

Consolidated Statement of Profit or Loss

For the year ended 31 December 2022
(In RMB millions, unless otherwise stated)

	Notes	2022	2021
Interest income	6	1,280,376	1,162,218
Interest expense	6	(586,689)	(471,538)
NET INTEREST INCOME	6	693,687	690,680
Fee and commission income	7	145,818	148,727
Fee and commission expense	7	(16,553)	(15,703)
NET FEE AND COMMISSION INCOME	7	129,265	133,024
Net trading income	8	8,610	8,955
Net gains on financial investments	9	6,315	16,440
Other operating income, net	10	3,564	11,781
OPERATING INCOME		841,441	860,880
Operating expenses	11	(240,884)	(236,227)
Impairment losses on assets	14	(182,419)	(202,623)
OPERATING PROFIT		418,138	422,030
Share of results of associates and joint ventures		4,427	2,869
PROFIT BEFORE TAXATION		422,565	424,899
Income tax expense	15	(61,527)	(74,683)
PROFIT FOR THE YEAR		361,038	350,216
Profit for the year attributable to:			
Equity holders of the parent company		360,483	348,338
Non-controlling interests		555	1,878
PROFIT FOR THE YEAR		361,038	350,216
EARNINGS PER SHARE			
– Basic (RMB yuan)	18	0.97	0.95
– Diluted (RMB yuan)	18	0.97	0.95

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2022

(In RMB millions, unless otherwise stated)

	Notes	31 December 2022	31 December 2021
ASSETS			
Cash and balances with central banks	19	3,427,892	3,098,438
Due from banks and other financial institutions	20	1,042,504	827,150
Derivative financial assets	21	87,205	76,140
Reverse repurchase agreements	22	864,067	663,496
Loans and advances to customers	23	22,593,648	20,109,200
Financial investments	24	10,527,292	9,257,760
Financial investments measured at fair value through profit or loss		714,879	623,223
Financial investments measured at fair value through other comprehensive income		2,178,018	1,803,604
Financial investments measured at amortised cost		7,634,395	6,830,933
Investments in associates and joint ventures	26	65,878	61,782
Property and equipment	27	293,887	290,296
Deferred tax assets	28	101,600	79,259
Other assets	29	605,684	707,862
TOTAL ASSETS		39,609,657	35,171,383

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2022
(In RMB millions, unless otherwise stated)

	Notes	31 December 2022	31 December 2021
LIABILITIES			
Due to central banks		145,781	39,723
Due to banks and other financial institutions	31	3,185,564	2,921,029
Financial liabilities measured at fair value through profit or loss	32	64,126	87,180
Derivative financial liabilities	21	96,350	71,337
Repurchase agreements	33	574,778	365,943
Certificates of deposit	34	375,452	290,342
Due to customers	35	29,870,491	26,441,774
Income tax payable		85,581	92,443
Debt securities issued	36	905,953	791,375
Deferred tax liabilities	28	3,800	5,624
Other liabilities	37	787,955	789,355
TOTAL LIABILITIES		36,095,831	31,896,125
EQUITY			
Equity attributable to equity holders of the parent company			
Share capital	38	356,407	356,407
Other equity instruments	39	354,331	354,331
Preference shares		134,614	134,614
Perpetual bonds		219,717	219,717
Reserves	40	1,016,896	926,375
Retained profits		1,767,537	1,620,642
		3,495,171	3,257,755
Non-controlling interests		18,655	17,503
TOTAL EQUITY		3,513,826	3,275,258
TOTAL EQUITY AND LIABILITIES		39,609,657	35,171,383

Chen Siqing
Chairman

Liao Lin
Vice Chairman
and President

Wang Gang
Person in charge of
Finance and Accounting Department

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022
(In RMB millions, unless otherwise stated)

	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		422,565	424,899
Adjustments for:			
Share of results of associates and joint ventures		(4,427)	(2,869)
Depreciation		30,319	28,194
Amortisation	11	3,721	3,125
Impairment losses on assets	14	182,419	202,623
Unrealised losses/(gains) on foreign exchange		8,870	(22,300)
Interest expense on debt securities issued		28,067	27,673
Accreted interest on impaired loans		(1,695)	(1,964)
Net gains on financial investments		(22,850)	(18,349)
Interest income on financial investments		(298,722)	(262,827)
Net losses/(gains) on changes in fair value		11,558	(14,473)
Net gains on disposal and stocktake of property and equipment and other assets (other than repossessed assets)		(1,548)	(2,077)
Dividend income	9	(4,072)	(3,388)
		354,205	358,267
Net (increase)/decrease in operating assets:			
Due from central banks		(147,741)	155,880
Due from banks and other financial institutions		(4,067)	157,890
Financial assets measured at fair value through profit or loss		(45,211)	143,496
Reverse repurchase agreements		(100,215)	99,863
Loans and advances to customers		(2,511,204)	(2,184,611)
Other assets		60,745	(43,570)
		(2,747,693)	(1,671,052)
Net (decrease)/increase in operating liabilities:			
Financial liabilities measured at fair value through profit or loss		(11,808)	(853)
Due to central banks		105,849	(15,161)
Due to banks and other financial institutions		193,899	158,557
Repurchase agreements		186,956	77,427
Certificates of deposit		62,306	(37,420)
Due to customers		3,194,252	1,261,998
Other liabilities		155,187	311,773
		3,886,641	1,756,321
Net cash flows from operating activities before taxation		1,493,153	443,536
Income tax paid		(88,496)	(82,654)
Net cash flows from operating activities		1,404,657	360,882

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022
(In RMB millions, unless otherwise stated)

	Note	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment and other assets		(23,128)	(27,584)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)		10,018	13,008
Purchases of financial investments		(4,415,567)	(3,344,684)
Proceeds from sale and redemption of financial investments		3,192,493	2,423,298
Investments in associates and joint ventures		(3,314)	(21,207)
Proceeds from disposal of associates and joint ventures		2,811	206
Investment returns received		326,066	282,407
Net cash flows from investing activities		(910,621)	(674,556)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of other equity instruments		–	139,793
Proceeds from issuance of debt securities		955,862	835,441
Interest paid on debt securities		(25,721)	(26,320)
Repayment of debt securities		(870,573)	(836,623)
Cash payment for redemption of other equity instruments		–	(11,155)
Dividends paid on ordinary shares		(104,534)	(94,804)
Dividends or interest paid to other equity instrument holders		(14,810)	(9,607)
Dividends paid to non-controlling shareholders		(28)	(465)
Cash payment for other financing activities		(4,985)	(7,813)
Net cash flows from financing activities		(64,789)	(11,553)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year		1,436,757	1,791,122
Effect of exchange rate changes on cash and cash equivalents		60,847	(29,138)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	42	1,926,851	1,436,757
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Interest received		1,040,678	939,737
Interest paid		(451,918)	(351,322)

The accompanying notes form part of these consolidated financial statements.