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中国建设银行
China Construction Bank

中國建設銀行股份有限公司

CHINA CONSTRUCTION BANK CORPORATION

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

Stock Code: 939

THIRD QUARTER REPORT OF 2022

The board of directors (the “Board”) of China Construction Bank Corporation (the “Bank”) is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (collectively the “Group”) for the period ended 30 September 2022, prepared under the International Financial Reporting Standards (IFRS). This announcement is made in accordance with 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.

Important Notice:

- The Board, the board of supervisors, directors, supervisors and senior management of the Bank warrant that the information in this quarterly report is truthful, accurate and complete and there are no false records, misleading statements or material omissions, and that they assume legal liability for such contents severally and jointly.
- Mr. Zhang Jinliang, vice chairman, executive director and president of the Bank, Mr. Kenneth Patrick Chung and Mr. Michel Madelain, independent non-executive directors of the Bank, hereby warrant the truthfulness, accuracy and completeness of the financial information in this quarterly report.
- The third quarter financial statements have not been audited.

1 Major Financial Information

1.1 Major accounting data and financial indicators

The financial information in this quarterly report is the consolidated results of the Group prepared under IFRS and expressed in RMB unless otherwise stated.

| (In millions of RMB unless otherwise stated) | Three months ended 30 September 2022 | Change over the same period last year (%) | Nine months ended 30 September 2022 | Change over the same period last year (%) |
|--|---|---|--|---|
| Operating income | 186,604 | (2.62) | 576,965 | 0.77 |
| Net profit | 84,994 | 7.50 | 246,724 | 5.81 |
| Net profit attributable to equity shareholders of the Bank | 85,640 | 8.61 | 247,282 | 6.52 |
| Net cash from operating activities | N/A | N/A | 824,265 | 74.18 |
| Basic and diluted earnings per share (in RMB Yuan) | 0.34 | 6.25 | 0.99 | 6.45 |
| Annualised return on average equity (%) | 13.15 | down 0.11 percentage points | 12.77 | down 0.38 percentage points |
| | 30 September 2022 | | 31 December 2021 | Change (%) |
| Total assets | 34,299,695 | | 30,253,979 | 13.37 |
| Total equity attributable to equity shareholders of the Bank | 2,791,212 | | 2,588,231 | 7.84 |

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

| (In millions of RMB unless otherwise stated) | Nine months ended 30 September 2022 | Nine months ended 30 September 2021 | Change (%) | Causes of the change |
|--|--|-------------------------------------|------------|---|
| Net cash from operating activities | 824,265 | 473,225 | 74.18 | Mainly due to a large increase in net increase in deposits from customers and from banks and non-bank financial institutions. |

2 Particulars of Shareholders

2.1 Number of ordinary shareholders and particulars of shareholding

As at 30 September 2022, the Bank had 382,720 ordinary shareholders, including 343,341 A-share holders and 39,379 H-share holders. Particulars of shareholding of top ten ordinary shareholders of the Bank are as follows:

| Unit: share | | | |
|--|--------------------------|-----------------------------|-----------------------------|
| Name of ordinary shareholder | Nature of shareholder | Total number of shares held | Shareholding percentage (%) |
| Central Huijin Investment Ltd. | State | 142,590,494,651 (H-shares) | 57.03 |
| | | 195,941,976 (A-shares) | 0.08 |
| HKSCC Nominees Limited ¹ | Foreign legal person | 93,849,876,390 (H-shares) | 37.54 |
| China Securities Finance Corporation Limited | State-owned legal person | 2,189,259,672 (A-shares) | 0.88 |
| State Grid Corporation of China ² | State-owned legal person | 1,611,413,730 (H-shares) | 0.64 |
| Reca Investment Limited | Foreign legal person | 856,000,000 (H-shares) | 0.34 |
| China Yangtze Power Co., Limited | State-owned legal person | 648,993,000 (H-shares) | 0.26 |
| Central Huijin Asset Management Ltd. | State-owned legal person | 496,639,800 (A-shares) | 0.20 |
| Hong Kong Securities Clearing Company Ltd. | Foreign legal person | 393,306,628 (A-shares) | 0.16 |
| China Baowu Steel Group Corporation Limited | State-owned legal person | 335,000,000 (H-shares) | 0.13 |
| China Life Insurance Company Limited— Traditional—Ordinary insurance product— 005L—CT001SH | Others | 259,240,643 (A-shares) | 0.10 |

1. It includes H-shares of the Bank held by Temasek Holdings (Private) Limited. As at 30 September 2022, State Grid Corporation of China, China Yangtze Power Co., Limited and China Baowu Steel Group Corporation Limited held 1,611,413,730 H-shares, 648,993,000 H-shares and 335,000,000 H-shares of the Bank respectively, all of which were held under the name of HKSCC Nominees Limited. Save the aforesaid H-shares of the Bank held by State Grid Corporation of China, China Yangtze Power Co., Limited, and China Baowu Steel Group Corporation Limited, 93,849,876,390 H-shares of the Bank were held under the name of HKSCC Nominees Limited.

2. As at 30 September 2022, the holding of H-shares of the Bank by State Grid Corporation of China through its subsidiaries was as follows: State Grid International Development Co., Ltd. held 296,131,000 shares, State Grid International Development Limited held 1,315,282,730 shares.
3. Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Ltd. Apart from these, the Bank is not aware of any connected relation or concerted action among the aforesaid shareholders.
4. None of the shares held by the aforesaid shareholders were subject to selling restrictions. None of the aforesaid shares were pledged, labelled or frozen except that the status of the shares held under the name of HKSCC Nominees Limited was unknown.

2.2 Number of preference shareholders and particulars of shareholding

As at 30 September 2022, the Bank had 22 preference shareholders, all domestic preference shareholders. Particulars of shareholding of top ten domestic preference shareholders of the Bank are as follows:

Unit: share

| Name of preference shareholder | Nature of shareholder | Total number of shares held | Shareholding percentage (%) |
|--|--------------------------|-----------------------------|-----------------------------|
| Shanghai Branch of Bank of China Limited | Others | 90,000,000 | 15.00 |
| Hwabao Trust Co., Ltd. | Others | 86,140,000 | 14.36 |
| Bosera Asset Management Co., Limited | Others | 61,000,000 | 10.17 |
| China Life Insurance Company Limited | Others | 50,000,000 | 8.33 |
| China Mobile Communications Group Co., Ltd. | State-owned legal person | 50,000,000 | 8.33 |
| Jiangsu International Trust Corporation Limited | Others | 45,860,000 | 7.64 |
| CITIC Securities Co., Ltd. | Others | 36,470,000 | 6.08 |
| Truvalue Asset Management Co., Limited | Others | 27,022,000 | 4.50 |
| GF Securities Asset Management (Guangdong) Co., Ltd. | Others | 27,000,000 | 4.50 |
| Postal Savings Bank of China Co., Ltd. | Others | 27,000,000 | 4.50 |

1. Particulars of shareholding of the preference shareholders were based on the information in the Bank's register of preference shareholders. None of the aforesaid shares had restoration of voting rights of the preference shares, or were pledged, labelled or frozen.
2. The Bank is not aware of any connected relation or concerted action among the aforesaid preference shareholders, or between the aforesaid preference shareholders and the top ten ordinary shareholders.

3 Other Important Information

3.1 Highlights of operating results

As affected by factors including geopolitical tensions, inflation, COVID-19 pandemic and de-globalisation, the world economic recovery continued to slow down, major developed economies tightened their monetary policies, and the international economic and financial landscape remained complex and challenging. China's economy continued to recover with a sound financial system on the whole, although risks in certain areas were yet to be addressed. The Group adheres to its philosophy of comprehensive risk management, pays close attention to changes in situation at home and abroad, takes solid and proactive measures to coordinate development and security, and continuously strengthens its capability to serve the real economy and prevent and mitigate risks.

3.1.1 Analysis of items in the statement of financial position

As at 30 September 2022, the Group's assets were RMB34.30 trillion, an increase of RMB4.05 trillion or 13.37% over the end of last year. The Group's liabilities were RMB31.49 trillion, an increase of RMB3.85 trillion or 13.92% over the end of last year.

The Group steadily advanced the “Three Major Strategies” of house rental, inclusive finance and FinTech, and continuously promoted green finance. By the end of September 2022, the Group's comprehensive house rental service platform had covered 96% administrative regions at prefecture-level and above across the country, providing a transparent trading platform for 16,000 enterprises and 42.12 million individual landlords and tenants; it had opened and operated 204 “CCB Home” long-term rental communities, participated in more than 500 indemnificatory housing projects across the country, and launched its indemnificatory housing app in more than 200 cities and public rental housing app in more than 100 cities. The Bank's loans for house rental business were RMB209,869 million at the end of September 2022, an increase of RMB76,408 million or 57.25% over the end of 2021. The Bank increased the supply of inclusive finance loans and expanded customer service coverage. Inclusive finance loans totalled RMB2.29 trillion, an increase of RMB418,504 million over the end of 2021. The number of inclusive finance loan borrowers reached 2,431.9 thousand, an increase of 495.2 thousand over the end of 2021. The Bank continued to upgrade “CCB Huidongni” app to provide one-stop comprehensive services for its inclusive finance customers, granting credit line of nearly RMB1.5 trillion to over 1.86 million customers. Agriculture-related loans of the Bank amounted to RMB2.92 trillion, an increase of RMB453,471 million over the end of 2021. To advance the implementation of its FinTech strategy, the Group strengthened technological innovation and independent controllability, accelerated the transformation of distributed architecture, and actively promoted the building of

“three major middle platforms” of business, technology and data. The enterprise-wide “new generation” architecture was successfully extended to CCB Engineering Consulting Co., Ltd., contributing to new progress in IT integration at group level. The Group made remarkable progress in enabling business development with digitalised operation, and released the *Master Plan for Building a Digital CCB (2022-2025)*, which outlines its digital transformation path in the coming years. The Bank’s green loans amounted to RMB2.60 trillion, an increase of RMB631,917 million or 32.19% over the end of last year. At the end of September 2022, the green bonds denominated in RMB and foreign currency held by the Bank increased by over 75% and 20% respectively over the end of last year. In the first three quarters of 2022, the Bank underwrote 41 batches of green bonds, with an amount of RMB23,558 million, up 64% and 82% respectively over the same period last year.

Gross loans and advances to customers were RMB20.92 trillion, an increase of RMB2.12 trillion or 11.25% over the end of last year. Specifically, corporate loans, personal loans, discounted bills and accrued interest were RMB11.76 trillion, RMB8.30 trillion, RMB803,306 million and RMB54,782 million, respectively. Financial investments were RMB8.40 trillion, an increase of RMB755,692 million or 9.89% over the end of last year.

Deposits from customers were RMB24.79 trillion, an increase of RMB2.41 trillion or 10.78% over the end of last year. Specifically, time deposits and demand deposits were RMB12.35 trillion and RMB12.07 trillion respectively; corporate deposits and personal deposits were RMB11.48 trillion and RMB12.94 trillion respectively; accrued interest was RMB374,654 million.

The non-performing loans increased by RMB27,065 million to RMB293,136 million in accordance with the five-category loan classification standard. The non-performing loan ratio was 1.40%, a decrease of 0.02 percentage points from the end of last year. The ratio of allowances to non-performing loans was 243.95%, up 3.99 percentage points from the end of last year.

Total equity was RMB2.81 trillion, an increase of RMB199,215 million or 7.62% over the end of last year. Specifically, total equity attributable to equity shareholders of the Bank was RMB2.79 trillion, an increase of RMB202,981 million or 7.84% over the end of last year. As at 30 September 2022, the Group’s total capital ratio, Tier 1 ratio and Common Equity Tier 1 ratio, which were calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)* in consideration of relevant rules for the transitional period, were 18.67%, 14.60% and 13.86%, respectively, all in compliance with regulatory requirements.

3.1.2 Analysis of items in the statement of comprehensive income

For the nine months ended 30 September 2022, the Group recorded net profit of RMB246,724 million, of which net profit attributable to equity shareholders of the Bank was RMB247,282 million, up 5.81% and 6.52% respectively over the same period last year. Annualised return on average assets was 1.02%, and annualised return on average equity was 12.77%.

Net interest income was RMB482,707 million, up 7.71% over the same period last year. Net interest spread was 1.86%, and net interest margin was 2.05%, down 0.08 and 0.07 percentage points respectively from the same period last year. This was mainly because the loan yield continued to decline due to factors such as interest rate cuts while the deposit cost rose.

Net fee and commission income was RMB94,877 million, down 1.80% from the same period last year. This was mainly because income from bank cards, consultancy and advisory services and other products decreased.

Operating expenses were RMB143,055 million, an increase of RMB5,571 million from the same period last year. Cost-to-income ratio rose to 23.83%, up 0.74 percentage points from the same period last year.

Impairment losses were RMB141,577 million, a decrease of RMB1,679 million from the same period last year. Specifically, credit impairment losses were RMB141,521 million, and other impairment losses were RMB56 million.

Income tax expense was RMB46,384 million, a decrease of RMB13,240 million from the same period last year. The effective income tax rate was 15.82%.

3.2 Implementation of cash dividend policy during the reporting period

The Bank distributed the 2021 cash dividend of RMB0.364 per share (including tax), totalling RMB3,492 million approximately, on 8 July 2022 to its A-share holders; it distributed the 2021 cash dividend of RMB0.364 per share (including tax), totalling RMB87,512 million approximately, on 29 July 2022 to its H-share holders.

As approved by the meeting of the Board held on 28 October 2022, the Bank plans to distribute dividends of RMB2.85 billion (including tax) on domestic preferred shares on 26 December 2022, with a nominal dividend rate of 4.75%.

3.3 Other major issues

In October 2022, the Bank invested in the establishment of CCB House Rental Fund (Limited Partnership) to explore the new pattern of real estate development that encourages both housing rentals and purchases. With a size of RMB30 billion, the fund has obtained business license and completed filing procedures. Please refer to the announcement published by the Bank on 25 October 2022 for details.

The Bank plans to invest RMB6 billion to establish CCB Consumer Finance Co., Ltd. to expand the coverage of consumer finance through corporate-based and professional operations. In September 2022, the Bank received the approval from the China Banking and Insurance Regulatory Commission (CBIRC) in respect of the establishment of the subsidiary. Upon completion of preparatory work, the Bank will submit applications for business opening to regulators in accordance with relevant regulations and procedures. Please refer to the announcement published by the Bank on 27 September 2022 for details.

At the end of August 2022, the Bank issued undated additional Tier 1 capital bonds of RMB40 billion in the national interbank bond market. Please refer to the announcement published by the Bank on 1 September 2022 for details.

4 QUARTERLY FINANCIAL STATEMENTS

FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

China Construction Bank Corporation
 Consolidated statement of comprehensive income
 For the nine months ended 30 September 2022
(Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | | Three months from 1 July to 30 September | |
|--|-----------------------------------|-----------------------|---|----------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Unaudited) |
| Interest income | 867,473 | 783,336 | 302,516 | 267,387 |
| Interest expense | (384,766) | (335,191) | (137,149) | (115,327) |
| Net interest income | <u>482,707</u> | <u>448,145</u> | <u>165,367</u> | <u>152,060</u> |
| Fee and commission income | 106,157 | 108,888 | 29,018 | 31,318 |
| Fee and commission expense | (11,280) | (12,275) | (2,964) | (4,143) |
| Net fee and commission income | <u>94,877</u> | <u>96,613</u> | <u>26,054</u> | <u>27,175</u> |
| Net trading gain | 3,644 | 4,289 | 1,231 | 1,419 |
| Dividend income | 5,442 | 5,023 | 1,357 | 1,366 |
| Net (loss)/gain arising from investment securities | (6,344) | 7,996 | (1,981) | 6,143 |
| Net gain on derecognition of financial assets measured at amortised cost | 276 | 4,255 | 242 | 1,728 |
| Other operating income, net: | | | | |
| - Other operating income | 49,971 | 57,888 | 2,217 | 17,599 |
| - Other operating expense | (53,608) | (51,670) | (7,883) | (15,858) |
| Other operating (expense)/income, net | <u>(3,637)</u> | <u>6,218</u> | <u>(5,666)</u> | <u>1,741</u> |
| Operating income | <u>576,965</u> | <u>572,539</u> | <u>186,604</u> | <u>191,632</u> |
| Operating expenses | <u>(143,055)</u> | <u>(137,484)</u> | <u>(48,037)</u> | <u>(49,324)</u> |
| | <u>433,910</u> | <u>435,055</u> | <u>138,567</u> | <u>142,308</u> |
| Credit impairment losses | (141,521) | (142,043) | (38,227) | (33,723) |
| Other impairment losses | (56) | (1,213) | 25 | (1,021) |
| Share of profits of associates and joint ventures | <u>775</u> | <u>998</u> | <u>357</u> | <u>770</u> |
| Profit before tax | <u>293,108</u> | <u>292,797</u> | <u>100,722</u> | <u>108,334</u> |
| Income tax expense | (46,384) | (59,624) | (15,728) | (29,267) |
| Net profit | <u><u>246,724</u></u> | <u><u>233,173</u></u> | <u><u>84,994</u></u> | <u><u>79,067</u></u> |

China Construction Bank Corporation
 Consolidated statement of comprehensive income (continued)
 For the nine months ended 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | | Three months from 1 July to 30 September | |
|--|-----------------------------------|---------------------|---|---------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Unaudited) |
| Other comprehensive income: | | | | |
| (1) Other comprehensive income that will not be reclassified to profit or loss | | | | |
| Remeasurements of post-employment benefit obligations | (130) | 121 | - | - |
| Fair value changes of equity instruments designated as measured at fair value through other comprehensive income | 208 | (193) | 108 | (54) |
| Others | 6 | 84 | 6 | 80 |
| Subtotal | 84 | 12 | 114 | 26 |
| (2) Other comprehensive income that may be reclassified subsequently to profit or loss | | | | |
| Fair value changes of debt instruments measured at fair value through other comprehensive income | (4,825) | 10,421 | 371 | 7,794 |
| Allowances for credit losses of debt instruments measured at fair value through other comprehensive income | 1,799 | 398 | 526 | 445 |
| Reclassification adjustments included in profit or loss due to disposals | (68) | (429) | (31) | (181) |
| Net gain/(loss) on cash flow hedges | 199 | 228 | 38 | (17) |
| Exchange difference on translating foreign operations | 9,757 | (4,035) | 5,493 | (1,216) |
| Subtotal | 6,862 | 6,583 | 6,397 | 6,825 |
| Other comprehensive income for the period, net of tax | 6,946 | 6,595 | 6,511 | 6,851 |

China Construction Bank Corporation
 Consolidated statement of comprehensive income (continued)
 For the nine months ended 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | | Three months from 1 July to 30 September | |
|---|-----------------------------------|---------------------|---|---------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Unaudited) |
| Total comprehensive income for the period | <u>253,670</u> | <u>239,768</u> | <u>91,505</u> | <u>85,918</u> |
| Net profit attributable to: | | | | |
| Equity shareholders of the Bank | 247,282 | 232,153 | 85,640 | 78,853 |
| Non-controlling interests | <u>(558)</u> | <u>1,020</u> | <u>(646)</u> | <u>214</u> |
| | <u>246,724</u> | <u>233,173</u> | <u>84,994</u> | <u>79,067</u> |
| Total comprehensive income attributable to: | | | | |
| Equity shareholders of the Bank | 253,994 | 238,530 | 91,994 | 85,523 |
| Non-controlling interests | <u>(324)</u> | <u>1,238</u> | <u>(489)</u> | <u>395</u> |
| | <u>253,670</u> | <u>239,768</u> | <u>91,505</u> | <u>85,918</u> |
| Basic and diluted earnings per share (in RMB Yuan) | <u>0.99</u> | <u>0.93</u> | <u>0.34</u> | <u>0.32</u> |

China Construction Bank Corporation
 Consolidated statement of financial position
 As at 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | 30 September 2022 (Unaudited) | 31 December 2021 (Audited) |
|--|-------------------------------------|----------------------------------|
| Assets: | | |
| Cash and deposits with central banks | 2,887,156 | 2,763,892 |
| Deposits with banks and non-bank financial institutions | 335,175 | 155,107 |
| Precious metals | 141,873 | 121,493 |
| Placements with banks and non-bank financial institutions | 385,297 | 188,162 |
| Positive fair value of derivatives | 109,426 | 31,550 |
| Financial assets held under resale agreements | 1,116,432 | 549,078 |
| Loans and advances to customers | 20,210,786 | 18,170,492 |
| Financial investments | | |
| Financial assets measured at fair value through profit or loss | 542,886 | 545,273 |
| Financial assets measured at amortised cost | 5,917,240 | 5,155,168 |
| Financial assets measured at fair value through other comprehensive income | 1,937,485 | 1,941,478 |
| Long-term equity investments | 21,980 | 18,875 |
| Fixed assets | 166,934 | 168,326 |
| Land use rights | 13,266 | 13,630 |
| Intangible assets | 5,439 | 5,858 |
| Goodwill | 2,315 | 2,141 |
| Deferred tax assets | 108,912 | 92,343 |
| Other assets | 397,093 | 331,113 |
| Total assets | 34,299,695 | 30,253,979 |

China Construction Bank Corporation
 Consolidated statement of financial position (continued)
 As at 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | 30 September 2022 <u>(Unaudited)</u> | 31 December 2021 <u>(Audited)</u> |
|---|--|---|
| Liabilities: | | |
| Borrowings from central banks | 722,185 | 685,033 |
| Deposits from banks and non-bank financial institutions | 2,723,231 | 1,932,926 |
| Placements from banks and non-bank financial institutions | 364,497 | 299,275 |
| Financial liabilities measured at fair value through profit or loss | 312,570 | 229,022 |
| Negative fair value of derivatives | 102,414 | 31,323 |
| Financial assets sold under repurchase agreements | 75,434 | 33,900 |
| Deposits from customers | 24,791,600 | 22,378,814 |
| Accrued staff costs | 38,411 | 40,998 |
| Taxes payable | 71,971 | 86,342 |
| Provisions | 48,859 | 45,903 |
| Debt securities issued | 1,706,825 | 1,323,377 |
| Deferred tax liabilities | 597 | 1,395 |
| Other liabilities | <u>527,764</u> | <u>551,549</u> |
| Total liabilities | <u><u>31,486,358</u></u> | <u><u>27,639,857</u></u> |

China Construction Bank Corporation
 Consolidated statement of financial position (continued)
 As at 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | 30 September 2022 (Unaudited) | 31 December 2021 (Audited) |
|--|-------------------------------------|----------------------------------|
| Equity: | | |
| Share capital | 250,011 | 250,011 |
| Other equity instruments | | |
| Preference shares | 59,977 | 59,977 |
| Perpetual bonds | 79,982 | 39,991 |
| Capital reserve | 134,925 | 134,925 |
| Other comprehensive income | 28,050 | 21,338 |
| Surplus reserve | 305,571 | 305,571 |
| General reserve | 385,314 | 381,621 |
| Retained earnings | 1,547,382 | 1,394,797 |
| | | |
| Total equity attributable to equity shareholders of the Bank | 2,791,212 | 2,588,231 |
| Non-controlling interests | 22,125 | 25,891 |
| | | |
| Total equity | 2,813,337 | 2,614,122 |
| | | |
| Total liabilities and equity | 34,299,695 | 30,253,979 |

Approved and authorised for issue by the Board of Directors on 28 October 2022.

Zhang Jinliang
*Vice Chairman, executive
 director and president*

Kenneth Patrick Chung
*Independent non-executive
 director*

Michel Madelain
*Independent non-executive
 director*

China Construction Bank Corporation
 Consolidated statement of cash flows
 For the nine months ended 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | |
|---|--------------------------------|---------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) |
| Cash flows from operating activities: | | |
| Profit before tax | 293,108 | 292,797 |
| <i>Adjustments for:</i> | | |
| – Credit impairment losses | 141,521 | 142,043 |
| – Other impairment losses | 56 | 1,213 |
| – Depreciation and amortisation | 19,116 | 20,164 |
| – Interest income from impaired financial assets | (3,885) | (3,621) |
| – Revaluation loss/(gain) on financial instruments at fair value through profit or loss | 9,553 | (3,865) |
| – Share of profits of associates and joint ventures | (775) | (998) |
| – Dividend income | (5,442) | (5,023) |
| – Unrealised foreign exchange loss/(gain) | 1,659 | (6,075) |
| – Interest expense on bonds issued | 17,280 | 14,182 |
| – Interest income from investment securities and net income from disposal | (183,664) | (173,491) |
| – Net gain on disposal of fixed assets and other long-term assets | (195) | (263) |
| | 288,332 | 277,063 |

China Construction Bank Corporation
 Consolidated statement of cash flows (continued)
 For the nine months ended 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | |
|---|--------------------------------|---------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) |
| Cash flows from operating activities (continued): | | |
| <i>Changes in operating assets:</i> | | |
| Net (increase)/decrease in deposits with central banks and with banks and non-bank financial institutions | (121,611) | 221,972 |
| Net (increase)/decrease in placements with banks and non-bank financial institutions | (70,595) | 130,232 |
| Net increase in financial assets held under resale agreements | (566,074) | (36,679) |
| Net increase in loans and advances to customers | (2,036,208) | (1,733,399) |
| Net (increase)/decrease in financial assets held for trading purposes | (6,784) | 42,356 |
| Net increase in other operating assets | (104,531) | (140,976) |
| | <u>(2,905,803)</u> | <u>(1,516,494)</u> |
| <i>Changes in operating liabilities:</i> | | |
| Net increase/(decrease) in borrowings from central banks | 30,765 | (91,922) |
| Net increase in deposits from customers and from banks and non-bank financial institutions | 3,050,696 | 1,811,275 |
| Net increase in placements from banks and non-bank financial institutions | 35,755 | 16,061 |
| Net increase/(decrease) in financial liabilities measured at fair value through profit or loss | 81,889 | (6,381) |
| Net increase/(decrease) in financial assets sold under repurchase agreements | 39,361 | (22,186) |
| Net increase in certificates of deposit issued | 265,885 | 96,643 |
| Income tax paid | (76,678) | (75,316) |
| Net increase/(decrease) in other operating liabilities | 14,063 | (15,518) |
| | <u>3,441,736</u> | <u>1,712,656</u> |
| Net cash from operating activities | <u>824,265</u> | <u>473,225</u> |

China Construction Bank Corporation
 Consolidated statement of cash flows (continued)
 For the nine months ended 30 September 2022
 (Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | |
|---|--------------------------------|------------------|
| | 2022 | 2021 |
| | (Unaudited) | (Unaudited) |
| Cash flows from investing activities: | | |
| Proceeds from sales and redemption of financial investments | 1,286,195 | 1,446,109 |
| Interest and dividends received | 190,607 | 185,737 |
| Proceeds from disposal of fixed assets and other long-term assets | 3,593 | 4,224 |
| Purchase of investment securities | (2,028,896) | (1,918,275) |
| Purchase of fixed assets and other long-term assets | (11,758) | (9,111) |
| Acquisition of subsidiaries, associates and joint ventures | (2,165) | (2,522) |
| Net cash used in investing activities | (562,424) | (293,838) |
| Cash flows from financing activities: | | |
| Issue of bonds | 94,769 | 138,626 |
| Proceeds from issuance of other equity instruments | 39,991 | - |
| Cash received from subsidiaries' capital injection by non-controlling interests holders | - | 770 |
| Dividends paid | (91,058) | (81,604) |
| Repayment of borrowings | (14,565) | (34,866) |
| Cash payment for redemption non-controlling interests of other equity instruments | (3,335) | - |
| Interest paid on bonds issued | (13,631) | (9,779) |
| Cash payment for other financing activities | (5,060) | (4,108) |
| Net cash from financing activities | 7,111 | 9,039 |

China Construction Bank Corporation
 Consolidated statement of cash flows (continued)
 For the nine months ended 30 September 2022
(Expressed in millions of RMB, unless otherwise stated)

| | Nine months ended 30 September | |
|---|--------------------------------|---------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) |
| Effect of exchange rate changes on cash and cash equivalents | 34,253 | (4,459) |
| Net increase in cash and cash equivalents | 303,205 | 183,967 |
| Cash and cash equivalents as at 1 January | 805,600 | 878,931 |
| Cash and cash equivalents as at 30 September | 1,108,805 | 1,062,898 |
| Cash flows from operating activities include: | | |
| Interest received, excluding interest income from investment securities | 661,467 | 605,932 |
| Interest paid, excluding interest expense on bonds issued | (338,737) | (265,960) |

5 Release of Quarterly Report

This report will be published on the “HKEXnews” website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.ccb.com) at the same time. The quarterly report prepared under PRC GAAP will also be published on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Bank (www.ccb.com) at the same time.

By order of the Board
China Construction Bank Corporation
Zhang Jinliang
Vice chairman, executive director and president

28 October 2022

As of the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli and Mr. Zhang Jinliang; the non-executive directors of the Bank are Mr. Xu Jiandong, Mr. Zhang Qi, Mr. Tian Bo, Mr. Xia Yang, Ms. Shao Min and Ms. Liu Fang; the independent non-executive directors of the Bank are Sir Malcolm Christopher McCarthy, Mr. Kenneth Patrick Chung, Mr. Graeme Wheeler, Mr. Michel Madelain, Mr. William Coen and Mr. Leung Kam Chung, Antony.

Appendix Capital and Liquidity Information

1. Capital adequacy ratios

According to the regulatory requirements, commercial banks shall calculate and disclose capital adequacy ratios in accordance with the *Capital Rules for Commercial Banks (Provisional)*. Based on the approval for the Group to implement the advanced capital management method in 2014, China Banking and Insurance Regulatory Commission granted approval for the Group to expand the implementation scope of the advanced capital management method in April 2020. The Group calculated the capital requirements for financial institution credit exposures and corporate credit exposures that meet regulatory requirements with the foundation internal ratings-based approach, the capital requirements for retail credit exposures with the internal ratings-based approach, the capital requirements for market risk with the internal models approach, and the capital requirements for operational risk with the standardised approach. Pursuant to the regulatory requirements, the Group calculates capital adequacy ratios with both the advanced approach and other approaches for capital measurement, and complies with the relevant requirements for capital floors.

Capital adequacy ratios calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)*

| (In millions of RMB, except percentages) | As at 30 September 2022 | | As at 31 December 2021 | |
|---|-------------------------|------------|------------------------|------------|
| | Group | Bank | Group | Bank |
| Common Equity Tier 1 capital after regulatory adjustments | 2,641,711 | 2,463,377 | 2,475,462 | 2,309,534 |
| Tier 1 capital after regulatory adjustments | 2,781,776 | 2,582,257 | 2,575,528 | 2,389,615 |
| Total capital after regulatory adjustments | 3,557,716 | 3,343,571 | 3,252,282 | 3,059,048 |
| Risk-weighted assets | 19,057,622 | 17,825,379 | 18,215,893 | 16,965,032 |
| Common Equity Tier 1 ratio (%) | 13.86 | 13.82 | 13.59 | 13.61 |
| Tier 1 ratio (%) | 14.60 | 14.49 | 14.14 | 14.09 |
| Total capital ratio (%) | 18.67 | 18.76 | 17.85 | 18.03 |

2. Leverage ratio

From the first quarter of 2015, the Group measures leverage ratio in accordance with the *Measures for the Management of the Leverage Ratio of Commercial Banks (Revised)*. The leverage ratio refers to the ratio of the Tier 1 capital after regulatory adjustments to the adjusted balance of on and off-balance sheet assets. The leverage ratio of commercial banks should be no less than 4%. As at 30 September 2022, the Group's leverage ratio was 7.76%, meeting regulatory requirements.

The Group's leverage ratio calculated in accordance with the *Measures for the Management of the Leverage Ratio of Commercial Banks (Revised)*

| (In millions of RMB, except percentages) | As at 30 September 2022 | As at 30 June 2022 | As at 31 March 2022 | As at 31 December 2021 |
|---|--|--------------------------|---------------------------|------------------------------|
| Leverage ratio (%) | 7.76 | 7.53 | 7.94 | 8.13 |
| Tier 1 capital after regulatory adjustments | 2,781,776 | 2,647,822 | 2,662,436 | 2,575,528 |
| On and off-balance sheet assets after adjustments | 35,864,326 | 35,181,687 | 33,514,004 | 31,670,893 |

3. Liquidity coverage ratio

According to the requirements of the *Rules on Information Disclosure of Liquidity Coverage Ratio of Commercial Banks*, commercial banks shall disclose the daily average liquidity coverage ratio for the quarter. The liquidity coverage ratio of the Group for the third quarter of 2022 was 147.43%, meeting the regulatory requirements. The liquidity coverage ratio went up 8.65 percentage points compared to the second quarter of 2022, mainly due to the increase in high-quality liquid assets, and the decrease of total net cash outflows as a result of higher secured lending (including reverse repos and securities borrowing).

| No. | (In millions of RMB, except percentages) | Total Unweighted Value | Total Weighted Value |
|--|--|-----------------------------|----------------------|
| High-Quality Liquid Assets (HQLA) | | | |
| 1 | Total HQLA | | 5,095,653 |
| Cash Outflows | | | |
| 2 | Retail deposits and deposits from small business customers, of which: | | |
| 3 | Stable deposits | 11,939,372 | 1,060,780 |
| 4 | Less stable deposits | 2,663,081 | 133,151 |
| 5 | Unsecured wholesale funding, of which: | 9,276,291 | 927,629 |
| 6 | Operational deposits (excluding those generated from correspondent banking activities) | 12,052,982 | 3,951,296 |
| 7 | Non-operational deposits (all counterparties) | 8,006,592 | 1,989,550 |
| 8 | Unsecured debts | 3,901,693 | 1,817,049 |
| 9 | Secured funding | 144,697 | 144,697 |
| 10 | Additional requirements, of which: | | 614 |
| 11 | Outflows related to derivative exposures and other collateral requirements | 1,909,321 | 240,646 |
| 12 | Outflows related to loss of funding on secured debt products | 54,727 | 54,727 |
| 13 | Credit and liquidity facilities | 5,971 | 5,971 |
| 14 | Other contractual funding obligations | 1,848,623 | 179,948 |
| 15 | Other contingent funding obligations | 410 | - |
| 16 | Total Cash Outflows | 3,829,374 | 566,031 |
| Cash Inflows | | | |
| 17 | Secured lending (including reverse repos and securities borrowing) | | |
| 18 | Inflow from fully performing exposures | 1,087,358 | 1,087,002 |
| 19 | Other cash inflows | 1,937,894 | 1,221,632 |
| 20 | Total Cash Inflows | 68,250 | 62,124 |
| | | 3,093,502 | 2,370,758 |
| | | Total Adjusted Value | |
| 21 | Total HQLA | | 5,095,653 |
| 22 | Total Net Cash Outflows | | 3,448,609 |
| 23 | Liquidity Coverage Ratio (%) | | 147.43 |

1. The above data represent simple arithmetic means of the values for 92 calendar days in the latest quarter, calculated in accordance with the current applicable regulatory requirements, definitions and accounting standards.