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中國銀行股份有限公司
BANK OF CHINA LIMITED

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

(the "Bank")

(Stock Code: 3988 and 4619 (Preference Shares))

Report for the First Quarter ended 31 March 2024

The Board of Directors (the "**Board**") of the Bank is pleased to announce the unaudited results of the Bank and its subsidiaries (the "**Group**") for the first quarter ended 31 March 2024. This announcement is made by the Bank pursuant to Part XIVA of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*.

I. MAJOR FINANCIAL DATA

1.1 Major accounting data and financial indicators for the Group prepared in accordance with International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”)

Unit: RMB million (unless otherwise stated)

Items	Three-month period ended 31 March 2024		Change as compared to the same period of last year (%)
	Operating income	161,038	
Profit for the period	59,973		-2.84
Profit attributable to equity holders of the Bank	55,989		-2.90
Net cash flows from operating activities	3,240		-99.34
Basic and diluted earnings per share (RMB)	0.18		-3.01
Return on weighted average equity (% , annualised)	9.86		Down by 1.28 percentage points
Items	As at 31 March 2024	As at 31 December 2023	Change as compared to the end of last year (%)
	Total assets	33,659,046	32,432,166
Capital and reserves attributable to equity holders of the Bank	2,653,487	2,629,510	0.91

Note:

- 1 The impact of preference shares dividends and perpetual bonds interest declared in the current reporting period has been considered in the calculation of the above indicators.

1.2 Changes in major accounting data and financial indicators and the reasons thereof

For the three-month period ended 31 March 2024, the Group’s net cash flows from operating activities was an inflow of RMB3.240 billion, as compared to an inflow of RMB488.759 billion in the same period of the prior year. This was mainly attributable to the decrease in cash inflow from due to customers over the same period of the year.

1.3 Differences between IFRS Accounting Standards and Chinese Accounting Standards (“CAS”) consolidated financial statements

There were no differences in the Group’s operating results for the three-month period ended 31 March 2024 and 31 March 2023 or the total equity as at 31 March 2024 and as at 31 December 2023 presented in the Group’s consolidated financial statements prepared under IFRS Accounting Standards and those prepared under CAS.

II. SHAREHOLDERS INFORMATION

2.1 Number of ordinary shareholders and top ten ordinary shareholders

2.1.1 Number of ordinary shareholders as at 31 March 2024: 586,151 (including 418,478 A-Share Holders and 167,673 H-Share Holders)

2.1.2 Top ten ordinary shareholders as at 31 March 2024

Unit: Share

No.	Name of ordinary shareholder	Number of shares held as at the end of the reporting period	Percentage of total ordinary shares	Number of shares subject to selling restrictions	Number of shares pledged, labelled or frozen	Type of shareholder	Type of ordinary shares
1	Central Huijin Investment Ltd.	188,791,906,533	64.13%	–	None	State	A
2	HKSCC Nominees Limited	81,748,182,813	27.77%	–	Unknown	Foreign legal person	H
3	China Securities Finance Co., Ltd.	7,941,164,885	2.70%	–	None	State-owned legal person	A
4	HKSCC Limited	1,829,324,653	0.62%	–	None	Foreign legal person	A
5	Central Huijin Asset Management Ltd.	1,810,024,500	0.61%	–	None	State-owned legal person	A
6	MUFG Bank, Ltd.	520,357,200	0.18%	–	Unknown	Foreign legal person	H
7	Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Funds	350,230,920	0.12%	–	None	Other	A
8	China Pacific Life Insurance Co., Ltd. – China Pacific Life Insurance Dividend Equity Portfolio (Traditional) with management of Changjiang Pension Insurance Co., Ltd.	333,000,000	0.11%	–	None	Other	A
9	Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 ETF	227,854,969	0.08%	–	None	Other	A
10	China Construction Bank Corporation – E fund CSI 300 Exchange Traded Open-End Index Seed Securities Investment Fund	159,856,934	0.05%	–	None	Other	A

Notes:

- The number of shares held by H-Share Holders was recorded in the register of members kept at the H-Share Registrar of the Bank.
- The number of shares held by HKSCC Nominees Limited is the aggregate number of the Bank's H Shares it held as the nominee for all the institutional and individual investors that maintained accounts with it as at 31 March 2024.
- Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd.
- The number of shares held by HKSCC Limited is the aggregate number of the Bank's A Shares it held as a nominee holder who holds securities on behalf of others, including the number of SSE-listed securities acquired by Hong Kong SAR and overseas investors through Shanghai-Hong Kong Stock Connect.
- Save as disclosed above, the Bank is not aware of any connected relation or concerted action among the aforementioned ordinary shareholders.

2.1.3 Top ten shareholders' lending of shares from participation in refinancing business as at 31 March 2024

Unit: Share

Name of shareholder	Shares held in ordinary securities account and credit securities account at the beginning of the reporting period		Shares lent and unreturned in the refinancing business at the beginning of the reporting period		Shares held in ordinary securities account and credit securities account at the end of the reporting period		Shares lent and unreturned in the refinancing business at the end of the reporting period	
	Aggregate number	Percentage of total issued ordinary shares	Aggregate number	Percentage of total issued ordinary shares	Aggregate number	Percentage of total issued ordinary shares	Aggregate number	Percentage of total issued ordinary shares
Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Funds	256,936,000	0.09%	1,694,600	0.0006%	350,230,920	0.12%	–	–
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 ETF	157,050,769	0.05%	150,400	0.0001%	227,854,969	0.08%	–	–
China Construction Bank Corporation – E fund CSI 300 Exchange Traded Open-End Index Seed Securities Investment Fund	54,428,248	0.02%	4,698,600	0.0016%	159,856,934	0.05%	7,000	0.000002%

2.1.4 Changes in top ten shareholders compared to the last reporting period as at 31 March 2024

Unit: Share

Name of shareholder	Entry/exit during the reporting period	Shares lent and unreturned in the refinancing business at the end of the reporting period		Shares held in ordinary securities account, credit securities account and shares lent and unreturned in the refinancing business at the end of the reporting period	
		Aggregate number	Percentage of total issued ordinary shares	Aggregate number	Percentage of total issued ordinary shares
China Construction Bank Corporation – E fund CSI 300 Exchange Traded Open-End Index Seed Securities Investment Fund	Entry	7,000	0.000002%	159,863,934	0.05%
Abu Dhabi Investment Authority	Exit	–	–	156,752,717	0.05%

Note: The Bank is not aware of any participation by relevant H-Share Holders in any margin trading, short selling or refinancing business.

2.2 Number of preference shareholders and top ten preference shareholders

2.2.1 Number of preference shareholders as at 31 March 2024: 82 (including 81 domestic preference shareholders and 1 offshore preference shareholder)

2.2.2 Top ten preference shareholders as at 31 March 2024

Unit: Share

No.	Name of preference shareholder	Number of shares held as at the end of the reporting period	Percentage of total preference shares	Number of shares pledged or frozen	Type of shareholder	Type of preference shares
1	Bosera Fund — ICBC — Bosera — ICBC — Flexible Allocation No. 5 Specific Multi-customer Assets Management Plan	200,000,000	16.70%	None	Other	Domestic Preference Shares
2	The Bank of New York Mellon Corporation	197,865,300	16.52%	Unknown	Foreign legal person	Offshore Preference Shares
3	Hwabao Trust Co., Ltd. — Hwabao Trust — Baofu Investment No.1 Collective Capital Trust Plan	136,065,000	11.36%	None	Other	Domestic Preference Shares
4	CCB Trust Co., Ltd. — “Qian Yuan — Ri Xin Yue Yi” Open-ended Wealth Management Single Fund Trust	100,000,000	8.35%	None	Other	Domestic Preference Shares
5	China Life Insurance Company Limited — Traditional — General Insurance Product — 005L — CT001SH	70,000,000	5.84%	None	Other	Domestic Preference Shares
6	Jiangsu International Trust Corporation Limited — JSITC — He Xiang Tian Li No.1 Collective Capital Trust Plan	54,540,000	4.55%	None	Other	Domestic Preference Shares
7	BOCOM Schroder Asset Management — BOCOM — BOCOM Schroder Asset Management Zhuoyuan No.2 Collective Asset Management Plan	30,250,000	2.53%	None	Other	Domestic Preference Shares
8	Shanghai Tobacco Group Co., Ltd.	30,000,000	2.50%	None	State-owned legal person	Domestic Preference Shares
8	Ping An Life Insurance Company of China — Universal — Individual Universal Insurance	30,000,000	2.50%	None	Other	Domestic Preference Shares
10	Postal Savings Bank of China Co., Ltd.	23,100,000	1.93%	None	State-owned legal person	Domestic Preference Shares

Notes:

- 1 The Bank of New York Mellon Corporation, acting as the custodian for all the offshore preference shareholders that maintained accounts with Euroclear and Clearstream as at 31 March 2024, held 197,865,300 Offshore Preference Shares, representing 100% of the Offshore Preference Shares.
- 2 The Bank is not aware of any connected relation or concerted action among the aforementioned preference shareholders, or among the aforementioned preference shareholders and the Bank’s top ten ordinary shareholders.

III. OTHER SIGNIFICANT INFORMATION

3.1 Summary of analysis on overall operating activities

During the first quarter of 2024, the Group achieved a profit for the period of RMB59.973 billion and a profit attributable to equity holders of the Bank of RMB55.989 billion, a decrease of 2.84% and 2.90% respectively compared with the same period of 2023. Return on average total assets (ROA) was 0.73%, and return on average equity (ROE) was 9.86%. The common equity tier 1 capital adequacy ratio¹, tier 1 capital adequacy ratio¹ and capital adequacy ratio¹ stood at 12.02%, 14.00% and 18.52% respectively. For detailed information of liquidity coverage ratio, please refer to the Group's *2024 Q1 Pillar 3 Disclosure Report*.

3.1.1 The principal components of the Group's consolidated income statement for the three-month period ended 31 March 2024 were as follows:

1. The Group's net interest income amounted to RMB112.712 billion, representing a decrease of RMB4.622 billion or 3.94% compared with the same period of 2023. The net interest margin was 1.44%.
2. The Group's non-interest income amounted to RMB48.326 billion, representing a decrease of RMB0.557 billion or 1.14% compared with the same period of 2023. Non-interest income represented 30.01% of the total operating income. Particularly, net fee and commission income amounted to RMB25.127 billion, a decrease of RMB1.205 billion or 4.58% compared with the same period of 2023. Other non-interest income totalled RMB23.199 billion, an increase of RMB0.648 billion or 2.87% compared with the same period of 2023.
3. The Group's operating expenses amounted to RMB54.293 billion, an increase of RMB0.646 billion or 1.20% compared with the same period of 2023. The cost to income ratio (calculated under domestic regulations) was 25.39%.
4. The Group's impairment losses on assets² amounted to RMB34.931 billion, an increase of RMB1.871 billion or 5.66% compared with the same period of 2023. Specifically, the credit impairment losses amounted to RMB34.915 billion, an increase of RMB1.878 billion or 5.68% compared with the same period of 2023.

¹ Calculated in accordance with the *Capital Rules for Commercial Banks (J.J.Z.J.L [2023] No. 4)* issued by the National Financial Regulatory Administration, and other relevant provisions.

² Impairment losses on assets includes credit impairment losses and impairment losses on other assets.

3.1.2 The principal components of the Group's consolidated statement of financial position as at 31 March 2024 were as follows:

The Group's total assets amounted to RMB33,659.046 billion, an increase of RMB1,226.880 billion or 3.78% compared with the prior year-end. Total liabilities amounted to RMB30,874.854 billion, an increase of RMB1,199.503 billion or 4.04% compared with the prior year-end.

1. The Group's due to customers³ amounted to RMB24,105.988 billion, an increase of RMB1,198.938 billion or 5.23% compared with the prior year-end. Particularly, corporate deposits amounted to RMB12,129.097 billion, personal deposits amounted to RMB11,292.110 billion, certificates of deposit and other deposits amounted to RMB390.032 billion. The Group's RMB due to customers totalled RMB19,454.664 billion, an increase of RMB1,172.194 billion or 6.41% compared with the prior year-end.
2. The Group's loans and advances to customers³ amounted to RMB20,882.959 billion, an increase of RMB921.180 billion or 4.61% compared with the prior year-end. Particularly, corporate loans amounted to RMB14,100.976 billion, personal loans amounted to RMB6,724.182 billion. The Group's RMB loans and advances to customer totalled RMB17,581.285 billion, an increase of RMB877.625 billion or 5.25% compared with the prior year-end. The Group reported non-performing loans RMB258.579 billion, and the ratio of non-performing loans to total loans was 1.24%, a decrease of 0.03 percentage point compared with the prior year-end. The ratio of allowance for loan impairment losses to non-performing loans was 199.94%, an increase of 8.28 percentage points compared with the prior year-end.
3. The Group's financial investments amounted to RMB7,291.933 billion, an increase of RMB133.216 billion or 1.86% compared with the prior year-end. RMB investments amounted to RMB5,570.200 billion, an increase of RMB128.423 billion or 2.36% compared with the prior year-end. Foreign currency investments amounted to USD242.668 billion, an increase of USD0.255 billion or 0.11% compared with the prior year-end.
4. The Group's total equity amounted to RMB2,784.192 billion, an increase of RMB27.377 billion or 0.99% compared with the prior year-end.

3.2 Implementation of cash dividend policy during the reporting period

The Board of Directors of the Bank considered and approved the dividend distribution plan for the Bank's Offshore Preference Shares (Second Tranche) on 28 April 2023. The Bank distributed a total of approximately USD101.5 million (after tax) of dividends on the Offshore Preference Shares (Second Tranche) on 4 March 2024, with an annual dividend rate of 3.60% (after tax). The dividend distribution plan has been accomplished.

3.3 Other significant events

For announcements regarding other significant events made in accordance with the regulatory requirements during the reporting period, please refer to the websites of the Shanghai Stock Exchange, Hong Kong Exchanges and Clearing Limited and the Bank.

³ Due to customers and loans and advances to customers include accrued interest.

IV. FINANCIAL STATEMENTS (PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS)

Consolidated Income Statement

	Unit: RMB million	
	For the three-month period ended 31 March	
	2024 (unaudited)	2023 (unaudited)
Interest income	272,283	249,040
Interest expense	(159,571)	(131,706)
Net interest income	112,712	117,334
Fee and commission income	28,444	29,526
Fee and commission expense	(3,317)	(3,194)
Net fee and commission income	25,127	26,332
Net trading gains	7,332	12,476
Net gains/(losses) on transfers of financial assets	2,046	(718)
Other operating income	13,821	10,793
Operating income	161,038	166,217
Operating expenses	(54,293)	(53,647)
Credit impairment losses	(34,915)	(33,037)
Impairment losses on other assets	(16)	(23)
Operating profit	71,814	79,510
Share of results of associates and joint ventures	83	(229)
Profit before income tax	71,897	79,281
Income tax expense	(11,924)	(17,556)
Profit for the period	59,973	61,725
Attributable to:		
Equity holders of the Bank	55,989	57,663
Non-controlling interests	3,984	4,062
	59,973	61,725
Basic and diluted earnings per share (in RMB)	0.18	0.19

Consolidated Statement of Comprehensive Income

	Unit: RMB million	
	For the three-month period ended 31 March	
	2024 (unaudited)	2023 (unaudited)
Profit for the period	59,973	61,725
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
– Actuarial (losses)/gains on defined benefit plans	(33)	32
– Changes in fair value on equity instruments designated at fair value through other comprehensive income	1,610	736
Subtotal	1,577	768
Items that may be reclassified to profit or loss		
– Changes in fair value on debt instruments measured at fair value through other comprehensive income	10,774	2,023
– Allowance for credit losses on debt instruments measured at fair value through other comprehensive income	(157)	84
– Finance expenses from insurance contracts issued	(2,835)	(275)
– Exchange differences from the translation of foreign operations	(836)	(7,406)
– Other	79	(19)
Subtotal	7,025	(5,593)
Other comprehensive income for the period, net of tax	8,602	(4,825)
Total comprehensive income for the period	68,575	56,900
Total comprehensive income attributable to:		
Equity holders of the Bank	65,845	54,802
Non-controlling interests	2,730	2,098
	68,575	56,900

Consolidated Statement of Financial Position

	Unit: RMB million	
	As at 31 March 2024 (unaudited)	As at 31 December 2023 (audited)
ASSETS		
Cash and due from banks and other financial institutions	861,316	568,855
Balances with central banks	2,778,800	2,941,140
Placements with and loans to banks and other financial institutions	1,271,323	1,233,888
Government certificates of indebtedness for bank notes issued	205,773	203,176
Precious metals	101,718	96,968
Derivative financial assets	149,107	146,750
Loans and advances to customers, net	20,366,172	19,476,871
Financial investments	7,291,933	7,158,717
– financial assets at fair value through profit or loss	606,537	550,421
– financial assets at fair value through other comprehensive income	3,385,146	3,248,113
– financial assets at amortised cost	3,300,250	3,360,183
Investments in associates and joint ventures	39,662	39,550
Property and equipment	223,241	227,135
Construction in progress	20,406	20,346
Investment properties	22,762	22,704
Deferred income tax assets	73,547	75,156
Other assets	253,286	220,910
Total assets	33,659,046	32,432,166

Consolidated Statement of Financial Position (continued)

	Unit: RMB million	
	As at 31 March 2024 (unaudited)	As at 31 December 2023 (audited)
LIABILITIES		
Due to banks and other financial institutions	2,321,038	2,245,362
Due to central banks	1,021,702	1,235,320
Bank notes in circulation	205,341	203,249
Placements from banks and other financial institutions	509,748	474,977
Financial liabilities held for trading	42,855	54,264
Derivative financial liabilities	140,734	135,973
Due to customers	24,105,988	22,907,050
Bonds issued	1,902,780	1,802,446
Other borrowings	33,965	36,176
Current tax liabilities	25,563	59,303
Retirement benefit obligations	1,677	1,676
Deferred income tax liabilities	7,605	7,397
Other liabilities	555,858	512,158
Total liabilities	30,874,854	29,675,351
EQUITY		
Capital and reserves attributable to equity holders of the Bank		
Share capital	294,388	294,388
Other equity instruments	359,513	399,505
– Preference shares	119,550	119,550
– Perpetual bonds	239,963	279,955
Capital reserve	135,734	135,736
Other comprehensive income	44,777	34,719
Statutory reserves	257,152	256,729
General and regulatory reserves	379,278	379,285
Undistributed profits	1,182,645	1,129,148
	2,653,487	2,629,510
Non-controlling interests	130,705	127,305
Total equity	2,784,192	2,756,815
Total equity and liabilities	33,659,046	32,432,166

GE Haijiao
Director

LIU Jin
Director

Consolidated Statement of Cash Flows

	Unit: RMB million	
	For the three-month period ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Cash flows from operating activities		
Profit before income tax	71,897	79,281
Adjustments:		
Impairment losses on assets	34,931	33,060
Depreciation of property and equipment and right-of-use assets	5,440	5,540
Amortisation of intangible assets and other assets	1,818	1,759
Net gains on disposals of property and equipment, intangible assets and other long-term assets	(215)	(81)
Share of results of associates and joint ventures	(83)	229
Interest income arising from financial investments	(52,818)	(44,935)
Dividends arising from investment securities	(51)	(56)
Net (gains)/losses on financial investments	(1,987)	746
Interest expense arising from bonds issued	13,920	11,101
Accreted interest on impaired loans	(294)	(236)
Interest expense arising from lease liabilities	164	171
Net changes in operating assets and liabilities:		
Net increase in balances with central banks	(112,882)	(168,880)
Net (increase)/decrease in due from and placements with and loans to banks and other financial institutions	(63,593)	80,159
Net (increase)/decrease in precious metals	(4,760)	37,924
Net increase in loans and advances to customers	(931,049)	(1,049,648)
Net (increase)/decrease in other assets	(49,019)	16,047
Net increase/(decrease) in due to banks and other financial institutions	72,379	(46,301)
Net (decrease)/increase in due to central banks	(214,200)	48,301
Net increase/(decrease) in placements from banks and other financial institutions	33,975	(146,236)
Net increase in due to customers	1,208,403	1,718,645
Net decrease in other borrowings	(2,211)	(3,323)
Net increase/(decrease) in other liabilities	40,845	(55,781)
Cash inflow from operating activities	50,610	517,486
Income tax paid	(47,370)	(28,727)
Net cash inflow from operating activities	3,240	488,759

Consolidated Statement of Cash Flows (continued)

	Unit: RMB million	
	For the three-month period	
	ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
Cash flows from investing activities		
Proceeds from disposals of property and equipment, intangible assets and other long-term assets	994	867
Dividends received	156	77
Interest income received from financial investments	49,735	40,543
Proceeds from disposals/maturities of financial investments	1,172,717	687,372
Increase in investments in subsidiaries, associates and joint ventures	(817)	(225)
Purchase of property and equipment, intangible assets and other long-term assets	(2,526)	(4,230)
Purchase of financial investments	(1,368,275)	(901,625)
	<u>(148,016)</u>	<u>(177,221)</u>
Net cash outflow from investing activities		
Cash flows from financing activities		
Proceeds from issuance of bonds	206,948	197,335
Proceeds from capital contribution by non-controlling shareholders	–	63
Repayments of debts issued	(104,128)	(280,302)
Cash payments for interest on bonds issued	(5,741)	(4,674)
Cash payments for redemption of other equity instruments	(40,000)	–
Dividend and interest payments to other equity instrument holders	(2,583)	(1,876)
Dividend payments to non-controlling shareholders	(38)	(763)
Cash payments for other financing activities	(1,696)	(408)
	<u>52,762</u>	<u>(90,625)</u>
Net cash inflow/(outflow) from financing activities		
Effect of exchange rate changes on cash and cash equivalents	<u>(8,666)</u>	<u>(10,443)</u>
Net (decrease)/increase in cash and cash equivalents	(100,680)	210,470
Cash and cash equivalents at beginning of the period	<u>2,516,725</u>	<u>2,091,466</u>
Cash and cash equivalents at end of the period	<u>2,416,045</u>	<u>2,301,936</u>
Net cash flows from operating activities include:		
Interest received	224,791	206,833
Interest paid	<u>(150,442)</u>	<u>(118,820)</u>

V. QUARTERLY REPORT

This announcement is simultaneously available on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and that of the Bank at www.boc.cn. The 2024 first quarter report prepared in accordance with CAS is also available on the website of the Shanghai Stock Exchange at www.sse.com.cn and that of the Bank at www.boc.cn.

**The Board of Directors of
Bank of China Limited**

Beijing, PRC
29 April 2024

As at the date of this announcement, the directors of the Bank are: Ge Haijiao, Liu Jin, Lin Jingzhen, Zhang Yi, Zhang Yong, Zhang Jiangang*, Huang Binghua*, Liu Hui*, Shi Yongyan*, Lou Xiaohui*, Martin Cheung Kong Liao#, Chui Sai Peng Jose#, Jean-Louis Ekra#, E Weinan#, Giovanni Trià# and Liu Xiaole#.*

* *Non-executive Directors*

Independent Non-executive Directors