	2,791,454			2,625,978		
Allowance for impairment losses on assets	<u>(854,549)</u>			<u>(775,877)</u>		
Total assets	<u><u>46,139,447</u></u>			<u><u>41,275,107</u></u>		
Liabilities						
Deposits	32,650,789	298,566	1.84	30,213,526	284,796	1.90
Due to banks and other financial institutions ⁽³⁾	5,497,111	74,688	2.73	3,892,555	47,916	2.48
Debt securities issued and certificates of deposit	<u>1,898,631</u>	<u>33,849</u>	3.59	<u>1,435,425</u>	<u>26,884</u>	3.78
Total interest-bearing liabilities	<u>40,046,531</u>	<u>407,103</u>	2.04	<u>35,541,506</u>	<u>359,596</u>	2.04
Non-interest-bearing liabilities	<u>2,242,517</u>			<u>2,169,204</u>		
Total liabilities	<u><u>42,289,048</u></u>			<u><u>37,710,710</u></u>		
Net interest income		<u><u>313,950</u></u>			<u><u>336,987</u></u>	
Net interest spread			<u><u>1.24</u></u>			<u><u>1.52</u></u>
Net interest margin			<u><u>1.43</u></u>			<u><u>1.72</u></u>

- Notes:*
- (1) The average balances of interest-generating assets and interest-bearing liabilities represent their daily average balances. The average balances of non-interest-generating assets, non-interest-bearing liabilities and the allowance for impairment losses on assets represent the average of the balances at the beginning of the period and at the end of the period.
 - (2) Due from central banks mainly includes mandatory reserves and surplus reserves with central banks.
 - (3) Due from banks and other financial institutions includes the amount of reverse repurchase agreements, and due to banks and other financial institutions includes the amount of repurchase agreements.

Interest Income

◆ *Interest Income on Loans and Advances to Customers*

Interest income on loans and advances to customers was RMB476,198 million, RMB1,237 million or 0.3% lower compared to the same period of last year, as mainly due to the decrease of 43 basis points in the average yield of loans and advances to customers, and the increase of 11.4% in the average balance partially offset the effect of yield decrease.

ANALYSIS OF THE AVERAGE YIELD OF LOANS AND ADVANCES TO CUSTOMERS BY MATURITY STRUCTURE

In RMB millions, except for percentages

Item	Six months ended 30 June 2024			Six months ended 30 June 2023		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Short-term loans	6,310,458	93,344	2.97	5,475,802	88,686	3.27
Medium to long-term loans	<u>20,868,409</u>	<u>382,854</u>	3.69	<u>18,927,045</u>	<u>388,749</u>	4.14
Total loans and advances to customers	<u><u>27,178,867</u></u>	<u><u>476,198</u></u>	3.52	<u><u>24,402,847</u></u>	<u><u>477,435</u></u>	3.95

ANALYSIS OF THE AVERAGE YIELD OF LOANS AND ADVANCES TO CUSTOMERS BY BUSINESS LINE

In RMB millions, except for percentages

Item	Six months ended 30 June 2024			Six months ended 30 June 2023		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Corporate loans	16,074,948	266,213	3.33	13,819,436	253,224	3.70
Discounted bills	1,243,561	8,419	1.36	1,120,051	8,701	1.57
Personal loans	8,563,600	161,611	3.80	8,117,960	178,036	4.42
Overseas business	<u>1,296,758</u>	<u>39,955</u>	6.20	<u>1,345,400</u>	<u>37,474</u>	5.62
Total loans and advances to customers	<u>27,178,867</u>	<u>476,198</u>	3.52	<u>24,402,847</u>	<u>477,435</u>	3.95

◆ *Interest Income on Investment*

Interest income on investment amounted to RMB178,910 million, representing an increase of RMB13,162 million or 7.9% as compared to the same period of last year, mainly due to the increase of 13.1% in the average balance of investment, and the decrease of 17 basis points in the average yield partially offset the effect of scale growth.

◆ *Interest Income on Due from Central Banks*

Interest income on due from central banks was RMB27,068 million, representing an increase of RMB852 million or 3.2% as compared to the same period of last year.

◆ *Interest Income on Due from Banks and Other Financial Institutions*

Interest income on due from banks and other financial institutions was RMB38,877 million, representing an increase of RMB11,693 million or 43.0% as compared to the same period of last year, primarily due to the scale growth of lending from peers.

Interest Expense

◆ *Interest Expense on Deposits*

Interest expense on deposits amounted to RMB298,566 million, representing an increase of RMB13,770 million or 4.8% as compared to the same period of last year, mainly due to the increase of 8.1% in the average balance of due to customers, and the decrease of 6 basis points in the average cost partially offset the effect of scale growth.

ANALYSIS OF AVERAGE DEPOSIT COST BY PRODUCTS

In RMB millions, except for percentages

Item	Six months ended 30 June 2024			Six months ended 30 June 2023		
	Average balance	Interest expense	Average cost (%)	Average balance	Interest expense	Average cost (%)
Corporate deposits						
Time deposits	7,956,035	100,162	2.53	6,885,096	93,395	2.74
Demand deposits	<u>6,842,825</u>	<u>33,854</u>	<u>0.99</u>	<u>7,299,487</u>	<u>36,208</u>	<u>1.00</u>
Subtotal	<u>14,798,860</u>	<u>134,016</u>	<u>1.82</u>	<u>14,184,583</u>	<u>129,603</u>	<u>1.84</u>
Personal deposits						
Time deposits	10,724,694	131,631	2.47	9,190,920	124,057	2.72
Demand deposits	<u>5,992,035</u>	<u>6,762</u>	<u>0.23</u>	<u>5,814,584</u>	<u>7,775</u>	<u>0.27</u>
Subtotal	<u>16,716,729</u>	<u>138,393</u>	<u>1.66</u>	<u>15,005,504</u>	<u>131,832</u>	<u>1.77</u>
Overseas business	<u>1,135,200</u>	<u>26,157</u>	<u>4.63</u>	<u>1,023,439</u>	<u>23,361</u>	<u>4.60</u>
Total deposits	<u><u>32,650,789</u></u>	<u><u>298,566</u></u>	<u>1.84</u>	<u><u>30,213,526</u></u>	<u><u>284,796</u></u>	<u>1.90</u>

◆ *Interest Expense on Due to Banks and Other Financial Institutions*

Interest expense on due to banks and other financial institutions was RMB74,688 million, representing an increase of RMB26,772 million or 55.9% as compared to the same period of last year, principally attributable to the appropriate arrangement of borrowing funds and diversified expansion of liability sources.

◆ *Interest Expense on Debt Securities Issued and Certificates of Deposit*

Interest expense on debt securities issued and certificates of deposit was RMB33,849 million, indicating an increase of RMB6,965 million or 25.9% over the same period of last year, mainly attributable to the increased scale of the negotiable certificates of deposit (“NCDs”).

Non-interest Income

In the first half of 2024, non-interest income decreased by RMB3,870 million or 4.2% to RMB88,049 million, accounting for 21.9% of the Bank’s operating income. Specifically, net fee and commission income fell by RMB6,060 million or 8.2% to RMB67,405 million, and other non-interest income increased by RMB2,190 million or 11.9% to RMB20,644 million.

NET FEE AND COMMISSION INCOME

In RMB millions, except for percentages

Item	Six months ended	Six months ended	Increase/ (decrease)	Growth rate (%)
	30 June 2024	30 June 2023		
Settlement, clearing business and cash management	26,163	24,398	1,765	7.2
Investment banking business	14,835	13,677	1,158	8.5
Personal wealth management and private banking services	10,281	14,019	(3,738)	(26.7)
Bank card business	9,145	10,234	(1,089)	(10.6)
Corporate wealth management services	5,794	6,863	(1,069)	(15.6)
Asset custody business	4,118	4,380	(262)	(6.0)
Guarantee and commitment business	2,978	5,865	(2,887)	(49.2)
Trust and agency services	1,435	1,372	63	4.6
Other	1,624	1,555	69	4.4
Fee and commission income	76,373	82,363	(5,990)	(7.3)
Less: Fee and commission expense	8,968	8,898	70	0.8
Net fee and commission income	67,405	73,465	(6,060)	(8.2)

In the first half of 2024, the Bank's net fee and commission income was RMB67,405 million, representing a decrease of RMB6,060 million or 8.2% as compared to the same period of last year. The income from settlement, clearing business and cash management recorded an increase of RMB1,765 million, as mainly benefited from the increase in income from third-party payment, foreign exchange settlement and purchase and foreign exchange trading, and cash management services, etc. The income from investment banking business recorded an increase of RMB1,158 million, mainly because of the increase in income from syndicate arrangement underwriting and management, and investment and financing advisory businesses, etc. Affected by the fee rate reform of publicly offered funds, implementation of insurance policy of "fee rate practices consistent with those reported to regulators", volatile capital markets, changes in the investors' risk appetite and other factors, income from personal wealth management and private banking, corporate wealth management and asset custody dropped. The decrease in fee rates for guarantee and commitment business resulted in a decline in relevant income. Affected by factors such as the residents' consuming willingness being under recovery, income from bank card business declined.

OTHER NON-INTEREST RELATED GAINS

In RMB millions, except for percentages

Item	Six months ended	Six months ended	Increase/ (decrease)	Growth rate (%)
	30 June 2024	30 June 2023		
Net trading income	9,612	9,871	(259)	(2.6)
Net gains on financial investments	14,744	12,664	2,080	16.4
Other operating expense, net	(3,712)	(4,081)	369	N/A
Total	20,644	18,454	2,190	11.9

Other non-interest related gains amounted to RMB20,644 million, representing an increase of RMB2,190 million or 11.9% as compared to the same period of last year. Among these, the decrease in net trading income was mainly due to the decrease in derivative valuation income; the increase in net gains on financial investments was primarily a result of the increase in bond and equity instrument investment income; and the decrease in other net operating expense was resulted from the increase in insurance service income and operating lease business income.

Operating Expenses

In RMB millions, except for percentages

Item	Six months ended	Six months ended	Increase/ (decrease)	Growth rate (%)
	30 June 2024	30 June 2023		
Staff costs	63,317	63,000	317	0.5
Property and equipment expenses	13,142	13,706	(564)	(4.1)
Taxes and surcharges	5,550	5,498	52	0.9
Amortisation	2,379	2,126	253	11.9
Other	20,820	21,049	(229)	(1.1)
Total	105,208	105,379	(171)	(0.2)

Impairment Losses

In the first half of 2024, the Bank set aside the credit impairment losses of RMB101,809 million, indicating a decrease of RMB20,258 million or 16.6%. Specifically, impairment losses on loans were RMB94,526 million, indicating a decrease of RMB14,020 million or 12.9%. Impairment losses on other assets were RMB260 million, indicating an increase of RMB72 million or 38.3%.

Income Tax Expense

Income tax expense decreased by RMB3,047 million or 10.5% to RMB25,888 million as compared to the same period of last year. The effective tax rate was 13.13%, lower than the statutory tax rate of 25%, primarily because the interest income on Chinese government bonds and local government bonds were exempted from tax under the relevant tax law.

4.2 Segment Information

SUMMARY OPERATING SEGMENT INFORMATION

In RMB millions, except for percentages

Item	Six months ended 30 June 2024		Six months ended 30 June 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Operating income	401,999	100.0	428,906	100.0
Corporate banking	187,339	46.6	201,765	47.0
Personal banking	162,451	40.4	168,944	39.4
Treasury operations	49,749	12.4	55,464	12.9
Other	2,460	0.6	2,733	0.7
Profit before taxation	197,184	100.0	203,655	100.0
Corporate banking	92,620	47.0	60,960	29.9
Personal banking	63,520	32.2	103,749	50.9
Treasury operations	38,074	19.3	35,171	17.3
Other	2,970	1.5	3,775	1.9

SUMMARY GEOGRAPHICAL SEGMENT INFORMATION

In RMB millions, except for percentages

Item	Six months ended 30 June 2024		Six months ended 30 June 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Operating income	401,999	100.0	428,906	100.0
Head Office	9,832	2.4	22,147	5.2
Yangtze River Delta	77,150	19.2	80,294	18.7
Pearl River Delta	53,900	13.4	59,722	13.9
Bohai Rim	83,792	20.8	81,995	19.1
Central China	58,146	14.5	61,829	14.4
Western China	63,957	15.9	68,772	16.0
Northeastern China	14,692	3.7	16,202	3.8
Overseas and other	40,530	10.1	37,945	8.9
Profit before taxation	197,184	100.0	203,655	100.0
Head Office	(23,538)	(11.9)	(19,942)	(9.8)
Yangtze River Delta	48,108	24.4	46,209	22.7
Pearl River Delta	21,478	10.9	26,767	13.1
Bohai Rim	57,209	29.0	45,940	22.6
Central China	26,524	13.5	33,145	16.3
Western China	32,481	16.5	37,737	18.5
Northeastern China	6,597	3.3	8,043	4.0
Overseas and other	28,325	14.3	25,756	12.6

4.3 Balance Sheet Analysis

In the first half of 2024, the Bank earnestly implemented the macroeconomic and financial policies and regulatory requirements, made efforts to build a clean and healthy balance sheet by dynamically optimizing the strategies for total assets and liabilities and structural distribution, and strove to achieve a dynamic balance of value creation, market position, risk control and capital constraints.

The Bank insisted on improving the supply of high-quality finance. Focusing on the modern layout, the Bank adhered to the integrated development strategy of investment and financing, and allocated more resources to the “Five Priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance as well as major strategies, key areas and weak links. The Bank supported to accelerate the development of new quality productive forces, and persisted in consolidating the diversified funding source system. It continued to promote the GBC+ projects, built a customer structure coordinated with “large, medium, small and micro enterprises and personal customers”, linked up the capital chain, customer chain, service chain and value chain, and consolidated the foundation for high-quality development of deposits. The Bank continued to improve the fund source mechanism of multiple channels such as financial bonds and NCDs, and promoted the matching of fund source and fund utilization.

Assets Deployment

As at the end of June, total assets of the Bank amounted to RMB47,116,536 million, RMB2,419,457 million or 5.4% higher than that at the end of the prior year. Specifically, total loans and advances to customers (collectively referred to as “total loans”) increased by RMB1,751,068 million or 6.7% to RMB27,837,550 million, investment increased by RMB1,139,254 million or 9.6% to RMB12,988,922 million, and cash and balances with central banks decreased by RMB414,165 million or 10.2% to RMB3,628,128 million.

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Total loans and advances to customers	27,837,550	–	26,086,482	–
Add: Accrued interest	58,990	–	56,452	–
Less: Allowance for impairment losses on loans and advances to customers measured at amortised cost	818,573	–	756,001	–
Net loans and advances to customers	27,077,967	57.5	25,386,933	56.8
Investment	12,988,922	27.6	11,849,668	26.5
Cash and balances with central banks	3,628,128	7.7	4,042,293	9.0
Due from banks and other financial institutions	1,261,401	2.7	1,116,717	2.5
Reverse repurchase agreements	909,808	1.9	1,224,257	2.7
Other	1,250,310	2.6	1,077,211	2.5
Total assets	47,116,536	100.0	44,697,079	100.0

◆ **Loan**

While maintaining stable and controllable asset quality, the Bank made every effort to maintain the stability and continuity of credit supply, conducted the adjustment and optimization of the credit structure, and facilitated the high-quality development with high-quality financial services. The Bank continued to increase credit support for key areas such as manufacturing, sci-tech innovation, strategic emerging industries, green finance, inclusive finance and agriculture-related areas. As at the end of June, total loans amounted to RMB27,837,550 million, RMB1,751,068 million or 6.7% higher compared with the end of the previous year, of which RMB-denominated loans of domestic branches increased by RMB1,742,059 million or 7.1% to RMB26,133,584 million.

DISTRIBUTION OF LOANS BY BUSINESS LINE

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Corporate loans	17,515,667	62.9	16,145,204	61.9
Short-term corporate loans	4,057,155	14.6	3,681,064	14.1
Medium to long-term corporate loans	13,458,512	48.3	12,464,140	47.8
Discounted bills	1,487,340	5.3	1,287,657	4.9
Personal loans	8,834,543	31.8	8,653,621	33.2
Residential mortgages	6,165,376	22.2	6,288,468	24.1
Personal consumption loans	385,362	1.4	328,286	1.3
Personal business loans	1,571,756	5.6	1,347,136	5.2
Credit card overdrafts	712,049	2.6	689,731	2.6
Total	<u>27,837,550</u>	<u>100.0</u>	<u>26,086,482</u>	<u>100.0</u>

The Bank intensified credit support for key areas such as advanced manufacturing, supported traditional enterprises to realize high-end, intelligent and green transformation and upgrading, improved the full life-cycle service system for technology finance, actively supported strategic emerging industries, high-tech industries and other fields, and helped cultivate new quality productive forces. The Bank actively supported key industries such as energy conservation, environmental protection and clean energy, and promoted green and low-carbon economic transformation and development. The Bank actively promoted the implementation and effect of the coordination mechanism for urban real estate financing, supported the reasonable financing needs of real estate enterprises, and increased financial support for the “market-based + affordable” housing supply system. Corporate loans rose by RMB1,370,463 million or 8.5% from the end of last year. Specifically, short-term corporate loans and medium to long-term corporate loans increased by RMB376,091 million and RMB994,372 million respectively.

Focusing on customers’ fund needs and key areas in production and operation, the Bank took various measures to increase the loans supply to small and micro enterprise owners and self-employed businesses. The Bank strengthened digital driving and empowerment, optimized the process of the personal credit consumption loans, and enhanced the availability and convenience of the personal credit consumption loans. Personal loans increased by RMB180,922 million or 2.1% compared with the end of last year. Specifically, personal consumption loans grew by RMB57,076 million or 17.4%, and personal business loans grew by RMB224,620 million or 16.7%.

DISTRIBUTION OF LOANS BY FIVE-CATEGORY CLASSIFICATION

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Pass	26,928,035	96.73	25,250,275	96.79
Special mention	534,165	1.92	482,705	1.85
NPLs	375,350	1.35	353,502	1.36
Substandard	92,453	0.33	98,527	0.38
Doubtful	146,692	0.53	116,527	0.45
Loss	136,205	0.49	138,448	0.53
Total	27,837,550	100.00	26,086,482	100.00

According to the five-category classification, pass loans amounted to RMB26,928,035 million as at the end of June, representing an increase of RMB1,677,760 million compared to the end of the previous year and accounting for 96.73% of total loans. Special mention loans amounted to RMB534,165 million, representing an increase of RMB51,460 million and accounting for 1.92% of total loans, up 0.07 percentage points compared to the end of the previous year. NPLs amounted to RMB375,350 million, showing an increase of RMB21,848 million, and NPL ratio was 1.35%, dropping 0.01 percentage points compared to the end of the previous year.

DISTRIBUTION OF LOANS AND NPLS

In RMB millions, except for percentages

Item	At 30 June 2024				At 31 December 2023			
	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Corporate loans	17,515,667	62.9	295,931	1.69	16,145,204	61.9	292,745	1.81
Short-term corporate loans	4,057,155	14.6	87,376	2.15	3,681,064	14.1	91,426	2.48
Medium to long-term corporate loans	13,458,512	48.3	208,555	1.55	12,464,140	47.8	201,319	1.62
Discounted bills	1,487,340	5.3	-	-	1,287,657	4.9	-	-
Personal loans	8,834,543	31.8	79,419	0.90	8,653,621	33.2	60,757	0.70
Residential mortgages	6,165,376	22.2	37,102	0.60	6,288,468	24.1	27,827	0.44
Personal consumption loans	385,362	1.4	6,373	1.65	328,286	1.3	4,390	1.34
Personal business loans	1,571,756	5.6	14,341	0.91	1,347,136	5.2	11,639	0.86
Credit card overdrafts	712,049	2.6	21,603	3.03	689,731	2.6	16,901	2.45
Total	27,837,550	100.0	375,350	1.35	26,086,482	100.0	353,502	1.36

As at the end of June, corporate NPLs were RMB295,931 million, representing an increase of RMB3,186 million over the end of last year, with an NPL ratio of 1.69%, down 0.12 percentage points. Personal NPLs stood at RMB79,419 million, growing by RMB18,662 million, with an NPL ratio of 0.90%, up 0.20 percentage points.

DISTRIBUTION OF CORPORATE LOANS AND NON-PERFORMING CORPORATE LOANS OF DOMESTIC BRANCHES BY INDUSTRY OF LOAN CUSTOMERS

In RMB millions, except for percentages

Item	At 30 June 2024				At 31 December 2023			
	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Transportation, storage and postal services	3,800,111	23.4	17,468	0.46	3,583,967	24.1	17,530	0.49
Manufacturing	2,579,801	15.9	50,258	1.95	2,351,044	15.8	55,359	2.35
Leasing and commercial services	2,440,184	15.0	45,388	1.86	2,295,720	15.5	43,958	1.91
Water, environment and public utility management	1,903,343	11.7	20,409	1.07	1,722,981	11.6	20,493	1.19
Production and supply of electricity, heating, gas and water	1,659,337	10.2	10,135	0.61	1,594,025	10.7	12,537	0.79
Real estate	852,064	5.2	45,585	5.35	762,226	5.1	40,957	5.37
Wholesale and retail	787,543	4.9	31,492	4.00	679,049	4.6	29,886	4.40
Construction	509,417	3.1	15,647	3.07	432,570	2.9	14,078	3.25
Science, education, culture and sanitation	400,544	2.5	7,352	1.84	383,799	2.6	8,882	2.31
Mining	325,181	2.0	2,255	0.69	295,219	2.0	2,619	0.89
Other	988,631	6.1	18,314	1.85	761,866	5.1	16,474	2.16
Total	16,246,156	100.0	264,303	1.63	14,862,466	100.0	262,773	1.77

The Bank continued to carry forward the optimization and adjustment of the industrial structure of loan supply and stepped up efforts to support the real economy. Loans to manufacturing increased by RMB228,757 million or 9.7% over the end of last year, mainly granted to leading backbone enterprises and key projects in high-end manufacturing such as new-generation information technology, new energy vehicle, and large-scale refining and chemical projects. Loans to transportation, storage and postal services increased by RMB216,144 million or 6.0% over the end of last year, mainly focusing on national comprehensive three-dimensional transportation network planning, and actively supporting the key project construction of highways, railways, ports and airports, etc. Loans to water, environment and public utility management grew by RMB180,362 million or 10.5%, mainly for major projects in the areas of new urbanization and water conservancy facilities as well as the areas of people's livelihood such as urban public utilities and environmental remediation.

The Bank continued to strengthen risk management of financing in various industries, improved the quality and efficiency in the disposal of non-performing assets, and properly carried out risk prevention and mitigation in key areas. With these efforts, the loan quality was generally stable.

DISTRIBUTION OF LOANS AND NPLS BY GEOGRAPHIC AREA

In RMB millions, except for percentages

Item	At 30 June 2024				At 31 December 2023			
	Loan	Percentage (%)	NPLs	NPL ratio (%)	Loan	Percentage (%)	NPLs	NPL ratio (%)
Head Office	799,100	2.9	33,938	4.25	754,746	2.9	29,793	3.95
Yangtze River Delta	6,128,306	22.0	43,760	0.71	5,616,187	21.5	36,930	0.66
Pearl River Delta	4,273,693	15.3	65,486	1.53	4,055,692	15.5	57,869	1.43
Bohai Rim	4,606,344	16.5	60,983	1.32	4,285,481	16.4	63,835	1.49
Central China	4,360,241	15.7	46,333	1.06	4,064,415	15.6	43,192	1.06
Western China	5,082,589	18.3	70,538	1.39	4,766,575	18.3	68,298	1.43
Northeastern China	1,131,674	4.1	21,156	1.87	1,082,666	4.2	22,301	2.06
Overseas and other	1,455,603	5.2	33,156	2.28	1,460,720	5.6	31,284	2.14
Total	27,837,550	100.0	375,350	1.35	26,086,482	100.0	353,502	1.36

MOVEMENTS OF ALLOWANCE FOR IMPAIRMENT LOSSES ON LOANS

In RMB millions

Item	Allowance for impairment losses on loans and advances to customers measured at amortised cost				Allowance for impairment losses on loans and advances to customers measured at FVTOCI			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	342,730	156,240	257,031	756,001	361	-	29	390
Transfer:								
to stage 1	18,833	(16,802)	(2,031)	-	-	-	-	-
to stage 2	(2,954)	5,860	(2,906)	-	-	-	-	-
to stage 3	(1,584)	(37,018)	38,602	-	-	-	-	-
Charge	43,226	36,496	13,881	93,603	923	-	-	923
Write-offs and transfer out	-	-	(37,851)	(37,851)	-	-	-	-
Recoveries of loans and advances previously written off	-	-	6,911	6,911	-	-	-	-
Other movements	194	256	(541)	(91)	-	-	-	-
Balance at 30 June 2024	400,445	145,032	273,096	818,573	1,284	-	29	1,313

As at the end of June, allowance for impairment losses on loans stood at RMB819,886 million, of which RMB818,573 million on loans measured at amortised cost, and RMB1,313 million on loans measured at fair value through other comprehensive income. Allowance to NPLs was 218.43%, representing an increase of 4.46 percentage points over the end of last year, and allowance to total loans ratio was 2.95%, representing an increase of 0.05 percentage points over the end of last year.

DISTRIBUTION OF LOANS BY COLLATERAL

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Loans secured by mortgages	10,731,100	38.5	10,444,304	40.1
Pledged loans	3,354,584	12.1	2,979,342	11.4
Guaranteed loans	2,842,572	10.2	2,715,345	10.4
Unsecured loans	10,909,294	39.2	9,947,491	38.1
Total	27,837,550	100.0	26,086,482	100.0

OVERDUE LOANS

In RMB millions, except for percentages

Overdue periods	At 30 June 2024		At 31 December 2023	
	Amount	% of total loans	Amount	% of total loans
Less than 3 months	123,303	0.44	107,236	0.42
3 months to 1 year	105,658	0.38	101,889	0.39
1 to 3 years	109,628	0.40	87,118	0.33
Over 3 years	34,777	0.12	34,181	0.13
Total	373,366	1.34	330,424	1.27

Note: Loans and advances to customers are deemed overdue when either the principal or interest is overdue. For loans and advances to customers repayable by installments, the total amount of such loans is deemed overdue if part of the installments is overdue.

Overdue loans stood at RMB373,366 million, representing an increase of RMB42,942 million from the end of the previous year. Among them, loans overdue for over 3 months amounted to RMB250,063 million, representing an increase of RMB26,875 million.

RESCHEDULED LOANS

Rescheduled loans and advances measured according to the Measures for Risk Classification of Financial Assets of Commercial Banks amounted to RMB118,579 million, representing an increase of RMB35,856 million as compared to the end of the previous year. Among them, rescheduled loans and advances overdue for over 3 months amounted to RMB7,621 million, representing a decrease of RMB954 million.

LOAN MIGRATION RATIO

Item	<i>In percentages</i>		
	At 30 June 2024	At 31 December 2023	At 31 December 2022
Pass	1.36	1.05	1.12
Special mention	24.66	18.61	21.03
Substandard	101.90	61.74	36.62
Doubtful	47.08	77.49	42.55

Note: Calculated according to the Circular on Amending the Definitions and Calculation Formula of Basic Indicators for Off-site Supervision of the Banking Sector issued by the former CBIRC in 2022, and measured at the Group's level.

BORROWER CONCENTRATION

As at the end of June, the total amount of loans granted by the Bank to the single largest borrower and top ten single borrowers accounted for 4.1% and 21.2% of the Bank's net capital base, respectively. The total amount of loans granted to the top ten single borrowers was RMB1,017,895 million, accounting for 3.7% of the total loans.

Item	At 30 June 2024	At 31 December 2023	At 31 December 2022
	Loan concentration to the single largest borrower (%)	4.1	4.5
Loan concentration to the top ten borrowers (%)	21.2	23.5	16.0

◆ **Investment**

The Bank actively supported the implementation of national development strategies, stepped up efforts in serving the real economy, coordinated the investment value and prevention and control of interest rate risk, and reasonably arranged the investment types and term structure. As at the end of June, investment amounted to RMB12,988,922 million, representing an increase of RMB1,139,254 million or 9.6% from the end of the previous year. Among these, bonds rose by RMB1,114,092 million or 9.8% to RMB12,471,819 million.

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Bonds	12,471,819	96.1	11,357,727	95.9
Equity instruments	187,144	1.4	187,835	1.6
Funds and other	197,569	1.5	183,391	1.5
Accrued interest	132,390	1.0	120,715	1.0
Total	12,988,922	100.0	11,849,668	100.0

DISTRIBUTION OF INVESTMENT IN BONDS BY ISSUERS

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Government and central bank bonds	9,586,941	76.9	8,759,237	77.1
Policy bank bonds	812,582	6.5	811,946	7.1
Bonds of banks and other financial institutions	1,362,190	10.9	1,065,147	9.4
Enterprise bonds	710,106	5.7	721,397	6.4
Total	12,471,819	100.0	11,357,727	100.0

In terms of distribution by issuers, government and central bank bonds increased by RMB827,704 million or 9.4% over the end of last year; policy bank bonds increased by RMB636 million or 0.1%; bonds of banks and other financial institutions went up by RMB297,043 million or 27.9%; and enterprise bonds decreased by RMB11,291 million or 1.6%.

DISTRIBUTION OF INVESTMENT IN BONDS BY REMAINING MATURITY

In RMB millions, except for percentages

Remaining maturity	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Undated ⁽¹⁾	142	0.0	117	0.0
Less than 3 months	912,972	7.3	690,280	6.0
3 to 12 months	1,768,966	14.2	1,495,238	13.2
1 to 5 years	4,654,411	37.3	4,219,958	37.2
Over 5 years	5,135,328	41.2	4,952,134	43.6
Total	12,471,819	100.0	11,357,727	100.0

Note: (1) Refers to overdue bonds.

DISTRIBUTION OF INVESTMENT IN BONDS BY CURRENCY

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
RMB-denominated bonds	11,588,308	93.0	10,497,153	92.4
USD-denominated bonds	553,736	4.4	554,737	4.9
Other foreign currency bonds	329,775	2.6	305,837	2.7
Total	12,471,819	100.0	11,357,727	100.0

In terms of currency structure, RMB-denominated bonds rose by RMB1,091,155 million or 10.4% over the end of last year. USD-denominated bonds decreased by an equivalent of RMB1,001 million or 0.2%; other foreign currency bonds increased by an equivalent of RMB23,938 million or 7.8%. During the reporting period, the Bank reasonably arranged the currency structure based on changes in currency interest rates and foreign-currency fund positions, in consideration of bond liquidity, security and profitability, and improved the efficiency of foreign-currency fund use.

DISTRIBUTION OF INVESTMENT BY MEASURING METHOD

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Financial investments measured at fair value through profit or loss	916,147	7.1	811,957	6.9
Financial investments measured at fair value through other comprehensive income	2,641,676	20.3	2,230,862	18.8
Financial investments measured at amortised cost	9,431,099	72.6	8,806,849	74.3
Total	12,988,922	100.0	11,849,668	100.0

As at the end of June, the Group held RMB2,084,463 million of financial bonds¹, including RMB812,582 million of policy bank bonds and RMB1,271,881 million of bonds issued by banks and non-bank financial institutions, accounting for 39.0% and 61.0% of financial bonds, respectively.

Liabilities

As at the end of June, total liabilities reached RMB43,252,035 million, an increase of RMB2,331,544 million or 5.7% compared with the end of last year.

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Due to customers	34,107,316	78.9	33,521,174	81.9
Due to banks and other financial institutions	4,113,777	9.5	3,369,858	8.2
Repurchase agreements	1,647,326	3.8	1,018,106	2.5
Debt securities issued	1,588,738	3.7	1,369,777	3.3
Other	1,794,878	4.1	1,641,576	4.1
Total liabilities	43,252,035	100.0	40,920,491	100.0

¹ Financial bonds refer to the debt securities issued by financial institutions on the bond market, including bonds issued by policy banks, banks and non-bank financial institutions but excluding debt securities related to restructuring and central bank bonds.

◆ *Due to Customers*

Due to customers is the Bank's main source of funds. Adhering to the orientation of high-quality deposit development, the Bank solidly advanced the GBC+ projects, exerted its advantages in comprehensive financial services, and continued to build a coordinated ecosystem of "large, medium, small and micro enterprises and personal customers", with the overall stable deposit growth. As at the end of June, due to customers was RMB34,107,316 million, RMB586,142 million or 1.7% higher than that at the end of the previous year. In terms of customer structure, corporate deposits decreased by RMB330,358 million or 2.0%; and personal deposits increased by RMB955,793 million or 5.8%. In terms of maturity structure, time deposits rose by RMB603,812 million or 3.1%, while demand deposits increased by RMB21,623 million or 0.2%. In terms of currency structure, RMB deposits stood at RMB32,394,845 million, an increase of RMB557,010 million or 1.7%. Foreign currency deposits were equivalent to RMB1,712,471 million, an increase of RMB29,132 million or 1.7%.

DISTRIBUTION OF DUE TO CUSTOMERS BY BUSINESS LINE

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Corporate deposits				
Time deposits	8,556,554	25.1	8,843,237	26.4
Demand deposits	7,323,016	21.6	7,366,691	22.0
Subtotal	15,879,570	46.7	16,209,928	48.4
Personal deposits				
Time deposits	11,372,222	33.3	10,481,727	31.3
Demand deposits	6,149,139	18.0	6,083,841	18.1
Subtotal	17,521,361	51.3	16,565,568	49.4
Other deposits⁽¹⁾	212,811	0.6	210,185	0.6
Accrued interest	493,574	1.4	535,493	1.6
Total	34,107,316	100.0	33,521,174	100.0

Note: (1) Includes outward remittance and remittance payables.

DISTRIBUTION OF DUE TO CUSTOMERS BY GEOGRAPHIC AREA

In RMB millions, except for percentages

Item	At 30 June 2024		At 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Head Office	30,458	0.1	32,408	0.1
Yangtze River Delta	6,878,053	20.2	7,120,750	21.2
Pearl River Delta	4,410,998	12.9	4,618,362	13.8
Bohai Rim	9,389,427	27.5	8,811,355	26.3
Central China	5,055,475	14.8	4,855,178	14.5
Western China	5,271,892	15.5	5,219,348	15.6
Northeastern China	1,873,906	5.5	1,768,620	5.3
Overseas and other	1,197,107	3.5	1,095,153	3.2
Total	<u>34,107,316</u>	<u>100.0</u>	<u>33,521,174</u>	<u>100.0</u>

◆ *Repurchase Agreements*

Repurchase agreements amounted to RMB1,647,326 million, RMB629,220 million or 61.8% higher than that at the end of the previous year, principally because the Bank increased bonds under repurchase agreements and expanded the source of funds in diversified manner.

Shareholders' Equity

As at the end of June, shareholders' equity amounted to RMB3,864,501 million in aggregate, RMB87,913 million or 2.3% higher than that at the end of the previous year. Equity attributable to equity holders of the parent company recorded an increase of RMB86,639 million or 2.3% to RMB3,843,526 million.

4.4 Capital Adequacy Ratio and Leverage Ratio

Since 1 January 2024, the Bank has calculated its capital adequacy ratios at all levels in accordance with the Regulation Governing Capital of Commercial Banks. According to the scope of implementing the advanced capital measurement approaches as approved by the regulatory authorities, the Bank adopted the foundation internal ratings-based (“IRB”) approach for corporate credit risk and the advanced IRB approach for retail credit risk that met the regulatory requirements, and adopted the weighted approach for credit risk uncovered by the IRB approach, the standardized approach for market risk, and the standardized approach for operational risk.

As at the end of June, the common equity tier 1 capital adequacy ratio, tier 1 capital adequacy ratio, capital adequacy ratio and leverage ratio calculated by the Bank in accordance with the Regulation Governing Capital of Commercial Banks stood at 13.84%, 15.25%, 19.16% and 7.80%, respectively, complying with regulatory requirements¹.

¹ The Bank’s capital adequacy ratio and leverage ratio both met the additional regulatory requirements for systemically important banks.

CAPITAL ADEQUACY RATIO

In RMB millions, except for percentages

Item	At 30 June 2024
Common equity tier 1 capital	3,491,035
Paid-in capital	356,407
Valid portion of capital reserve	148,141
Surplus reserve	428,457
General reserve	561,845
Retained profits	1,962,107
Valid portion of minority interests	3,794
Accumulated other comprehensive income	30,284
Common equity tier 1 capital deductions	13,891
Goodwill	8,598
Other intangible assets other than land use rights	8,592
Cash flow hedge reserve that relates to the hedging of items that are not fair-valued on the balance sheet	(3,299)
Net common equity tier 1 capital	3,477,144
Additional tier 1 capital	355,028
Additional tier 1 capital instruments and related premiums	354,331
Valid portion of minority interests	697
Net tier 1 capital	3,832,172
Tier 2 capital	980,234
Valid portion of tier 2 capital instruments and related premiums	545,804
Surplus provision for loan impairment	433,312
Valid portion of minority interests	1,118
Net capital base	4,812,406
Risk-weighted assets⁽¹⁾	25,123,488
Common equity tier 1 capital adequacy ratio (%)	13.84
Tier 1 capital adequacy ratio (%)	15.25
Capital adequacy ratio (%)	19.16

Notes: (1) Refers to risk-weighted assets after capital floor and adjustments.

(2) In accordance with relevant provisions of the Regulation Governing Capital of Commercial Banks, no retrospective disclosure of previous data was made.

RISK-WEIGHTED ASSETS

	<i>In RMB millions</i>
Item	At 30 June 2024
Credit risk-weighted assets	22,654,841
Parts covered by internal ratings-based approach	14,703,858
Parts uncovered by internal ratings-based approach	7,950,983
Market risk-weighted assets	585,696
Operational risk-weighted assets	<u>1,882,951</u>
Total	<u><u>25,123,488</u></u>

LEVERAGE RATIO

	<i>In RMB millions, except for percentages</i>
Item	At 30 June 2024
Net tier 1 capital	3,832,172
Balance of adjusted on- and off-balance sheet assets	49,146,136
Leverage ratio (%)	7.80

For more information on capital measurement and leverage ratio of the Bank, please refer to the Pillar 3 Disclosure Report of Capital Management for the First Half of 2024 of Industrial and Commercial Bank of China Limited issued by the Bank.

On the basis of capital replenishment by retained profits, the Bank proactively expanded the channels for external capital replenishment and continuously promoted the innovation of capital instruments, to reinforce capital strength, optimize capital structure and control the cost of capital rationally.

◆ ***Issuance of Capital Instruments***

In April 2024, the Bank received the approval from National Financial Regulatory Administration, approving the Bank to issue capital instruments of RMB370.0 billion or foreign currency equivalent, including undated additional tier 1 capital bonds of RMB130.0 billion or foreign currency equivalent and tier 2 capital bonds of RMB240.0 billion or foreign currency equivalent.

In July 2024, the Bank publicly issued undated additional tier 1 capital bonds of the size of RMB50.0 billion in the National Interbank Bond Market. The raised funds are used to replenish the Bank's additional tier 1 capital in accordance with applicable laws and the approval of relevant regulatory authorities.

In August 2024, the Bank publicly issued a tranche of tier 2 capital bonds of the size of RMB50.0 billion in the National Interbank Bond Market. All the raised funds are used to replenish the Bank's tier 2 capital in accordance with applicable laws and the approval of relevant regulatory authorities.

◆ ***Issuance of TLAC Non-capital Debt Instruments***

In May 2024, the Bank publicly issued TLAC non-capital bonds of the size of RMB40.0 billion in the National Interbank Bond Market. After deducting the issuance expenses, the funds raised from the bond issuance will be used to enhance the Bank's TLAC in accordance with applicable laws and the approval of relevant regulatory authorities.

For details on the issuance of capital instruments and TLAC non-capital debt instruments of the Bank, please refer to the announcements published by the Bank on the website of Shanghai Stock Exchange, the "HKEXnews" website of HKEX and the website of the Bank.

4.5 Outlook

Since the beginning of the year, economic recoveries have been diverging across countries. Inflation in major economies is returning to a desirable level on the whole, but they are still under great inflation pressure. Complicated by the policy impact in the “election year”, major central banks have adopted different paces to interest rate cuts. Uncertainty in the global financial environment continues. China’s economy has grown steadily and maintained growth momentum, macro-policy has continued to release its effect, and efforts have been accelerated to foster new growth drivers and new advantages, providing a sound foundation for operation and development of the financial sector.

In the second half of the year, the Bank will continue to follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, earnestly implement the guiding principles from the 20th National Congress of the Communist Party of China (“CPC”) and the Second and Third Plenary Sessions of the 20th CPC Central Committee. The Bank will combine strategic heritage and innovation, stick to a blueprint to the end, and remain committed to the path of financial development with Chinese characteristics. Upholding the goal of building a world-class modern financial institution with Chinese characteristics, the Bank will consolidate the strategic layouts of “leveraging our strengths, tackling areas of weaknesses and solidifying the foundation” and continue to exert its advantages, fill up the gaps, strengthen the bottom lines and forge new strengths. The Bank will further support the real economy, secure the bottom line of security, improve development quality and effectiveness, and comprehensively boost the capacity for serving Chinese modernization.

The Bank will give more prominence to reform, and centering on its development positioning of the key role in serving the real economy, the ballast stone role in maintaining financial stability, a bellwether in the building of a strong financial institution, and a benchmark bank for implementation of major responsibilities and core businesses, it will comprehensively advance the “five transformations”, namely, strengthening intelligent risk control, improving modern layout, enhancing digital drivers, refining diversified structure, and consolidating ecological foundation. To serve Chinese modernization, the Bank will take solid steps to boost the development of “Five Priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance and enhance financial support for major national strategies, key areas and weak links. The Bank will focus on major responsibilities and core businesses such as manufacturing finance, promote the development of new quality productive forces, build financial infrastructure with ICBC characteristics, and forge new comparative advantages. The Bank will continuously improve its quality and strength to realize effective improvement in quality, proper growth in quantity, precise risk prevention and control, and strict compliance with laws and regulations, support high-quality development and promote high-level security with high-efficiency reform, and create greater value return for the nation, shareholders and society.

4.6 Hot Topics in the Capital Market

Hot Topic 1: Improving the Quality and Efficiency of Serving the Real Economy and Maintaining Steady Growth in Credit Investment

Since 2024, the Bank has continued to implement economic and financial policies. In keeping with the pace, intensity and focus of investment and financing, the Bank moved faster to revitalize idle funds and promote the transformation and upgrading of credit structure, and achieved high-quality development while improving the quality and efficiency of serving the real economy. In the first half of the year, the balance of RMB-denominated loans of domestic branches of the Bank was RMB26.13 trillion, up RMB1.74 trillion over the year beginning, leading the industry in terms of both amount and growth.

First, consolidating the leading advantage and helping cultivate new quality productive forces. Focusing on the layout of modernization, the Bank strengthened financial support for major national strategies, fields and projects, and saw an increase of nearly RMB1.4 trillion in the corporate loans of domestic branches at the end of June. Among them, the increase of medium to long-term corporate loans accounted for 72% of the total, up approximately 3 percentage points over the same period of the previous year. The Bank actively participated in major technological transformation and equipment upgrading projects, enhanced comprehensive services for upstream equipment, industrial internet platforms, etc., and grabbed high-quality projects such as advanced workshops, factories, and supply chains of leading downstream enterprises. At the end of June, the balance of loans to manufacturing reached nearly RMB4.4 trillion, representing an increase of over RMB500.0 billion over the beginning of the year. The balance of long and medium-term loans to the manufacturing industry approached to RMB2.1 trillion, up more than RMB210.0 billion over the beginning of the year. The Bank maintained a leading position among its peers in terms of both the balance and the growth of loans to manufacturing and medium to long-term loans.

Second, refining and subdividing the “Five Priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance with a focus on the high-quality development. In terms of technology finance, the Bank took the lead in the industry to establish the Technology Finance Center, and launched pilot products such as R&D loans, innovation credit reward loans, and talent loans. It created three types of characteristic financing scenarios, i.e., “basic and emerging industry loans”, “infrastructure investment loans”, and “sci-tech equity loans”, and stepped up credit support for start-up technological enterprises. The balance of loans to strategic emerging industries amounted to nearly RMB3.1 trillion, representing an increase of nearly RMB400.0 billion over the beginning of the year. The balance of loans to technology enterprises was nearly RMB2.1 trillion, up over RMB330.0 billion over the beginning of the year.

In terms of inclusive finance, the “ICBC Inclusive Journey” special campaign was rolled out, focusing on the adaptation of digital inclusive products. The balance of inclusive loans stood at RMB2.7 trillion, up nearly RMB480.0 billion over the beginning of the year, further increasing its market share in an all-round way. The Bank intensified efforts to promote financing products such as “Grain Planting Loan” and “Planting e Loan”. The balance of inclusive agricultural-related loans was nearly RMB754.7 billion, up more than RMB206.0 billion over the beginning of the year, leading the industry in terms of growth rate.

In terms of digital finance, the Bank strengthened comprehensive financial support for key areas such as the construction of new digital infrastructure, digital technology innovation and weak links, and industrial digital transformation. The balance of loans to core industries of digital economy amounted to RMB911.1 billion, up more than RMB120.0 billion or 15.6% over the beginning of the year.

In terms of green finance, the Bank deeply exploited potential business growth sources in key green areas such as new energy vehicles and photovoltaic industry chains, and improved comprehensive services and risk management related to green finance. The balance of green loans (by the statistical standard of the NFRA) exceeded RMB6 trillion, up more than RMB700.0 billion over the beginning of the year.

In terms of pension finance, the Bank actively met the financial needs of customers in the pension industry, exerted to create a leading pension service brand with ICBC’s characteristics, boosted the high-quality development of the pension industry and steadily increased related loans.

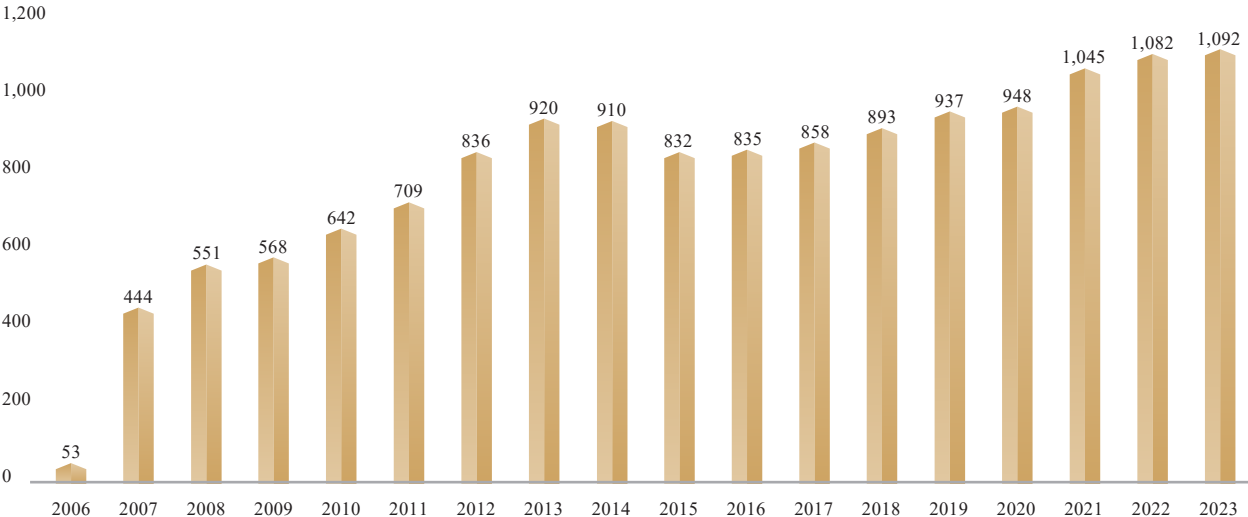
Third, promoting the transformation and upgrading of credit structure with a focus on value creation. While increasing the proportion of “retail + inclusive” loans, the Bank accelerated the transformation of retail banking through innovating product models, optimizing approval processes, and strengthening the accessibility of online channels. Non-mortgage retail loans, including personal business loans and personal consumption loans, increased by nearly RMB300.0 billion compared to the beginning of the year, maintaining a year-on-year growth trend in the increase amount. The Bank actively promoted the transformation and development of second-hand housing loans, and maintained a leading position in terms of the amount of new mortgage loans issued in the first half of the year. To adapt to economic transformation and upgrading, the Bank made steady progress in revitalizing idle funds, and transferred more than RMB2.0 trillion of refinancing from inefficient areas, effectively improving the efficiency of fund allocation.

Hot Topic 2: Actively Pursuing Interim Dividends to Create Long-term Returns for Shareholders

ICBC, as the largest commercial bank in China, has consistently delivered long-term, sustainable returns on investment for global investors. Since its listing in 2006, the Bank has generated cumulatively over RMB1.4 trillion cash dividends for shareholders, making it the company with the highest dividend payouts on the A share market. In 2023, the Bank’s annual dividend totaled RMB109.2 billion, with cash dividends for ordinary shares of RMB3.064 per ten shares (pre-tax). Reflecting its average share price in 2023, the dividend yields for A shares and H shares stood at 6.51% and 8.54% respectively, both markedly higher than the returns on deposits and wealth management products during the same period, highlighting its higher value of the investment.

Cash Dividends for ICBC Ordinary Shares, 2006-2023

In RMB100 millions



In accordance with relevant laws and regulatory requirements, the Bank's Shareholders' General Meeting in June this year, considered and approved the Proposal on the Relevant Arrangement for 2024 Interim Profit Distribution, and then formulated the Proposal on the 2024 Interim Profit Distribution Plan in consideration of the Bank's reviewed interim results. In the first half of 2024, the Group reported a net profit of RMB171,296 million, of which the net profit attributable to equity holders of the parent company amounted to RMB170,467 million. It proposed distributing cash dividends for ordinary shares of RMB1.434 per ten shares (pre-tax) of 356,406,257,089 ordinary shares, totaling RMB51,109 million and accounting for 30.0% of the net profit attributable to equity holders of the parent company. Next, the Bank will actively facilitate the relevant corporate governance procedures and provide timely returns to investors.

Since the beginning of this year, ICBC has been furthering its "five transformations" of intelligent risk control, modern layout, digital driver, diversified structure and ecological foundation. It has continuously improved quality and efficiency of its operation and development, and built a healthier and cleaner balance sheet and a balanced, coordinated and sustainable income statement. These measures have gradually led to an operating performance with a more reasonable asset-liability structure, more stable asset quality, and stronger value creation capability, so as to realize its own value in comprehensively advancing high-quality development and serving the real economy, thereby delivering sustained and stable returns to shareholders.

Hot Topic 3: Effective Risk Control in Key Areas and Stable Asset Quality

In the first half of 2024, focusing on preventing risks, strengthening compliance, and promoting development, the Bank continuously reformed and optimized the credit risk control system, and strengthened the whole-cycle credit risk management. Risks in key areas were defused in an orderly manner, and the quality of credit assets remained stable with positive momentum. As at the end of the first half of the year, the Group's NPL ratio was 1.35%, representing a decrease of 0.01 percentage points from the year beginning.

The intelligent credit risk management solutions of “Three Gates” and “Seven-color Pools” were deepened.

The Bank continued to improve the intelligent credit risk management solutions of “Three Gates” and “Seven-color Pools”, and promoted the transformation and upgrading of credit risk management. At the entrance end, the Bank iteratively applied new credit approval regulations at high standards, and clarified the responsibilities for due diligence and review. The Bank developed a new round of investment and financing plans on major responsibilities and core business, and better integrated national policies, the Head Office’s strategies, and regional advantages, while providing policy support to improve the quality and efficiency of serving the real economy. The Bank satisfied the financing needs of major national strategies, key areas, and weak links in a well-targeted way, and achieved growth targets in key areas such as manufacturing, inclusive, agriculture-related, and strategic emerging areas. The balance of green credits by the statistical standard of the NFRA topped RMB6 trillion. At the threshold end, the Bank continuously strengthened the whole-cycle management of credit risk, optimized and built credit risk monitoring models from multiple perspectives, and implemented post-lending monitoring by models online and manually offline. Its duration management was enhanced in respects of investment and financing planning, asset portfolio, concentration, customers, debts, and large risk exposure customers. The Bank enhanced supervision and restraint, and exercised rigorous governance of loans, focusing on compliance management of key processes and personnel in the credit field. At the exit end, the Bank built specialized and intensive operation institutions and teams, planned on and optimized exit end management from perspectives of communicating on business philosophy, complying with regulations on business processes, strengthening due diligence, and building a comprehensive risk asset management system, and developed and implemented risk asset regeneration plans.

Coordinated steps were taken to systematically defuse risks in key areas.

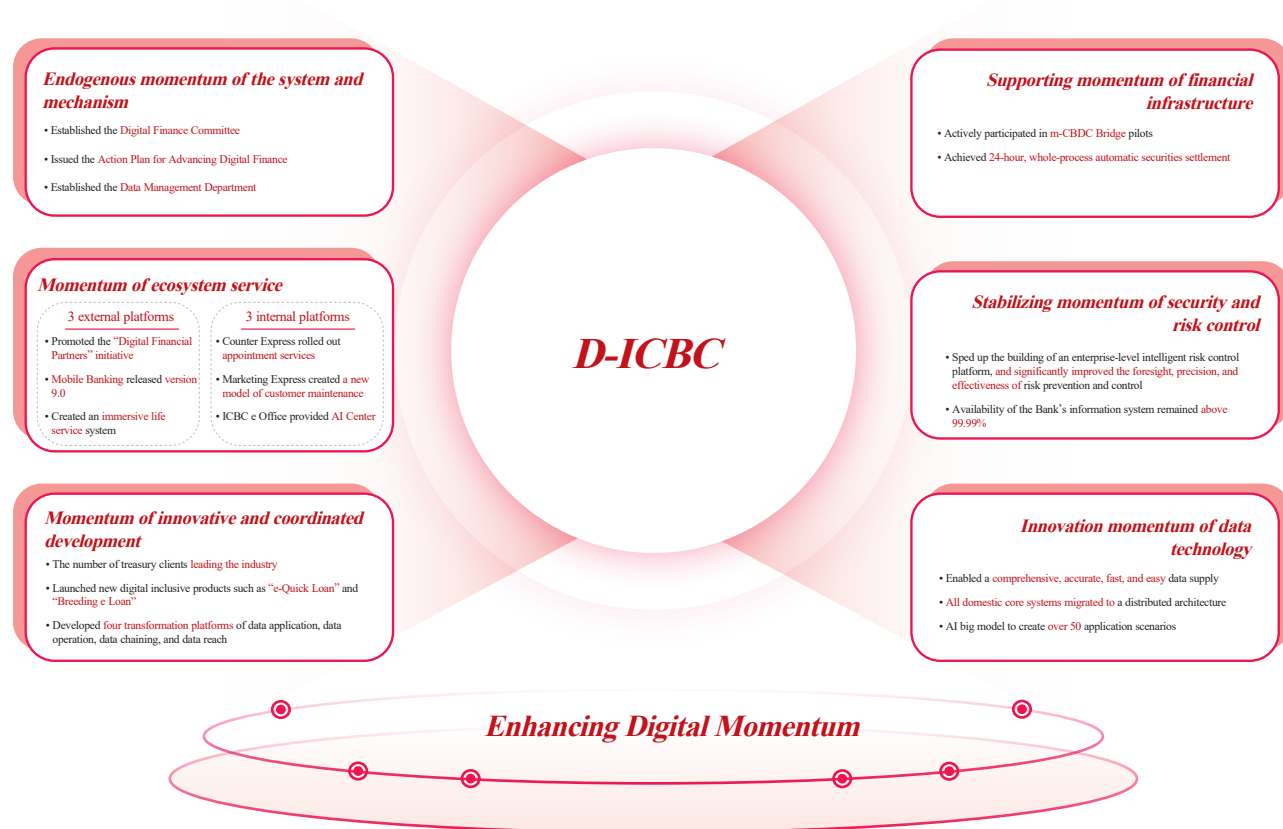
The financing in key areas showed a positive trend of “better quality and optimized structure”. In the field of real estate, the Bank prevented and defused risks in new and outstanding financing in a coordinated way, actively promoted the effective implementation of the urban real estate financing coordination mechanism, and supported the reasonable financing needs of real estate enterprises. The Bank developed customer-specific risk management and control plans to accelerate the risk disposal of key real estate enterprises. In the field of local debts, following the principles of marketization and rule of law, the Bank implemented province-specific financial support policies to address debts, strengthened policy guidance and early warning, and effectively supported the prevention and resolution of local debt risks in an orderly manner. In the field of small and medium-sized financial institutions, the Bank continued to strengthen the monitoring of lifetime risks, and conducted monitoring and investigation of key areas, key customers’ business situations, and hot events to achieve early identification and early warning of risks and prevent risk spillover and cross contagion to the Bank.

The Bank accelerated digital transformation and steadily pushed forward intelligent risk control.

The Bank adhered to the two main lines of “reducing burden” and “empowerment”, highlighting the user perspective. Focusing on the broadest user demand of the Group’s investment and financing lines, the Bank improved the accessibility and convenience of the production system, and strengthened the intelligent decision assistance capability of the management system. The Bank initiated the construction of an enterprise-level intelligent risk control platform, promoted the sharing of comprehensive risk data, and improved the efficiency of cross risk monitoring. By applying cutting-edge technologies such as satellite remote sensing and big modeling, the Bank promoted one-stop data processing, and introduced intelligent services and open ecosystem.

Hot Topic 4: Deepening D-ICBC Development and Enhancing Digital Momentum

In the first half of 2024, the Bank was awarded the “Digital Bank of The Year, China” by *The Asset* as it continued to deepen D-ICBC, enhanced digital driver, and fostered ICBC’s new quality productive forces in the new era.



First, strengthening the endogenous momentum of the system and mechanism. The Bank established the Digital Finance Committee and the Data Management Department, and issued the Action Plan for Advancing Digital Finance and the Digital Finance Implementation Plan for 2024, to systematically facilitate the exchange of technology and business personnel, and lay a solid institutional foundation for accelerating D-ICBC.

Second, strengthening the momentum of ecosystem service. The Bank iteratively refined the “3+3” platform to expedite the digital and intelligent upgrade of financial services from both customer service and employee empowerment perspectives, thereby improving their convenience and competitiveness. **Open Banking** further promoted the “Digital Financial Partners” initiative. **Mobile Banking** released version 9.0, maintaining a leading advantage in core industry indicators. **ICBC e Life** created an immersive life service system integrating lifestyle and financial advantages. **Counter Express** rolled out online and offline appointment services across the board. **Marketing Express** created a new model of intensive and group-based customer maintenance and a performance accounting view by account. **ICBC e Office** provided AI Center and other smart, convenient services that directly benefit employees.

Third, strengthening the momentum of innovative and coordinated development. The Bank **empowered enterprise transformation**, with the number of treasury clients leading the industry and a 28% increase in clients served by its financial cloud since the beginning of the year. Monthly active users of corporate internet banking and mobile banking are also topping the industry; it **improved digital inclusion** by launching new digital inclusive products such as “e-Quick Loan” and “Breeding e Loan”; it **enhanced branch support** by developing four platforms of data application, data operation, data chaining, and data reach, to assist branches in deepening digital transformation tailored to their conditions.

Fourth, strengthening the supporting momentum of financial infrastructure. **In terms of payment and settlement**, the Bank expanded the scope of “ICBC Global Pay” for overseas direct payments and actively participated in Multilateral Central Bank Digital Currency Bridge (“m-CBDC Bridge”) pilots. **In terms of asset custody**, the Bank achieved 24-hour, whole-process automatic securities settlement. **In terms of risk control technology exports**, the Bank continued to provide risk control technologies and system services to small and medium-sized financial institutions.

Fifth, strengthening the stabilizing momentum of security and risk control. The Bank sped up the building of an enterprise-level intelligent risk control platform, and met scheduled milestones in system development that significantly improved the foresight, precision, and effectiveness of risk prevention and control. Additionally, the Bank improved the cyber security capability on all fronts, with the availability of the Bank’s information system remained above 99.99%.

Sixth, strengthening the innovation momentum of data technology. The Bank advanced the large-scale application of real-time data warehousing, to enable a “comprehensive, accurate, fast, and easy” data supply. It continued to develop new computational infrastructure featured “one cloud supporting multiple computations”, and has migrated all domestic core systems to a distributed architecture system for single-track operation. It also deepened the construction and empowerment of the 100 billion-level AI big model technology, to create over 50 application scenarios in financial markets, credit risk management, and internet finance.

5. Details of Changes in Share Capital and Shareholding of Substantial Shareholders

Details of Securities Issuance and Listing

During the reporting period, the Bank did not issue any shares, did not have any employee shares, nor did it issue any convertible bonds.

The Bank did not issue corporate bonds to be disclosed in accordance with Chapter II, Section 9 of the “No. 3 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings — Content and Format of the Half-year Report (Revision 2021)” of CSRC, nor did it have the above-mentioned corporate bonds existed on the approval date of this Report.

Number of Shareholders and Particulars of Shareholding

As at the end of the reporting period, the Bank had a total number of 613,766 ordinary shareholders and no holders of preference shares with voting rights restored or holders of shares with special voting rights, including 106,884 holders of H shares and 506,882 holders of A shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 ORDINARY SHAREHOLDERS OF THE BANK

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/decrease of shares during the reporting period	Number of shares held at the end of reporting period	Shareholding percentage (%)	Number of pledged/locked-up/ marked shares
Central Huijin Investment Ltd. ⁽⁵⁾	State-owned	A Share	–	124,004,660,940	34.79	None
MOF	State-owned	A Share	–	110,984,806,678	31.14	None
HKSCC Nominees Limited ⁽⁶⁾	Foreign legal person	H Share	16,626,137	86,160,746,743	24.17	Unknown
National Council for Social Security Fund ⁽⁷⁾	State-owned	A Share	–	12,331,645,186	3.46	None
Hong Kong Securities Clearing Company Limited ⁽⁸⁾	Foreign legal person	A Share	488,212,807	2,742,056,062	0.77	None
China Securities Finance Co., Ltd.	State-owned legal person	A Share	–	2,416,131,540	0.68	None
Central Huijin Asset Management Co., Ltd.	State-owned legal person	A Share	–	1,013,921,700	0.28	None
ICBC — SSE 50 Exchange Traded Securities Investment Funds ⁽⁹⁾	Other entities	A Share	135,305,700	562,564,895	0.16	None
Industrial and Commercial Bank of China — Huatai-PB CSI 300 ETF ⁽¹⁰⁾	Other entities	A Share	151,970,900	413,745,957	0.12	None
China Construction Bank Corporation — E Fund HS 300 ETF ⁽¹¹⁾	Other entities	A Share	177,505,100	275,529,025	0.08	None

- Notes:*
- (1) The above data are based on the Bank's register of shareholders as at 30 June 2024.
 - (2) The Bank had no shares subject to restrictions on sales.
 - (3) HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. Central Huijin Asset Management Co., Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd. Save as disclosed above, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned shareholders.
 - (4) Except to the extent unknown to HKSCC Nominees Limited, the top 10 shareholders of the Bank did not participate in any margin trading, short selling or refinancing business.
 - (5) According to the Bank's Announcement in Relation to Increase in Shareholding of the Bank by Its Controlling Shareholder published by the Bank dated 11 October 2023, Central Huijin Investment Ltd. intended to continue to increase, in its own capacity, its shareholding in the Bank by acquiring shares of the Bank in the secondary market within the next six months commencing from the date of the increase in shareholding. As at 30 June 2024, Central Huijin Investment Ltd. cumulatively increased its holding of 286,807,989 A shares of the Bank through the trading system of Shanghai Stock Exchange, accounting for approximately 0.08% of the Bank's total share capital.
 - (6) The number of shares held by HKSCC Nominees Limited at the end of the period refers to the total number of H shares held by it as a nominee on behalf of all institutional and individual investors registered with accounts opened with HKSCC Nominees Limited as at 30 June 2024, which included H shares of the Bank held by National Council for Social Security Fund and Ping An Asset Management Co., Ltd.
 - (7) According to the Notice on Comprehensively Transferring Part of State-Owned Capital to Fortify Social Security Funds (Cai Zi [2019] No. 49), MOF transferred 12,331,645,186 A shares to the state-owned capital transfer account of National Council for Social Security Fund in a lump sum in December 2019. According to the relevant requirements under the Notice of the State Council on Issuing the Implementation Plan for Transferring Part of State-Owned Capital to Fortify Social Security Funds (Guo Fa [2017] No. 49), National Council for Social Security Fund shall perform the obligation of more than 3-year lock-up period as of the date of the receipt of transferred shares. At the end of the reporting period, according to the information provided by National Council for Social Security Fund to the Bank, National Council for Social Security Fund also held 6,768,316,181 H shares of the Bank and 19,099,961,367 A and H shares in aggregate, accounting for 5.36% of the Bank's total ordinary shares.
 - (8) The number of shares held by Hong Kong Securities Clearing Company Limited at the end of the period refers to the total A shares (Northbound shares of the Shanghai-Hong Kong Stock Connect) held by it as a nominal holder designated by and on behalf of Hong Kong and foreign investors as at 30 June 2024.
 - (9) "ICBC — SSE 50 Exchange Traded Securities Investment Funds" are securities investment funds raised as approved by CSRC Zheng Jian Ji Jin Zi [2004] No. 196 Document dated 22 November 2004, with China Asset Management Co., Ltd. as the fund manager and ICBC as fund custodian.
 - (10) The "Industrial and Commercial Bank of China Limited — Huatai-PB CSI 300 ETF" is a securities investment fund approved by CSRC in CSRC Document [2012] No. 392 dated 23 March 2012. Huatai-PineBridge Fund Management Co., Ltd. acts as the fund manager and ICBC acts as the fund custodian.
 - (11) The "China Construction Bank Corporation — E Fund HS 300 ETF" is a securities investment fund approved by CSRC in CSRC Document [2012] No. 1762. E Fund Management Co., Ltd. acts as the fund manager and China Construction Bank acts as the fund custodian.

Changes of the Controlling Shareholders and De Facto Controller

During the reporting period, the Bank's controlling shareholders and de facto controller remained unchanged.

Interests and Short Positions Held by Substantial Shareholders and Other Persons

Substantial Shareholders and Persons Having Notifiable Interests or Short Positions Pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance of Hong Kong

As at 30 June 2024, the Bank received notices from the following persons about their interests or short positions held in the Bank's ordinary shares and underlying shares, which were recorded in the register pursuant to Section 336 of the Securities and Futures Ordinance of Hong Kong as follows:

HOLDERS OF A SHARES

Name of substantial shareholder	Capacity	Number of A shares held (share)	Nature of interests	Percentage of A shares (%)	Percentage of total ordinary shares ⁽²⁾ (%)
Central Huijin Investment Ltd. ⁽¹⁾	Beneficial owner	123,717,852,951	Long position	45.89	34.71
	Interest of controlled corporations	1,013,921,700	Long position	0.38	0.28
	Total	124,731,774,651		46.26	35.00
MOF	Beneficial owner	110,984,806,678	Long position	41.16	31.14

Notes: (1) According to the register of shareholders of the Bank, as at 30 June 2024, Central Huijin Investment Ltd. held 124,004,660,940 shares in the Bank, while Central Huijin Asset Management Co., Ltd., a subsidiary of Central Huijin Investment Ltd., held 1,013,921,700 shares in the Bank.

(2) Due to rounding, percentages presented herein are for reference only.

HOLDERS OF H SHARES

Name of substantial shareholder	Capacity	Number of H shares held (share)	Nature of interests	Percentage of H shares (%)	Percentage of total ordinary shares ⁽³⁾ (%)
Ping An Asset Management Co., Ltd. ⁽¹⁾	Investment manager	12,155,937,000	Long position	14.00	3.41
National Council for Social Security Fund ⁽²⁾	Beneficial owner	6,938,013,180	Long position	7.99	1.95

- Notes:*
- (1) As confirmed by Ping An Asset Management Co., Ltd., such shares were held by Ping An Asset Management Co., Ltd. on behalf of certain customers (including but not limited to Ping An Life Insurance Company of China, Ltd.) in its capacity as investment manager and the interests in such shares were disclosed based on the latest disclosure of interests form filed by Ping An Asset Management Co., Ltd. for the period ended 30 June 2024 (the date of relevant event being 23 May 2024). Both Ping An Life Insurance Company of China, Ltd. and Ping An Asset Management Co., Ltd. are subsidiaries of Ping An Insurance (Group) Company of China, Ltd. As Ping An Asset Management Co., Ltd. is in a position to fully exercise the voting rights in respect of such shares on behalf of customers and independently exercise the rights of investment and business management in its capacity as investment manager, and is completely independent from Ping An Insurance (Group) Company of China, Ltd., Ping An Insurance (Group) Company of China, Ltd. is exempted from aggregating the interests in such shares as a holding company under the aggregation exemption and disclosing the holding of the same in accordance with the Securities and Futures Ordinance of Hong Kong.
 - (2) According to the information provided by National Council for Social Security Fund to the Bank, National Council for Social Security Fund held 6,768,316,181 H shares of the Bank as at the end of the reporting period, accounting for 7.80% of the Bank's H shares and 1.90% of the Bank's total ordinary shares.
 - (3) Due to rounding, percentages presented herein are for reference only.

Preference Shares

◆ *Issuance and Listing of Preference Shares during the Reporting Period*

During the reporting period, the Bank did not issue any preference shares.

◆ *Number of Preference Shareholders and Particulars of Shareholding*

As at the end of the reporting period, the Bank had one offshore preference shareholder (or proxy), 30 domestic preference shareholders of “工行優 1” and 40 domestic preference shareholders of “工行優 2”.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 OFFSHORE PREFERENCE SHAREHOLDERS (OR PROXIES) OF THE BANK

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/ decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged/ locked-up/ marked shares
The Bank of New York Depository (Nominees) Limited	Foreign legal person	USD offshore preference shares	–	145,000,000	100	–	Unknown

- Notes:*
- (1) The above data are based on the Bank’s register of offshore preference shareholders as at 30 June 2024.
 - (2) As the issuance of the offshore preference shares above was non-public offering, the register of preference shareholders presented the information on the registered holder of the offshore preference shares.
 - (3) The Bank is not aware of any connected relations or acting-in-concert relations between the aforementioned preference shareholder and top 10 ordinary shareholders.
 - (4) “Shareholding percentage” refers to the percentage of offshore preference shares held by preference shareholders in total number of offshore preference shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 DOMESTIC PREFERENCE SHAREHOLDERS OF “工行優 1”

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/ decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged/ locked-up/ marked shares
China Mobile Communications Group Co., Ltd.	State-owned legal person	Domestic preference shares	–	200,000,000	44.4	–	None
China National Tobacco Corporation	Other entities	Domestic preference shares	–	50,000,000	11.1	–	None
China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	3,000,000	38,000,000	8.4	–	None
Ping An Life Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	-1,300,000	28,700,000	6.4	–	None
CCB Trust Co., Ltd.	State-owned legal person	Domestic preference shares	-1,890,000	13,110,000	2.9	–	None
Hwabao Trust Co., Ltd.	State-owned legal person	Domestic preference shares	-80,000	13,030,000	2.9	–	None
BOC International (China) Co., Ltd.	State-owned legal person	Domestic preference shares	-2,000,000	13,000,000	2.9	–	None
Sun Life Everbright Asset Management Co., Ltd.	State-owned legal person	Domestic preference shares	–	11,715,000	2.6	–	None
BOCOM Schroders Asset Management Co., Ltd.	Domestic non-state-owned legal person	Domestic preference shares	–	11,200,000	2.5	–	None
China National Tobacco Corporation Shandong Branch	Other entities	Domestic preference shares	–	10,000,000	2.2	–	None
China National Tobacco Corporation Heilongjiang Branch	Other entities	Domestic preference shares	–	10,000,000	2.2	–	None
Ping An Property & Casualty Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	–	10,000,000	2.2	–	None

Notes: (1) The above data are based on the Bank’s register of domestic preference shareholders of “工行優 1” as at 30 June 2024.

(2) China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are both wholly-owned subsidiaries of China National Tobacco Corporation. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. have connected relations. Save as disclosed above, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned preference shareholders and among the aforementioned preference shareholders and top 10 ordinary shareholders.

(3) “Shareholding percentage” refers to the percentage of domestic preference shares of “工行優 1” held by preference shareholders in total number (450 million shares) of domestic preference shares of “工行優 1”.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 DOMESTIC PREFERENCE SHAREHOLDERS OF “工行優 2”

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Increase/ decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged/ locked-up/ marked shares
China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	–	120,000,000	17.1	–	None
Hwabao Trust Co., Ltd.	State-owned legal person	Domestic preference shares	–	112,750,000	16.1	–	None
China Mobile Communications Group Co., Ltd.	State-owned legal person	Domestic preference shares	–	100,000,000	14.3	–	None
Everbright Securities Asset Management Co., Ltd.	State-owned legal person	Domestic preference shares	29,432,000	60,132,000	8.6	–	None
CCB Trust Co., Ltd.	State-owned legal person	Domestic preference shares	-11,800,000	52,200,000	7.5	–	None
China National Tobacco Corporation	Other entities	Domestic preference shares	–	50,000,000	7.1	–	None
Jiangsu International Trust Co., Ltd.	State-owned legal person	Domestic preference shares	-2,000,000	35,250,000	5.0	–	None
Shanghai Tobacco Group Co., Ltd.	Other entities	Domestic preference shares	–	30,000,000	4.3	–	None
BOC International (China) Co., Ltd.	State-owned legal person	Domestic preference shares	-30,535,000	21,965,000	3.1	–	None
Ping An Property & Casualty Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	–	15,000,000	2.1	–	None

- Notes:**
- (1) The above data are based on the Bank’s register of domestic preference shareholders of “工行優 2” as at 30 June 2024.
 - (2) Shanghai Tobacco Group Co., Ltd., China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are all wholly-owned subsidiaries of China National Tobacco Corporation. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China, Ltd. have connected relations. Sun Life Everbright Asset Management Co., Ltd. and Everbright Securities Asset Management Co., Ltd. have connected relations. Save as disclosed above, the Bank is not aware of any connected relations or acting-in-concert relations among the aforementioned preference shareholders and among the aforementioned preference shareholders and top 10 ordinary shareholders.
 - (3) “Shareholding percentage” refers to the percentage of domestic preference shares of “工行優 2” held by preference shareholders in total number (700 million shares) of domestic preference shares of “工行優 2”.

◆ *Dividend Distribution of Preference Shares*

During the reporting period, the Bank did not distribute dividends on preference share.

The Bank reviewed and approved the distribution of dividends on “工行優 2” and offshore USD preference shares at the meeting of the Board of Directors on 30 August 2024, planning to distribute the dividends on “工行優 2” on 24 September 2024 at the dividend rate of 4.2% (pre-tax, and the tax payable on dividends received by holders of domestic preference shares should be borne by them in compliance with relevant laws and regulations) and the total dividends distributed will be RMB2.94 billion; and planning to distribute the dividends on offshore USD preference shares on 23 September 2024 at the dividend rate of 3.58% (after-tax, namely the actual dividend rate obtained by offshore USD preference shareholders) and the dividends distributed on offshore USD preference shares will be approximately USD115.36 million including USD103.82 million to be paid to preference shareholders and approximately USD11.54 million of withholding income tax.

◆ *Redemption or Conversion of Preference Shares*

During the reporting period, the Bank did not redeem or convert any preference share.

◆ *Restoration of Voting Rights of Preference Shares*

During the reporting period, the Bank did not restore any voting right of preference share.

◆ *Accounting Policy Adopted for Preference Shares and Rationale*

According to the Accounting Standard for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, the Accounting Standard for Business Enterprises No. 37 — Presentation of Financial Instruments promulgated by MOF as well as the International Financial Reporting Standard 9 — Financial Instruments and the International Accounting Standard 32 — Financial Instruments: Presentation promulgated by International Accounting Standards Board and other accounting standards and the key terms of issuance of the Bank’s preference shares, the issued and existing preference shares do not contain contractual obligations to deliver cash or other financial assets or contractual obligations to deliver variable equity instruments for settlement, and shall be accounted for as other equity instruments.

6. Material Assets Acquisition, Sale and Merger

During the reporting period, the Bank had no material assets acquisition, sale and merger.

7. Other Information

Corporate Governance Code

During the reporting period, except for Chairman of the Board of Directors having performed the duties and powers of President and the change of Company Secretary disclosed by the Bank, the Bank complied with the principles, code provisions and recommended best practices stipulated in the Corporate Governance Code (Appendix C1 to the Hong Kong Listing Rules).

Profits and Dividends Distribution

The formulation and implementation of the Bank's cash dividend policy accord with the provisions stipulated in the Articles of Association and the requirements provided in the resolutions of the Shareholders' General Meeting, the dividend distribution standards and proportion are clear and explicit, and the decision-making procedure and mechanism are complete. Moreover, Independent Non-executive Directors issued their opinions for the above items. Minority shareholders can fully express their opinions and appeals, to completely safeguard their legitimate rights and interests.

As approved at the Annual General Meeting for the Year 2023 held on 28 June 2024, the Bank distributed cash dividends of about RMB109,203 million, or RMB3.064 per ten shares (pre-tax) for the period from 1 January 2023 to 31 December 2023 to the ordinary shareholders whose names appeared on the share register after the close of market on 15 July 2024.

The Board of Directors of the Bank proposed distributing 2024 interim cash dividend for ordinary shares of RMB1.434 per ten shares (pre-tax) of 356,406,257,089 ordinary shares, totaling about RMB51,109 million. The distribution plan will be submitted to the Shareholders' General Meeting for approval. Once approved, the above-mentioned dividends will be paid to the holders of A shares and H shares whose names appeared on the share register of the Bank after the close of market on 6 January 2025. Pursuant to relevant regulatory requirements and operational rules, dividends on A shares and H shares will be paid on 7 January 2025 and 24 January 2025, respectively.

For details on the distribution of dividends on preference shares of the Bank, please refer to the section headed "Details of Changes in Share Capital and Shareholding of Substantial Shareholders — Preference Shares".

Purchase, Sale and Redemption of Shares

During the reporting period, neither the Bank nor any of its subsidiaries purchased, sold or redeemed any listed shares (including sale of treasury shares) of the Bank.

Securities Transactions of Directors and Supervisors

The Bank has adopted a set of codes of conduct concerning the securities transactions by directors and supervisors which are no less stringent than the standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers, Appendix C3 to the Hong Kong Listing Rules. After making enquiries to all Directors and Supervisors of the Bank, each Director and Supervisor confirmed that he/she has complied with the provisions of the aforesaid codes of conduct during the reporting period.

Review of the Interim Report

The 2024 interim financial reports prepared by the Bank in accordance with PRC GAAP and IFRSs have been reviewed by Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu in accordance with Chinese and international standards on review engagements, respectively.

The Interim Report has been reviewed and approved by the Audit Committee of the Board of Directors of the Bank.

8. Financial Report

(See the Appendices)

9. Issue of Results Announcement and Interim Report

This Announcement will be released on the “HKEXnews” website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.icbc-ltd.com) simultaneously. The 2024 Interim Report prepared in accordance with IFRSs will be released on the “HKEXnews” website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.icbc-ltd.com) and will be dispatched to the shareholders of H shares of the Bank. The 2024 Interim Report and its abstract prepared in accordance with PRC GAAP will be released simultaneously on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Bank (www.icbc-ltd.com).

This Results Announcement has been prepared in both Chinese and English languages. In case of any discrepancy between the two versions, the Chinese version shall prevail.

By Order of
The Board of Directors of
Industrial and Commercial Bank of China Limited

30 August 2024

As at the date of this announcement, the Board of Directors comprises Mr. LIAO Lin, Mr. LIU Jun and Mr. WANG Jingwu as executive directors, Mr. LU Yongzhen, Mr. FENG Weidong, Ms. CAO Liqun, Ms. CHEN Yifang and Mr. DONG Yang as non-executive directors, Mr. SHEN Si, Mr. Fred Zuli HU, Mr. Norman CHAN Tak Lam, Mr. Herbert WALTER and Mr. Murray HORN as independent non-executive directors.

Appendices: Financial Report

1. Consolidated Statement of Profit or Loss, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows

1.1 Unaudited Interim Consolidated Statement of Profit or Loss

(In RMB millions, unless otherwise stated)

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
Interest income	721,053	696,583
Interest expense	<u>(407,103)</u>	<u>(359,596)</u>
NET INTEREST INCOME	313,950	336,987
Fee and commission income	76,373	82,363
Fee and commission expense	<u>(8,968)</u>	<u>(8,898)</u>
NET FEE AND COMMISSION INCOME	67,405	73,465
Net trading income	9,612	9,871
Net gains on financial investments	14,744	12,664
Other operating expense, net	<u>(3,712)</u>	<u>(4,081)</u>
OPERATING INCOME	401,999	428,906
Operating expenses	<u>(105,208)</u>	<u>(105,379)</u>
Credit impairment losses	<u>(101,809)</u>	<u>(122,067)</u>
Impairment losses on other assets	<u>(260)</u>	<u>(188)</u>
OPERATING PROFIT	194,722	201,272
Share of results of associates and joint ventures	<u>2,462</u>	<u>2,383</u>
PROFIT BEFORE TAXATION	197,184	203,655
Income tax expense	<u>(25,888)</u>	<u>(28,935)</u>
PROFIT FOR THE PERIOD	171,296	174,720
Profit for the period attributable to:		
Equity holders of the parent company	170,467	173,744
Non-controlling interests	<u>829</u>	<u>976</u>
PROFIT FOR THE PERIOD	171,296	174,720
EARNINGS PER SHARE		
– Basic (RMB yuan)	<u>0.47</u>	<u>0.48</u>
– Diluted (RMB yuan)	<u>0.47</u>	<u>0.48</u>

1.2 Unaudited Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

(In RMB millions, unless otherwise stated)

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
Profit for the period	171,296	174,720
Other comprehensive income (after tax, net):		
(a) Items that will not be reclassified to profit or loss:		
(i) Changes in fair value of equity instruments designated as at fair value through other comprehensive income	1,514	945
(ii) Other comprehensive income recognised under the equity method	49	(18)
(iii) Other	26	7
(b) Items that may be reclassified subsequently to profit or loss:		
(i) Changes in fair value of debt instruments measured at fair value through other comprehensive income	24,908	11,417
(ii) Credit losses of debt instruments measured at fair value through other comprehensive income	1,321	422
(iii) Cash flow hedging reserve	(516)	(180)
(iv) Other comprehensive income recognised under the equity method	(426)	(46)
(v) Foreign currency translation reserve	9,332	9,412
(vi) Other	(7,459)	(3,860)
Subtotal of other comprehensive income for the period	28,749	18,099
Total comprehensive income for the period	200,045	192,819
Total comprehensive income for the period attributable to:		
Equity holders of the parent company	199,527	191,677
Non-controlling interests	518	1,142
	200,045	192,819

1.3 Unaudited Interim Consolidated Statement of Financial Position

(In RMB millions, unless otherwise stated)

	30 June 2024 (unaudited)	31 December 2023 (audited)
ASSETS		
Cash and balances with central banks	3,628,128	4,042,293
Due from banks and other financial institutions	1,261,401	1,116,717
Derivative financial assets	150,410	75,339
Reverse repurchase agreements	909,808	1,224,257
Loans and advances to customers	27,077,967	25,386,933
Financial investments	12,988,922	11,849,668
Financial investments measured at fair value through profit or loss	916,147	811,957
Financial investments measured at fair value through other comprehensive income	2,641,676	2,230,862
Financial investments measured at amortised cost	9,431,099	8,806,849
Investments in associates and joint ventures	65,568	64,778
Property and equipment	297,776	298,878
Deferred tax assets	97,938	104,669
Other assets	638,618	533,547
TOTAL ASSETS	47,116,536	44,697,079
LIABILITIES		
Due to central banks	218,292	231,374
Due to banks and other financial institutions	4,113,777	3,369,858
Financial liabilities measured at fair value through profit or loss	71,856	62,859
Derivative financial liabilities	123,343	76,251
Repurchase agreements	1,647,326	1,018,106
Certificates of deposit	409,956	385,198
Due to customers	34,107,316	33,521,174
Income tax payable	25,887	63,322
Debt securities issued	1,588,738	1,369,777
Deferred tax liabilities	4,522	3,930
Other liabilities	941,022	818,642
TOTAL LIABILITIES	43,252,035	40,920,491
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	1,164,077	1,134,082
Retained profits	1,968,711	1,912,067
	3,843,526	3,756,887
Non-controlling interests	20,975	19,701
TOTAL EQUITY	3,864,501	3,776,588
TOTAL EQUITY AND LIABILITIES	47,116,536	44,697,079

1.4 Unaudited Interim Consolidated Statement of Changes in Equity

(In RMB millions, unless otherwise stated)

	Attributable to equity holders of the parent company													
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Reserves				Subtotal	Retained profits	Total	Non-controlling interests	Total equity
						Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves					
Balance as at 1 January 2024	356,407	354,331	148,270	428,359	561,637	24,047	(15,608)	(2,901)	(9,722)	1,134,082	1,912,067	3,756,887	19,701	3,776,588
Profit for the period	-	-	-	-	-	-	-	-	-	-	170,467	170,467	829	171,296
Other comprehensive income	-	-	-	-	-	25,391	9,174	(491)	(5,014)	29,060	-	29,060	(311)	28,749
Total comprehensive income	-	-	-	-	-	25,391	9,174	(491)	(5,014)	29,060	170,467	199,527	518	200,045
Dividends – ordinary shares 2023 final	-	-	-	-	-	-	-	-	-	-	(109,203)	(109,203)	-	(109,203)
Distributions to other equity instrument holders	-	-	-	-	-	-	-	-	-	-	(3,662)	(3,662)	-	(3,662)
Appropriation to surplus reserve (i)	-	-	-	450	-	-	-	-	-	450	(450)	-	-	-
Appropriation to general reserve (ii)	-	-	-	-	542	-	-	-	-	542	(542)	-	-	-
Capital injection by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	872	872
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(116)	(116)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(34)	-	-	-	(34)	34	-	-	-
Other	-	-	(23)	-	-	-	-	-	-	(23)	-	(23)	-	(23)
Balance as at 30 June 2024 (unaudited)	356,407	354,331	148,247	428,809	562,179	49,404	(6,434)	(3,392)	(14,736)	1,164,077	1,968,711	3,843,526	20,975	3,864,501

(i) Includes the appropriation to surplus reserve made by overseas branches and subsidiaries in the amounts of RMB98 million and RMB352 million, respectively.

(ii) Includes the appropriation to general reserve made by overseas branches and subsidiaries in the amounts of RMB271 million and RMB271 million, respectively.

	Attributable to equity holders of the parent company													
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Reserves				Subtotal	Retained profits	Total	Non-controlling interests	Total equity
						Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves					
Balance as at 31 December 2022	356,407	354,331	148,280	392,487	496,719	767	(17,241)	(2,987)	(1,129)	1,016,896	1,767,537	3,495,171	18,655	3,513,826
Changes in accounting policies	-	-	-	-	-	1,576	-	-	(4,848)	(3,272)	4,210	938	655	1,593
Balance as at 1 January 2023	356,407	354,331	148,280	392,487	496,719	2,343	(17,241)	(2,987)	(5,977)	1,013,624	1,771,747	3,496,109	19,310	3,515,419
Profit for the period	-	-	-	-	-	-	-	-	-	-	173,744	173,744	976	174,720
Other comprehensive income	-	-	-	-	-	11,906	9,075	(223)	(2,825)	17,933	-	17,933	166	18,099
Total comprehensive income	-	-	-	-	-	11,906	9,075	(223)	(2,825)	17,933	173,744	191,677	1,142	192,819
Dividends – ordinary shares 2022 final	-	-	-	-	-	-	-	-	-	-	(108,169)	(108,169)	-	(108,169)
Distributions to other equity instrument holders	-	-	-	-	-	-	-	-	-	-	(3,634)	(3,634)	-	(3,634)
Appropriation to surplus reserve (i)	-	-	-	252	-	-	-	-	-	252	(252)	-	-	-
Appropriation to general reserve (ii)	-	-	-	-	272	-	-	-	-	272	(272)	-	-	-
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(31)	(31)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(196)	-	-	-	(196)	196	-	-	-
Other	-	-	16	-	-	-	-	-	-	16	-	16	-	16
Balance as at 30 June 2023 (unaudited)	356,407	354,331	148,296	392,739	496,991	14,053	(8,166)	(3,210)	(8,802)	1,031,901	1,833,360	3,575,999	20,421	3,596,420

(i) Includes the appropriation to surplus reserve made by overseas branches and subsidiaries in the amounts of RMB112 million and RMB140 million, respectively.

(ii) Includes the appropriation to general reserve made by subsidiaries in the amounts of RMB272 million.

Attributable to equity holders of the parent company

	Reserves													Total equity
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Investment revaluation reserve	Foreign currency translation reserve	Cash flow hedging reserve	Other reserves	Subtotal	Retained profits	Total	Non-controlling interests	
Balance as at 31 December 2022	356,407	354,331	148,280	392,487	496,719	767	(17,241)	(2,987)	(1,129)	1,016,896	1,767,537	3,495,171	18,655	3,513,826
Changes in accounting policies	-	-	-	-	-	1,576	-	-	(4,848)	(3,272)	4,210	938	655	1,593
Balance as at 1 January 2023	356,407	354,331	148,280	392,487	496,719	2,343	(17,241)	(2,987)	(5,977)	1,013,624	1,771,747	3,496,109	19,310	3,515,419
Profit for the year	-	-	-	-	-	-	-	-	-	-	363,993	363,993	1,123	365,116
Other comprehensive income	-	-	-	-	-	21,954	1,633	86	(3,745)	19,928	-	19,928	(701)	19,227
Total comprehensive income	-	-	-	-	-	21,954	1,633	86	(3,745)	19,928	363,993	383,921	422	384,343
Dividends – ordinary shares														
2022 final	-	-	-	-	-	-	-	-	-	-	(108,169)	(108,169)	-	(108,169)
Distributions to other equity instrument holders	-	-	-	-	-	-	-	-	-	-	(14,964)	(14,964)	-	(14,964)
Appropriation to surplus reserve (i)	-	-	-	35,872	-	-	-	-	-	35,872	(35,872)	-	-	-
Appropriation to general reserve (ii)	-	-	-	-	64,918	-	-	-	-	64,918	(64,918)	-	-	-
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(31)	(31)
Other comprehensive income transferred to retained earnings	-	-	-	-	-	(250)	-	-	-	(250)	250	-	-	-
Other	-	-	(10)	-	-	-	-	-	-	(10)	-	(10)	-	(10)
Balance as at 31 December 2023 (audited)	<u>356,407</u>	<u>354,331</u>	<u>148,270</u>	<u>428,359</u>	<u>561,637</u>	<u>24,047</u>	<u>(15,608)</u>	<u>(2,901)</u>	<u>(9,722)</u>	<u>1,134,082</u>	<u>1,912,067</u>	<u>3,756,887</u>	<u>19,701</u>	<u>3,776,588</u>

- (i) Includes the appropriation to surplus reserve made by overseas branches and subsidiaries in the amounts of RMB112 million and RMB891 million, respectively.
- (ii) Includes the appropriation to general reserve made by subsidiaries in the amounts of RMB654 million.

1.5 Unaudited Interim Consolidated Statement of Cash Flows

(In RMB millions, unless otherwise stated)

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	197,184	203,655
Adjustments for:		
Share of results of associates and joint ventures	(2,462)	(2,383)
Depreciation	14,539	15,227
Amortisation	2,379	2,126
Credit impairment losses	101,809	122,067
Impairment losses on other assets	260	188
Unrealised gains on foreign exchange	(21,800)	(2,631)
Interest expense on debt securities issued	24,555	19,200
Accreted interest on impaired loans	(1,002)	(839)
Net gains on financial investments	(11,181)	(12,282)
Interest income on financial investments	(178,910)	(165,748)
Net gains on changes in fair value	(8,399)	(4,872)
Net gains on disposal and stocktake of property and equipment and other assets (other than repossessed assets)	(785)	(1,060)
Dividend income	(1,310)	(2,152)
	<u>114,877</u>	<u>170,496</u>
Net decrease/(increase) in operating assets:		
Due from central banks	86,046	(164,427)
Due from banks and other financial institutions	(61,649)	98,930
Financial assets measured at fair value through profit or loss	(99,981)	(35,610)
Reverse repurchase agreements	(17,070)	62,493
Loans and advances to customers	(1,753,562)	(2,046,867)
Other assets	(117,173)	(193,580)
	<u>(1,963,389)</u>	<u>(2,279,061)</u>
Net increase/(decrease) in operating liabilities:		
Financial liabilities measured at fair value through profit or loss	8,797	(2,810)
Due to central banks	(13,126)	78,817
Due to banks and other financial institutions	709,186	(174,055)
Repurchase agreements	618,121	108,226
Certificates of deposit	18,610	(29,096)
Due to customers	590,735	3,404,369
Other liabilities	6,013	100,651
	<u>1,938,336</u>	<u>3,486,102</u>
Net cash flows from operating activities before taxation	89,824	1,377,537
Income tax paid	(62,841)	(80,268)
Net cash flows from operating activities	<u>26,983</u>	<u>1,297,269</u>

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and other assets	(11,688)	(14,852)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	5,131	6,447
Purchases of financial investments	(2,980,971)	(2,452,462)
Proceeds from sale and redemption of financial investments	2,018,161	1,829,148
Proceeds from disposal of associates and joint ventures	1,064	1,764
Investment returns received	<u>180,185</u>	<u>173,134</u>
Net cash flows from investing activities	<u>(788,118)</u>	<u>(456,821)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of other equity instruments	872	–
Proceeds from issuance of debt securities	922,175	718,126
Interest paid on debt securities	(25,875)	(21,859)
Repayment of debt securities	(706,644)	(456,871)
Dividends or interest paid to other equity instrument holders	(3,662)	(3,634)
Dividends paid to non-controlling shareholders	(116)	(31)
Cash payment for other financing activities	<u>(3,946)</u>	<u>(3,859)</u>
Net cash flows from financing activities	<u>182,804</u>	<u>231,872</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
	(578,331)	1,072,320
Cash and cash equivalents at beginning of the period	2,755,732	1,926,851
Effect of exchange rate changes on cash and cash equivalents	<u>4,747</u>	<u>37,703</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>2,182,148</u>	<u>3,036,874</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:		
Interest received	566,024	549,937
Interest paid	<u>(397,724)</u>	<u>(314,088)</u>

2. Material Accounting Policy Information

Application of amendments to IFRSs

In the current interim period, the Group has applied, for the first time, the following amendments to IFRSs issued by the IASB which are mandatorily effective for the annual periods beginning on or after 1 January 2024 for the preparation of the Group's consolidated financial statements:

- Amendments to IFRS 16: Lease Liabilities in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

The adoption of the above-mentioned amendments to IFRSs has had no material impact on the financial position and financial performance of the Group.

Material accounting policy information

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments and certain non-financial assets measured at fair value.

Other than the application of the amendments to IFRSs mentioned above, the accounting policies and methods of computation used in the consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

3. Notes to the Unaudited Consolidated Financial Statements

(In RMB millions, unless otherwise stated)

3.1 NET INTEREST INCOME

	Six months ended 30 June	
	2024	2023
Interest income on:		
Loans and advances to customers		
Corporate loans and advances	302,965	287,358
Personal loans	164,684	181,145
Discounted bills	8,549	8,932
Financial investments	178,910	165,748
Due from banks and other financial institutions	38,877	27,184
Due from central banks	27,068	26,216
	<u>721,053</u>	<u>696,583</u>
Interest expense on:		
Due to customers	(298,566)	(284,796)
Due to banks and other financial institutions	(74,688)	(47,916)
Debt securities issued and certificates of deposit	(33,849)	(26,884)
	<u>(407,103)</u>	<u>(359,596)</u>
Net interest income	<u>313,950</u>	<u>336,987</u>

3.2 NET FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2024	2023
Fee and commission income on:		
Settlement, clearing business and cash management	26,163	24,398
Investment banking business	14,835	13,677
Personal wealth management and private banking services	10,281	14,019
Bank card business	9,145	10,234
Corporate wealth management services	5,794	6,863
Asset custody business	4,118	4,380
Guarantee and commitment business	2,978	5,865
Trust and agency services	1,435	1,372
Other	1,624	1,555
	<u>76,373</u>	<u>82,363</u>
Fee and commission expense	<u>(8,968)</u>	<u>(8,898)</u>
Net fee and commission income	<u>67,405</u>	<u>73,465</u>

3.3 NET TRADING INCOME

	Six months ended 30 June	
	2024	2023
Debt securities	6,515	7,247
Derivatives and other	2,398	3,160
Equity investments	699	(536)
	<u>9,612</u>	<u>9,871</u>

3.4 NET GAINS ON FINANCIAL INVESTMENTS

	Six months ended 30 June	
	2024	2023
Net gains on financial instruments measured at FVTPL	8,914	7,956
including:		
Net losses on financial instruments designated as at FVTPL	(1,597)	(1,993)
Net gains on disposal of financial instruments measured at FVTOCI	2,517	924
Dividend income from equity investments designated as at FVTOCI	1,310	2,152
including:		
Derecognised during the period	140	170
Held at the end of current period	1,170	1,982
Net gains on disposal of financial investments measured at amortised cost	1,945	1,524
Other	58	108
	<u>14,744</u>	<u>12,664</u>

Note: "FVTPL" stands for fair value through profit or loss.

"FVTOCI" stands for fair value through other comprehensive income.

3.5 OTHER OPERATING EXPENSE, NET

	Six months ended 30 June	
	2024	2023
Net operating lease business income	5,457	5,459
Net insurance business expense	(3,887)	(3,996)
Net gains on disposal of property and equipment, repossessed assets and other assets	816	1,110
Net losses on foreign exchange and foreign exchange products	(5,543)	(5,339)
Other	(555)	(1,315)
	<u>(3,712)</u>	<u>(4,081)</u>

3.6 OPERATING EXPENSES

	Six months ended 30 June	
	2024	2023
Staff costs:		
Salaries and bonuses	42,130	42,263
Staff benefits	11,746	11,304
Post-employment benefits – defined contribution plans	9,441	9,433
	<u>63,317</u>	<u>63,000</u>
Property and equipment expenses:		
Depreciation charge for property and equipment	7,573	8,042
Depreciation charge for right-of-use assets, and other leasing expense	3,576	3,781
Repairs and maintenance charges	1,047	955
Utility expenses	946	928
	<u>13,142</u>	<u>13,706</u>
Amortisation	2,379	2,126
Other administrative expenses	10,415	10,717
Taxes and surcharges	5,550	5,498
Other	10,405	10,332
	<u>105,208</u>	<u>105,379</u>

3.7 CREDIT IMPAIRMENT LOSSES

	Six months ended 30 June	
	2024	2023
Loans and advances to customers	94,526	108,546
Financial investments		
Financial investments measured at amortised cost	1,113	10,364
Financial assets measured at FVTOCI	655	577
Credit commitments	1,246	298
Other	4,269	2,282
	<u>101,809</u>	<u>122,067</u>

3.8 INCOME TAX EXPENSE

(a) *Income tax expense*

	Six months ended 30 June	
	2024	2023
Current income tax expense		
Chinese mainland	22,443	36,427
Hong Kong SAR and Macau SAR	730	772
Other overseas jurisdictions	2,233	2,299
	25,406	39,498
Deferred income tax expense	482	(10,563)
	25,888	28,935

In December 2021, the Organisation for Economic Co-operation and Development published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“Pillar Two legislation”). According to the rules of Pillar Two legislation, low-tax jurisdictions with effective tax rate below 15% may have a Top-up Tax impact. Some of jurisdictions where the Group’s overseas operating institutions are located, had implemented Pillar Two legislation during the reporting period, the legislation in the aforementioned jurisdictions did not have a material impact on the financial position and financial performance of the Group for the six months ended 30 June 2024. The Group has applied the amendments of IAS 12 on Pillar Two legislation. Therefore, the Group shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two legislation.

(b) *Reconciliation between income tax and accounting profit*

PRC statutory income tax rate is 25%. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates in. The Group has reconciled income tax expense applicable to profit before taxation at the PRC statutory income tax rate to actual income tax expense for the Group as follows:

	Six months ended 30 June	
	2024	2023
Profit before taxation	<u>197,184</u>	<u>203,655</u>
Tax at the PRC statutory income tax rate	49,296	50,914
Effects of different applicable rates of tax prevailing in other countries/regions	(288)	(406)
Effects of non-deductible expenses	12,565	10,569
Effects of non-taxable income	(34,607)	(31,029)
Effects of profits attributable to associates and joint ventures	(194)	(204)
Effects of other	<u>(884)</u>	<u>(909)</u>
Income tax expense	<u><u>25,888</u></u>	<u><u>28,935</u></u>

3.9 DIVIDENDS

	Six months ended 30 June	
	2024	2023
Dividends on ordinary shares declared and paid or proposed:		
Dividends on ordinary shares for 2023 RMB0.3064 per share (2022: RMB0.3035 per share)	<u>109,203</u>	<u>108,169</u>
Dividends or interests declared and paid to other equity instrument holders:		
Interest on perpetual bond distributed	<u>3,662</u>	<u>3,634</u>

3.10 EARNINGS PER SHARE

	Six months ended 30 June	
	2024	2023
Earnings:		
Profit for the period attributable to equity holders of the parent company	170,467	173,744
Less: Profit for the period attributable to other equity instrument holders of the parent company	<u>(3,662)</u>	<u>(3,634)</u>
Profit for the period attributable to ordinary shareholders of the parent company	<u>166,805</u>	<u>170,110</u>
Shares:		
Weighted average number of ordinary shares in issue (in million shares)	<u>356,407</u>	<u>356,407</u>
Basic earnings per share (RMB yuan)	<u>0.47</u>	<u>0.48</u>
Diluted earnings per share (RMB yuan)	<u>0.47</u>	<u>0.48</u>

Basic and diluted earnings per share were calculated using the profit for the period attributable to ordinary shareholders of the parent company divided by the weighted average number of ordinary shares in issue.

3.11 DERIVATIVE FINANCIAL INSTRUMENTS

A derivative is a financial instrument, the value of which changes in response to the changes in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other similar variables. The Group uses derivative financial instruments including forwards, swaps, options and futures.

The notional amount of a derivative represents the underlying amount of the specific financial instruments mentioned above. It indicates the volume of business transacted by the Group but does not reflect the risk.

The notional amounts and fair values of derivative financial instruments held by the Group are set out below:

	30 June 2024			31 December 2023		
	Notional amounts	Fair values		Notional amounts	Fair values	
		Assets	Liabilities		Assets	Liabilities
Exchange rate contracts	9,474,752	122,781	(79,551)	6,015,214	52,830	(41,618)
Interest rate contracts	4,369,971	13,304	(14,562)	4,231,434	15,142	(16,273)
Commodity derivatives and other	1,439,398	14,325	(29,230)	1,003,045	7,367	(18,360)
	<u>15,284,121</u>	<u>150,410</u>	<u>(123,343)</u>	<u>11,249,693</u>	<u>75,339</u>	<u>(76,251)</u>

(a) *Cash flow hedges*

The Group's cash flow hedges consist of interest rate swap contracts, currency swap contracts, equity and other derivatives that are used to protect against exposures to variability of future cash flows.

Included in the above derivative financial instruments, those designated as hedging instruments in the Group's cash flow hedges are set out below:

	30 June 2024					Fair values	
	Notional amounts with remaining maturity of					Assets	Liabilities
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total		
Interest rate swap contracts	799	255	945	–	1,999	35	–
Currency swap contracts	46,547	34,839	4,180	–	85,566	1,775	(620)
Equity and other derivatives	16	20	71	1	108	9	(2)
	<u>47,362</u>	<u>35,114</u>	<u>5,196</u>	<u>1</u>	<u>87,673</u>	<u>1,819</u>	<u>(622)</u>

	31 December 2023					Fair values	
	Notional amounts with remaining maturity of					Assets	Liabilities
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total		
Interest rate swap contracts	–	2,417	1,863	–	4,280	99	(6)
Currency swap contracts	42,935	82,685	4,322	–	129,942	761	(1,052)
Equity and other derivatives	922	322	82	2	1,328	74	(17)
	<u>43,857</u>	<u>85,424</u>	<u>6,267</u>	<u>2</u>	<u>135,550</u>	<u>934</u>	<u>(1,075)</u>

Details of the Group's hedged risk exposures in cash flow hedges and the corresponding effect on equity are as follows:

30 June 2024				
	Carrying amount of hedged items		Hedging instruments	
	Assets	Liabilities	Effect on other comprehensive income during the current period	Accumulated effect on other comprehensive income
Securities (i)	5,686	(30,168)	(141)	452
Loans and advances to customers	15,348	–	(116)	53
Other (ii)	25,307	(14,860)	(202)	(3,832)
	<u>46,341</u>	<u>(45,028)</u>	<u>(459)</u>	<u>(3,327)</u>

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions, other assets, due to banks and other financial institutions, customer deposits and other liabilities.

31 December 2023				
	Carrying amount of hedged items		Hedging instruments	
	Assets	Liabilities	Effect on other comprehensive income during the current year	Accumulated effect on other comprehensive income
Securities (i)	4,733	(27,775)	248	593
Loans and advances to customers	39,997	–	169	169
Other (ii)	30,146	(41,615)	(290)	(3,630)
	<u>74,876</u>	<u>(69,390)</u>	<u>127</u>	<u>(2,868)</u>

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, debt securities issued and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions, other assets, due to banks and other financial institutions, customer deposits and other liabilities.

There was no ineffectiveness recognised in profit or loss that arises from the cash flow hedges during the six months ended 30 June 2024 and 30 June 2023.

(b) *Fair value hedges*

Fair value hedges are used by the Group to protect against changes in fair value of financial assets and financial liabilities due to movements in market interest rates. The Group mainly used interest rate swaps as hedging instruments to hedge the interest risk of financial assets and financial liabilities.

The changes in fair value of the hedging instruments and net gains or losses arising from the hedged risk relating to the hedged items are set out below:

	Six months ended 30 June	
	2024	2023
Gains/(losses) arising from fair value hedges, net:		
Hedging instruments	496	3,216
The hedged items	(566)	(3,267)
	(70)	(51)

Included in the above derivative financial instruments, those designated as hedging instruments in fair value hedges are interest rate swaps and the details are set out below:

	Notional amounts with remaining maturity of				Fair values		
	Within three months	Over three months but within one year	Over one year but within five years	Over five years	Total	Assets	Liabilities
30 June 2024	4,889	12,543	40,655	13,095	71,182	2,927	(276)
31 December 2023	2,270	18,042	45,069	17,020	82,401	2,955	(416)

Details of the Group's hedged risk exposures in fair value hedges are set out below:

	30 June 2024			
	Carrying amount of hedged items		Accumulated adjustments to the fair value of hedged items	
	Assets	Liabilities	Assets	Liabilities
Securities (i)	64,041	(1,415)	(842)	69
Loans and advances to customers	2,567	–	(104)	–
Other (ii)	1,238	–	(19)	–
	67,846	(1,415)	(965)	69

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost, debt securities issued and certificates of deposit.

(ii) Other hedged items are included in due from banks and other financial institutions, repurchase agreements, other assets and due to banks and other financial institutions.

	31 December 2023			
	Carrying amount of hedged items		Accumulated adjustments to the fair value of hedged items	
	Assets	Liabilities	Assets	Liabilities
Securities (i)	73,809	(1,404)	(703)	62
Loans and advances to customers	3,429	–	(90)	–
Other (ii)	3,267	–	(92)	–
	80,505	(1,404)	(885)	62

(i) Securities are included in financial investments measured at FVTOCI, financial investments measured at amortised cost and debt securities issued.

(ii) Other hedged items are included in due from banks and other financial institutions and repurchase agreements.

(c) *Net investment hedges*

The Group's consolidated statement of financial position is affected by exchange differences between the functional currency of the Bank and functional currencies of its branches and subsidiaries. The Group hedges such exchange exposures under certain circumstances. Hedging is undertaken by using customer deposits taken in the same currencies as the functional currencies of related branches and subsidiaries which are accounted for as hedges of certain net investments in foreign operations.

As at 30 June 2024, an accumulated net losses from the hedging instrument of RMB1,452 million was recognised in other comprehensive income (31 December 2023: accumulated net losses of RMB1,002 million). There was no ineffectiveness in profit or loss that arises from the net investment hedges during the six months ended 30 June 2024 and 30 June 2023.

(d) *Offsetting of financial instruments*

In accordance with the principle of offsetting financial instruments, the Group offsets certain derivative financial assets, derivative financial liabilities and variation margin and presents the net amounts after offsetting in the financial statements.

	30 June 2024		31 December 2023	
	Gross amounts	Net amounts	Gross amounts	Net amounts
Derivative financial assets	<u>73,912</u>	<u>26,534</u>	<u>71,381</u>	<u>24,048</u>
Derivative financial liabilities	<u>73,804</u>	<u>27,906</u>	<u>72,958</u>	<u>26,884</u>

(e) *Counterparty credit risk-weighted assets of derivative financial instruments*

The credit risk-weighted assets in respect of the above derivatives of the Group as at the end of the reporting period are as follows:

	30 June 2024	31 December 2023
Counterparty credit default risk-weighted assets	122,273	86,521
Including: Non-netting settled credit default risk-weighted assets	67,987	48,975
Netting settled credit default risk-weighted assets	54,286	37,546
Credit value adjustment risk-weighted assets	38,962	36,563
Central counterparties credit risk-weighted assets	3,919	4,678
	<u>165,154</u>	<u>127,762</u>

3.12 FINANCIAL INVESTMENTS

	30 June 2024	31 December 2023
Financial investments measured at FVTPL	916,147	811,957
Financial investments measured at FVTOCI	2,641,676	2,230,862
Financial investments measured at amortised cost	<u>9,431,099</u>	<u>8,806,849</u>
	<u>12,988,922</u>	<u>11,849,668</u>

3.13 OTHER COMPREHENSIVE INCOME

(a) *Other comprehensive income attributable to equity holders of the parent company in the consolidated statement of financial position*

	Investment revaluation reserve	Foreign currency translation reserve	Other	Total
1 January 2023	2,343	(17,241)	(8,858)	(23,756)
Movement during the year	<u>21,704</u>	<u>1,633</u>	<u>(3,659)</u>	<u>19,678</u>
31 December 2023 and 1 January 2024	24,047	(15,608)	(12,517)	(4,078)
Movement during the period	<u>25,357</u>	<u>9,174</u>	<u>(5,505)</u>	<u>29,026</u>
30 June 2024	<u>49,404</u>	<u>(6,434)</u>	<u>(18,022)</u>	<u>24,948</u>

(b) *Other comprehensive income in the consolidated statement of profit or loss and other comprehensive income*

	Six months ended 30 June	
	2024	2023
Items that will not be reclassified to profit or loss:		
(i) Changes in fair value of equity instruments designated as at FVTOCI	2,034	1,426
Less: Income tax effect	<u>(520)</u>	<u>(481)</u>
	<u>1,514</u>	<u>945</u>
(ii) Other comprehensive income recognised under the equity method	49	(18)
(iii) Other	26	7
Items that may be reclassified subsequently to profit or loss:		
(i) Changes in fair value of debt instruments measured at FVTOCI	35,463	14,812
Less: Amount transferred to profit or loss from other comprehensive income	(1,941)	109
Less: Income tax effect	<u>(8,614)</u>	<u>(3,504)</u>
	<u>24,908</u>	<u>11,417</u>
(ii) Credit losses of debt instruments measured at FVTOCI	1,722	601
Less: Income tax effect	<u>(401)</u>	<u>(179)</u>
	<u>1,321</u>	<u>422</u>
(iii) Cash flow hedging reserve:		
Loss during the period	(459)	(209)
Less: Income tax effect	<u>(57)</u>	<u>29</u>
	<u>(516)</u>	<u>(180)</u>
(iv) Other comprehensive income recognised under the equity method	(426)	(46)
(v) Foreign currency translation reserve	9,332	9,412
(vi) Other	<u>(7,459)</u>	<u>(3,860)</u>
	<u>28,749</u>	<u>18,099</u>

3.14 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

At the end of the reporting period, the Group had capital commitments as follows:

	30 June 2024	31 December 2023
Contracted but not provided for	<u>17,855</u>	<u>26,804</u>

(b) Credit commitments

The Group has outstanding commitments to extend credit including approved loans and undrawn credit card limits.

The Group provides letters of credit and financial guarantees to guarantee the performance of customers to third parties.

Bank acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from the customers.

The contractual amounts of credit commitments by category are set out below. The amounts disclosed in respect of loan commitments and undrawn credit card limits are under the assumption that the amounts will be fully advanced. The amounts for bank acceptances, letters of credit and guarantees represent the maximum potential losses that would be recognised at the end of the reporting period had the counterparties failed to perform as contracted.

	30 June 2024	31 December 2023
Bank acceptances	858,593	804,061
Guarantees issued		
– Financing letters of guarantees	25,798	32,048
– Non-financing letters of guarantees	602,489	540,709
Sight letters of credit	54,016	53,099
Usance letters of credit	154,779	148,803
Loan commitments		
– With an original maturity of under one year	135,981	34,841
– With an original maturity of one year or over	327,486	443,749
Undrawn credit card limits	1,161,709	1,126,870
	<u>3,320,851</u>	<u>3,184,180</u>
Credit risk-weighted assets of credit commitments	<u>1,160,944</u>	<u>1,158,895</u>

(c) Operating leases

The Group acts as a lessor principally through operating leases undertaken by its subsidiary ICBC Leasing. Under irrevocable operating lease contracts, the expected undiscounted minimum lease payments receivable by the Group in the future period amounted to:

	30 June 2024	31 December 2023
Within one year	18,831	18,228
Over one year but within two years	16,221	16,037
Over two years but within three years	14,524	14,878
Over three years but within five years	23,932	23,914
Over five years	49,659	51,414
	<u>123,167</u>	<u>124,471</u>

(d) Legal proceedings and arbitrations

The Group is involved in lawsuits and arbitrations during its normal course of operations. As at 30 June 2024, there were a number of legal proceedings and arbitrations outstanding against the Bank and/or its subsidiaries with a total claimed amount of RMB7,355 million (31 December 2023: RMB6,659 million).

In the opinion of management, the Group has made adequate allowance for any probable losses based on the current facts and circumstances, and the ultimate outcome of these lawsuits and arbitrations will not have any significant impact on the financial position or operations of the Group.

(e) Redemption commitments of government bonds and securities underwriting commitments

As an underwriting agent of the MOF, the Bank underwrites certain PRC government bonds and sells the bonds to the general public. The Bank is obliged to redeem these bonds at the discretion of the holders at any time prior to maturity. The redemption price for the bonds is based on the nominal value of the bonds plus any interest accrued up to the redemption date. The MOF will not provide funding for the early redemption of these PRC government bonds on a back-to-back basis but is obliged to repay the principal and the respective interest upon maturity. The redemption obligations, which represent the nominal value of government bonds underwritten and sold by the Group, but not yet matured as at 30 June 2024 were RMB56,530 million (31 December 2023: RMB57,256 million). Management expects that the redemption obligations of these PRC government bonds by the Bank prior to maturity will not be material.

As at 30 June 2024, the Group has not had any outstanding securities underwriting commitments (31 December 2023: Nil).

(f) *Designated funds and loans*

	30 June 2024	31 December 2023
Designated funds	<u><u>4,171,737</u></u>	<u><u>3,857,252</u></u>
Designated loans	<u><u>4,171,531</u></u>	<u><u>3,857,046</u></u>

The designated funds represent the funding that the trustors have instructed the Group to use to make loans to third parties as designated by them. The credit risk remains with the trustors.

The designated loans represent the loans granted to specific borrowers designated by the trustors on their behalf according to the entrust agreements signed by the Group and the trustors. The Group does not bear any risk.

(g) *Fiduciary activities*

The Group provides custody, trust and asset management services to third parties. Those assets held in a fiduciary capacity are not included in the Group's consolidated statement of financial position.

3.15 SEGMENT INFORMATION

(a) Operating segments

The Group is organised into different operating segments, namely corporate banking, personal banking and treasury operations, based on internal organisation structure, management requirements and internal reporting system.

Corporate banking

The corporate banking segment covers the provision of financial products and services to corporations, government agencies and financial institutions. The products and services include corporate loans, trade financing, deposit-taking activities, corporate wealth management services, custody activities and various types of corporate intermediary services.

Personal banking

The personal banking segment covers the provision of financial products and services to individual customers. The products and services include personal loans, deposit-taking activities, card business, personal wealth management services and various types of personal intermediary services.

Treasury operations

The treasury operations segment covers the Group's treasury operations which include money market transactions, investment securities, foreign exchange transactions and the holding of derivative positions, for its own accounts or on behalf of customers.

Other

This segment covers the Group's assets, liabilities, income and expenses that are not directly attributable or cannot be allocated to a segment on a reasonable basis.

Management monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

Transactions between segments mainly represent the provision of funding to and from individual segments. The internal transfer pricing of these transactions is determined with reference to the market rates and have been reflected in the performance of each segment. Net interest income and expense arising on internal fund transfer are referred to as “internal net interest income or expense”. Net interest income and expense relating to third parties are referred to as “external net interest income or expense”.

Segment revenues, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The basis for allocation is mainly based on occupation of or contribution to resources. Income taxes are managed on a group basis and are not allocated to operating segments.

	<u>Six months ended 30 June 2024</u>				
	<u>Corporate banking</u>	<u>Personal banking</u>	<u>Treasury operations</u>	<u>Other</u>	<u>Total</u>
External net interest income	164,619	14,155	135,176	–	313,950
Internal net interest (expense)/income	(24,253)	124,492	(100,239)	–	–
Net fee and commission income	43,380	23,412	613	–	67,405
Other income, net (i)	3,593	392	14,199	2,460	20,644
Operating income	187,339	162,451	49,749	2,460	401,999
Operating expenses	(42,728)	(53,025)	(7,156)	(2,299)	(105,208)
Impairment losses on assets (ii)	(51,991)	(45,906)	(4,519)	347	(102,069)
Operating profit	92,620	63,520	38,074	508	194,722
Share of results of associates and joint ventures	–	–	–	2,462	2,462
Profit before taxation	92,620	63,520	38,074	2,970	197,184
Income tax expense					(25,888)
Profit for the period					<u>171,296</u>
Other segment information:					
Depreciation and amortization expenses	5,157	6,484	1,363	53	13,057
Capital expenditure	6,618	8,689	1,759	69	17,135

30 June 2024

	Corporate banking	Personal banking	Treasury operations	Other	Total
Segment assets	18,856,128	9,044,085	18,971,818	146,567	47,018,598
Including:					
Investments in associates and joint ventures	–	–	–	65,568	65,568
Property and equipment	103,134	143,616	27,714	23,312	297,776
Other non-current assets (iii)	39,689	20,358	5,473	9,344	74,864
Unallocated assets					97,938
Total assets					<u>47,116,536</u>
Segment liabilities	16,696,259	18,390,594	7,879,816	254,957	43,221,626
Unallocated liabilities					30,409
Total liabilities					<u>43,252,035</u>
Other segment information:					
Credit commitments	<u>2,159,142</u>	<u>1,161,709</u>	<u>–</u>	<u>–</u>	<u>3,320,851</u>

- (i) Includes net trading income, net gains on financial investments and other net operating expense.
- (ii) Includes credit impairment losses and impairment losses on other assets.
- (iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

(b) Geographical information

The Group operates principally in Chinese mainland, and also has branches or subsidiaries operating outside Chinese mainland. The distribution of the geographical areas is as follows.

Chinese mainland (Head Office and domestic branches)

Head Office (“HO”): the HO business divisions (including institutions directly managed by the HO and its offices);

Yangtze River Delta: including Shanghai, Jiangsu, Zhejiang and Ningbo;

Pearl River Delta: including Guangdong, Shenzhen, Fujian and Xiamen;

Bohai Rim: including Beijing, Tianjin, Hebei, Shandong and Qingdao;

Central China: including Shanxi, Henan, Hubei, Hunan, Anhui, Jiangxi and Hainan;

Western China: including Chongqing, Sichuan, Guizhou, Yunnan, Guangxi, Shaanxi, Gansu, Qinghai, Ningxia, Xinjiang, Inner Mongolia and Tibet; and

Northeastern China: including Liaoning, Heilongjiang, Jilin and Dalian.

Overseas and other

Branches located outside Chinese mainland, domestic and overseas subsidiaries, and investments in associates and joint ventures.

Six months ended 30 June 2024

	Chinese mainland (HO and domestic branches)							Overseas and other	Eliminations	Total
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China			
External net interest income/(expense)	155,819	29,047	28,447	(10,400)	34,911	46,960	1,314	27,852	–	313,950
Internal net interest (expense)/income	(173,503)	34,111	18,020	83,746	16,833	11,371	11,997	(2,575)	–	–
Net fee and commission income	14,186	14,076	7,924	10,866	6,675	6,147	1,505	6,971	(945)	67,405
Other income/(expense), net (i)	13,346	(84)	(491)	(420)	(273)	(521)	(124)	8,282	929	20,644
Operating income	9,848	77,150	53,900	83,792	58,146	63,957	14,692	40,530	(16)	401,999
Operating expenses	(13,013)	(15,719)	(11,139)	(17,390)	(14,862)	(15,705)	(5,225)	(12,171)	16	(105,208)
Impairment losses on assets (ii)	(20,373)	(13,323)	(21,283)	(9,193)	(16,760)	(15,771)	(2,870)	(2,496)	–	(102,069)
Operating (loss)/profit	(23,538)	48,108	21,478	57,209	26,524	32,481	6,597	25,863	–	194,722
Share of results of associates and joint ventures	–	–	–	–	–	–	–	2,462	–	2,462
(Loss)/profit before taxation	(23,538)	48,108	21,478	57,209	26,524	32,481	6,597	28,325	–	197,184
Income tax expense	–	–	–	–	–	–	–	–	–	(25,888)
Profit for the period	–	–	–	–	–	–	–	–	–	<u>171,296</u>
Other segment information:										
Depreciation and amortization expenses	2,091	2,050	1,399	1,929	1,784	2,037	740	1,027	–	13,057
Capital expenditure	1,105	1,255	907	1,056	986	918	308	10,600	–	<u>17,135</u>

30 June 2024

	Chinese mainland (HO and domestic branches)							Overseas and other	Eliminations	Total
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China			
Assets by geographical areas	7,675,863	11,780,941	7,670,444	7,043,937	5,228,830	6,155,462	1,781,243	4,451,593	(4,769,715)	47,018,598
Including:										
Investments in associates and joint ventures	–	–	–	–	–	–	–	65,568	–	65,568
Property and equipment	10,587	30,687	13,139	18,589	17,407	20,569	7,646	179,152	–	297,776
Other non-current assets (iii)	17,812	6,855	5,814	6,674	8,260	9,718	2,161	17,667	(97)	74,864
Unallocated assets	–	–	–	–	–	–	–	–	–	<u>97,938</u>
Total assets	–	–	–	–	–	–	–	–	–	<u>47,116,536</u>
Liabilities by geographical areas	4,452,533	10,621,718	6,475,912	11,211,736	5,260,769	5,574,337	2,218,824	2,175,512	(4,769,715)	43,221,626
Unallocated liabilities	–	–	–	–	–	–	–	–	–	<u>30,409</u>
Total liabilities	–	–	–	–	–	–	–	–	–	<u>43,252,035</u>
Other segment information:										
Credit commitments	1,170,121	1,786,797	1,111,446	1,339,570	807,724	839,761	180,387	780,265	(4,695,220)	<u>3,320,851</u>

- (i) Includes net trading income, net gains on financial investments and other net operating expenses.
- (ii) Includes credit impairment losses and impairment losses on other assets.
- (iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.

Six months ended 30 June 2023

	Chinese mainland (HO and domestic branches)							Overseas and other	Eliminations	Total
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China			
External net interest income	158,462	31,984	34,022	199	36,913	49,974	3,113	22,320	–	336,987
Internal net interest (expense)/income	(161,197)	34,657	17,335	70,833	17,598	11,871	11,177	(2,274)	–	–
Net fee and commission income	16,401	14,268	9,056	11,464	7,753	7,349	1,733	6,547	(1,106)	73,465
Other income/(expense), net (i)	8,485	(615)	(691)	(501)	(435)	(422)	179	11,352	1,102	18,454
Operating income	22,151	80,294	59,722	81,995	61,829	68,772	16,202	37,945	(4)	428,906
Operating expenses	(14,753)	(15,607)	(11,323)	(16,456)	(15,059)	(15,430)	(5,045)	(11,710)	4	(105,379)
Impairment losses on assets (ii)	(27,340)	(18,478)	(21,632)	(19,599)	(13,625)	(15,605)	(3,114)	(2,862)	–	(122,255)
Operating (loss)/profit	(19,942)	46,209	26,767	45,940	33,145	37,737	8,043	23,373	–	201,272
Share of results of associates and joint ventures	–	–	–	–	–	–	–	2,383	–	2,383
(Loss)/profit before taxation	(19,942)	46,209	26,767	45,940	33,145	37,737	8,043	25,756	–	203,655
Income tax expense	–	–	–	–	–	–	–	–	–	(28,935)
Profit for the period	–	–	–	–	–	–	–	–	–	<u>174,720</u>
Other segment information:										
Depreciation and amortization expenses	2,351	2,019	1,385	1,947	1,769	2,062	755	1,207	–	13,495
Capital expenditure	696	585	763	1,275	1,001	892	244	15,629	–	<u>21,085</u>

31 December 2023

	Chinese mainland (HO and domestic branches)							Overseas and other	Eliminations	Total
	Head Office	Yangtze River Delta	Pearl River Delta	Bohai Rim	Central China	Western China	Northeastern China			
Assets by geographical areas	8,502,997	10,215,437	6,993,931	6,680,826	4,946,259	5,743,425	1,597,213	4,255,879	(4,343,557)	44,592,410
Including:										
Investments in associates and joint ventures	–	–	–	–	–	–	–	64,778	–	64,778
Property and equipment	11,663	31,346	13,544	19,297	18,074	21,517	7,996	175,441	–	298,878
Other non-current assets (iii)	17,001	7,087	6,253	6,837	8,392	9,998	2,338	18,756	(170)	76,492
Unallocated assets	–	–	–	–	–	–	–	–	–	<u>104,669</u>
Total assets	–	–	–	–	–	–	–	–	–	<u>44,697,079</u>
Liabilities by geographical areas	5,554,090	9,781,890	6,342,124	10,346,856	4,965,877	5,207,532	1,986,209	1,012,218	(4,343,557)	40,853,239
Unallocated liabilities	–	–	–	–	–	–	–	–	–	<u>67,252</u>
Total liabilities	–	–	–	–	–	–	–	–	–	<u>40,920,491</u>
Other segment information:										
Credit commitments	<u>1,140,709</u>	<u>1,742,306</u>	<u>1,132,348</u>	<u>1,305,493</u>	<u>735,849</u>	<u>878,791</u>	<u>170,587</u>	<u>788,274</u>	<u>(4,710,177)</u>	<u>3,184,180</u>

(i) Includes net trading income, net gains on financial investments and other net operating income and expenses.

(ii) Includes credit impairment losses and impairment losses on other assets.

(iii) Includes intangible assets, goodwill, long-term deferred expenses, right-of-use assets and other non-current assets.