中国建设银行(亞洲)
China Construction Bank (Asia)

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED

Regulatory Disclosure Statement

For the six months ended

30 June 2023

(Unaudited)

Table of contents

Table of contents

(Expressed in thousands of Hong Kong Dollars)

Introduction

The Information contained in this document is for China Construction Bank (Asia) Corporation Limited ("the Bank") and its subsidiaries ("the Group"), and is prepared in accordance with the Banking (Disclosure) Rules ("BDR"), Part 6 of the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules ("LAC Rules"), and disclosure templates issued by the Hong Kong Monetary Authority ("HKMA").

These banking disclosures are governed by the Group's disclosure policy, which has been approved by the Board. The disclosure policy sets out the governance, control and assurance requirements for publication of the document. While the regulatory disclosure statement is not required to be externally audited, the document has been subject to independent review in accordance with the Group's policies on disclosure and its financial reporting and governance processes.

The numbers in this document are expressed in thousands of Hong Kong Dollars, unless otherwise stated.

Basis of preparation

Except where indicated otherwise, the financial information contained in this Banking Disclosure Statement has been prepared on the basis of regulatory scope of consolidation specified by the HKMA to the Bank. The basis of consolidation for regulatory purposes is different from that for accounting purposes. Information regarding subsidiaries that are not included in the consolidation for regulatory purposes is set out in the "Basis of consolidation" section in this document.

The HKMA has implemented the final standards on the Revised Pillar 3 Disclosure Requirements issued by the Basel Committee on Banking Supervision ("BCBS") in January 2015, and also incorporated the BCBS Pillar 3 disclosure requirements – consolidated and enhanced framework finalized in March 2017 in the latest BDR and the LAC Rules. These disclosures are supplemented by specific additional requirements of the HKMA set out in the BDR and the LAC Rules. The banking disclosure statement includes the information required under the BDR and the LAC Rules.

According to the BDR and the LAC Rules, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates.

The capital adequacy ratios ("CAR") were compiled in accordance with the Banking (Capital) Rules ("BCR") issued by the HKMA. In calculating the risk weighted assets, the Group adopted the Standardised (Credit Risk) Approach and the Standardised (Market Risk) Approach for credit risk and market risk respectively. For counterparty credit risk, the Group adopted the standardized (counterparty credit risk) approach ("SA-CCR") to calculate its default risk exposures. For operational risk, the capital requirement is calculated using the Basic Indicator Approach.

(Expressed in thousands of Hong Kong Dollars)

Basis of consolidation

The basis of consolidation for regulatory purposes is different from that for accounting purposes. Subsidiaries included in the consolidation for regulatory purposes are specified in a notice from the HKMA in accordance with Section 3C(1) of the BCR.

The CAR as of 30 June 2023 were computed on a consolidated basis, including the Bank and its subsidiaries, CCB Properties (Hong Kong) Holdings Limited and all of its subsidiaries ("CCBP Group") and CCB (Asia) Insurance Broker Limited.

The main difference between the consolidation basis for accounting and regulatory purposes is that the former includes the Bank and all its subsidiaries and a joint venture whereas the latter excludes CCB Securities Limited ("CCBS"), CCB Nominee Limited ("CCBN") and CCB (Asia) Trustee Company Limited ("CCBT") which conduct non-banking related business. In accordance with the thresholds as determined in Part 3 of the BCR, the Bank's shareholdings in CCBS, CCBN and CCBT were included in the total risk weighted assets of the Group. The following entities are within the Group's accounting scope of consolidation but are excluded from its regulatory scope of consolidation as at 30 June 2023.

In HK$ thousands		**As of 30 June 2023**	
Name of company	**Principal activities**	**Total assets**	**Total equity**
CCB Securities Limited	Securities brokerage business	763,018	619,913
CCB Nominee Limited	Custodian and nominee services	10,400	9,697
CCB (Asia) Trustee Company Limited	Trustee and custodian business	119,423	107,094

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

KM1: Key Prudential Ratios

The following table provides an overview of the Bank's key prudential ratios which were calculated in accordance with the Banking (Capital) Rules and Banking (Liquidity) Rules, issued by the HKMA.

		(a)	(b)	(c)	(d)	(e)
		30 Jun 2023	**31 Mar 2023**	**31 Dec 2022**	**30 Sep 2022**	**30 Jun 2022**
	Regulatory capital (amount)					
1	Common Equity Tier 1 (CET1)	65,283,775	64,410,242	62,787,383	62,649,374	62,524,402
2	Tier 1	73,061,376	72,187,843	70,564,984	78,238,707	78,113,735
3	Total capital	75,524,389	74,586,173	73,027,802	80,924,693	80,963,632
	RWA (amount)					
4	Total RWA	353,281,949	344,055,468	348,726,726	368,482,530	369,940,529
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	18.48%	18.72%	18.00%	17.00%	16.90%
6	Tier 1 ratio (%)	20.68%	20.98%	20.24%	21.23%	21.12%
7	Total capital ratio (%)	21.38%	21.68%	20.94%	21.96%	21.89%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical capital buffer requirement (%)	0.89%	0.86%	0.85%	0.85%	0.85%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total AI-specific CET1 buffer requirements (%)	3.39%	3.36%	3.35%	3.35%	3.35%
12	CET1 available after meeting the AI's minimum capital requirements (%)	13.98%	14.22%	13.50%	12.50%	12.40%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	508,345,477	488,648,619	494,129,626	519,902,683	504,911,168
14	LR (%)	14.37%	14.77%	14.28%	15.05%	15.47%
	Liquidity Coverage Ratio (LCR)					
15	Total high quality liquid assets (HQLA)	86,648,398	85,335,426	82,554,261	73,634,886	69,987,507
16	Total net cash outflows	66,323,450	66,302,924	63,175,960	56,538,161	49,764,966
17	LCR (%)	130.80%	128.80%	130.86%	130.39%	141.77%
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	292,234,358	284,286,611	289,102,419	305,752,988	304,311,246
19	Total required stable funding	220,425,834	221,888,243	216,915,478	230,989,412	238,975,691
20	NSFR (%)	132.58%	128.12%	133.28%	132.37%	127.34%

(Expressed in thousands of Hong Kong Dollars)

KM2(A): Key Metrics – LAC Requirements for the Group (at LAC Consolidation Group Level)

		(a)	(b)	(c)	(d)	(e)
		30 Jun 2023	**31 Mar 2023**	**31 Dec 2022**	**30 Sep 2022**	**30 Jun 2022**
	Of the material entity at LAC consolidation group level					
1	Internal loss-absorbing capacity available	75,524,389	74,586,173	73,027,802	80,924,693	80,963,632
2	Risk-weighted amount under the LAC Rules	353,281,949	344,055,468	348,726,726	368,482,530	369,940,529
3	Internal LAC risk-weighted ratio	21.38%	21.68%	20.94%	21.96%	21.89%
4	Exposure measure under the LAC Rules	508,345,477	488,648,619	494,129,626	519,902,683	504,911,168
5	Internal LAC leverage ratio	14.86%	15.26%	14.78%	15.57%	16.04%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? [1]	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? [1]	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied[1]	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Note 1: The subordination exemptions under Section 11 of the Financial Stability Board ("FSB") Total Loss-absorbing Capacity Term Sheet ("TLAC Term Sheet") do not apply in Hong Kong under the LAC Rules.

(Expressed in thousands of Hong Kong Dollars)

KM2(B): Key Metrics – TLAC Requirements for Non-HK Resolution Entity (at Resolution Group Level)

		(HK$'million)				
		(a)	(b)	(c)	(d)	(e)
		30 Jun 2023	**31 Mar 2023**	**31 Dec 2022**	**30 Sep 2022**	**30 Jun 2022**
	Of the non-HK resolution entity at resolution group level					
1	External loss-absorbing capacity available[1]	4,095,080	4,319,197	4,106,098	3,935,482	3,996,926
2	Total risk-weighted amount under the relevant non-HK LAC regime[1]	23,540,650	24,157,906	22,296,401	21,081,200	22,261,612
3	External loss-absorbing capacity as a percentage of risk-weighted amount[1]	17.40%	17.88%	18.42%	18.67%	17.95%
4	Leverage ratio exposure measure under the relevant non-HK LAC regime[1]	43,169,417	44,220,967	40,909,750	39,672,475	41,197,500
5	External loss-absorbing capacity as a percentage of leverage ratio exposure measure[1]	9.49%	9.77%	10.04%	9.92%	9.70%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Note 1: As LAC requirements under a regulatory regime in Mainland China are not yet implemented, so the values for rows 1 to 5 are reported using the values of total regulatory capital, risk-weighted amount and leverage ratio exposure measure of the non-HK resolution entity.

(Expressed in thousands of Hong Kong Dollars)

OV1: Overview of RWA

The following table provides an overview of the capital requirements in terms of detailed breakdown of RWAs for credit risk, market risk and operational risk. Minimum capital requirement means the amount of capital required to be held for that risk based on its risk-weighted amount multiplied by 8%.

		(a)	(b)	(c)
		RWA		**Minimum capital requirements**
		As at 30 June 2023	**As at 31 March 2023**	**As at 30 June 2023**
1	**Credit risk for non-securitization exposures**	308,481,461	299,293,700	24,678,517
2	Of which STC approach	308,481,461	299,293,700	24,678,517
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
6	**Counterparty default risk and default fund contributions**	2,456,200	2,180,542	196,496
7	Of which SA-CCR approach	1,954,643	1,730,073	156,371
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
8a	Of which counterparty default risk to CCPs in respect of derivative contracts	1,413	1,000	113
9	Of which others	500,144	449,469	40,012
10	**CVA risk**	1,613,950	1,504,875	129,116
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA*	N/A	N/A	N/A
13	CIS exposures – MBA*	N/A	N/A	N/A
14	CIS exposures – FBA*	N/A	N/A	N/A
14a	CIS exposures – combination of approaches*	N/A	N/A	N/A
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	**Market risk**	24,810,125	25,312,513	1,984,810
21	Of which STM approach	24,810,125	25,312,513	1,984,810
22	Of which IMM approach	-	-	-
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*	N/A	N/A	N/A
24	**Operational risk**	14,645,213	14,488,838	1,171,617
24a	Sovereign concentration risk	-	-	-
25	**Amounts below the thresholds for deduction (subject to 250% RW)**	1,275,000	1,275,000	102,000
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	-	-	-
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
27	**Total**	**353,281,949**	**344,055,468**	**28,262,556**

1. Items marked with an asterisk (*) will be applicable only after their respective policy frameworks take effect.

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital

The following table sets out the detailed composition of the regulatory capital:

		(a)	(b)
		Amount	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation (Cross-referenced to CC2)**
	CET1 capital: instruments and reserves		
1	Directly issued qualifying CET1 capital instruments plus any related share premium	28,827,843	4
2	Retained earnings	37,571,736	6
3	Disclosed reserves	378,025	7+8+9+10+11
4	*Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)*	Not applicable	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	**CET1 capital before regulatory adjustments**	66,777,604	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liabilities)	-	
9	Other intangible assets (net of associated deferred tax liabilities)	-	
10	Deferred tax assets (net of associated deferred tax liabilities)	702,806	3
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	-	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital (Continued)

		(a)	(b)
		Amount	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation (Cross-referenced to CC2)**
26	National specific regulatory adjustments applied to CET1 capital	791,023	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	-	
26b	Regulatory reserve for general banking risks	791,023	8
26c	Securitization exposures specified in a notice given by the MA	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	**Total regulatory deductions to CET1 capital**	1,493,829	
29	**CET1 capital**	65,283,775	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	7,777,601	5
31	*of which: classified as equity under applicable accounting standards*	7,777,601	
32	*of which: classified as liabilities under applicable accounting standards*	-	
33	Capital instruments subject to phase-out arrangements from AT1 capital	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
35	*of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements*	-	
36	**AT1 capital before regulatory deductions**	7,777,601	
	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	**Total regulatory deductions to AT1 capital**	-	
44	**AT1 capital**	7,777,601	
45	**Tier 1 capital (T1 = CET1 + AT1)**	73,061,376	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
47	Capital instruments subject to phase-out arrangements from Tier 2 capital	-	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital (Continued)

		(a)	(b)
		Amount	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation (Cross-referenced to CC2)**
49	*Of which: capital instruments issued by subsidiaries subject to phase-out arrangements*	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	2,463,013	1+8
51	**Tier 2 capital before regulatory deductions**	2,463,013	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as “section 2 institution” under §2(1) of Schedule 4F to BCR only)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	-	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	-	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	-	
57	**Total regulatory adjustments to Tier 2 capital**	-	
58	**Tier 2 capital (T2)**	2,463,013	
59	**Total regulatory capital (TC = T1 + T2)**	75,524,389	
60	**Total RWA**	353,281,949	
	Capital ratios (as a percentage of RWA)		
61	**CET1 capital ratio**	18.48%	
62	**Tier 1 capital ratio**	20.68%	
63	**Total capital ratio**	21.38%	
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)**	3.39%	
65	*of which: capital conservation buffer requirement*	2.50%	
66	*of which: bank specific countercyclical capital buffer requirement*	0.89%	
67	*of which: higher loss absorbency requirement*	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	13.98%	
	National minima (if different from Basel 3 minimum)		
69	National CET1 minimum ratio	Not applicable	Not applicable

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital (Continued)

		(a)	(b)
		Amount	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation (Cross-referenced to CC2)**
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
	Amounts below the thresholds for deduction (before risk weighting)		
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	510,000	2
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
	Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	2,463,013	1+8
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	3,902,641	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	
	Capital instruments subject to phase-out arrangements only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 capital instruments subject to phase-out arrangements	Not applicable	Not applicable
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	Not applicable
82	Current cap on AT1 capital instruments subject to phase-out arrangements	-	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on Tier 2 capital instruments subject to phase-out arrangements	-	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-	

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital (Continued)

Notes to the Template

Elements where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

<table>
<tr><th></th><th>Description</th><th>Hong Kong basis</th><th>Basel III basis</th></tr>
<tr><td rowspan="2">9</td><td>Other intangible assets (net of associated deferred tax liabilities)</td><td>-</td><td>-</td></tr>
<tr><td colspan="3">Explanation
As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (“MSRs”) may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</td></tr>
<tr><td rowspan="2">10</td><td>Deferred tax assets (net of associated deferred tax liabilities)</td><td>702,806</td><td>-</td></tr>
<tr><td colspan="3">Explanation
As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</td></tr>
<tr><td rowspan="2">18</td><td>Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)</td><td>-</td><td>-</td></tr>
<tr><td colspan="3">Explanation
For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</td></tr>
</table>

(Expressed in thousands of Hong Kong Dollars)

CC1: Composition of regulatory capital (Continued)

Notes to the Template (Continued)

	Description	Hong Kong basis	Basel III basis
19	**Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	-	-
	Explanation For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
39	**Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)**	-	-
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
54	**Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)**	-	-
	Explanation The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and non-capital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.		
Remarks: The amount of the 10% threshold and 5% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.			

Abbreviations:
CET1: Common Equity Tier 1
AT1: Additional Tier 1

(Expressed in thousands of Hong Kong Dollars)

CC2: Reconciliation of regulatory capital to balance sheet

The table below identifies the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between the balance sheet in its published financial statements and the numbers that are used in the composition of regulatory capital disclosure template set out in Template CC1.

	(a) Balance sheet as in published financial statements As at 30 June 2023	(b) Under regulatory scope of consolidation As at 30 June 2023	(c) Cross referenced to the component of regulatory capital in CC1
ASSETS			
Cash and balances with banks and central banks	39,858,727	39,858,727	
Gross cash and balances with banks and central banks	39,859,164	39,859,164	
Collective provision	(437)	(437)	1
Placements with banks	29,540,539	29,540,539	
Advances to customers and trade bills	267,818,055	267,818,055	
Gross advances to customers and trade bills	271,568,137	271,568,137	
Collective provision	(1,461,230)	(1,461,230)	1
Specific provision	(2,288,852)	(2,288,852)	
Financial assets measured at fair value through profit or loss	2,630,028	2,630,028	
Financial assets measured at fair value through other comprehensive income	115,563,317	115,563,317	
Gross financial assets measured at fair value through other comprehensive income	115,564,422	115,564,422	
Collective provision	(1,105)	(1,105)	1
Other assets measured at amortized costs	1,580,666	1,580,666	
Gross other assets measured at amortized costs	1,582,758	1,582,758	
Collective provision	(2,092)	(2,092)	1
Derivative financial instruments	2,345,976	2,345,976	
Investment in subsidiaries	-	516,000	
Financial sector entities	-	510,000	2
Commercial entities	-	6,000	
Interest in a joint venture	1,877,610	1,877,610	
Deferred tax assets	702,806	702,806	3
Fixed assets	2,244,489	2,242,516	
Right-of-use assets	1,371,169	1,371,169	
Other assets	4,164,191	4,235,454	
Gross other assets	4,165,077	4,235,457	
Collective provision	(886)	(3)	1
TOTAL ASSETS	**469,697,573**	**470,282,863**	

(Expressed in thousands of Hong Kong Dollars)

CC2: Reconciliation of regulatory capital to balance sheet (Continued)

	(a) Balance sheet as in published financial statements As at 30 June 2023	(b) Under regulatory scope of consolidation As at 30 June 2023	(c) Cross referenced to the component of regulatory capital in CC1
LIABILITIES			
Deposits and balances of banks	23,152,974	23,152,974	
Deposits from customers	347,942,406	348,685,727	
Other trade date payables	774,156	774,156	
Financial assets sold under repurchases agreements	14,263,932	14,263,932	
Financial liabilities designated at fair value through profit or loss	655,904	655,904	
Other debt securities issued	805,056	805,056	
Derivative financial instruments	1,467,170	1,467,170	
Lease Liabilities	921,121	921,121	
Current tax payable	287,668	286,050	
Deferred tax liabilities	19,100	18,785	
Other liabilities	4,631,381	4,696,783	
Other liabilities	4,424,258	4,489,660	
Collective provision	207,123	207,123	1
TOTAL LIABILITIES	**394,920,868**	**395,727,658**	
EQUITY			
Share capital	28,827,843	28,827,843	4
Other equity instruments	7,777,601	7,777,601	5
Reserves	38,171,261	37,949,761	
Retained earnings		37,571,736	6
General reserve		750,956	7
Regulatory reserve		791,023	8
Other capital reserve		15,913	9
Investment revaluation reserve		(1,242,129)	10
Merger reserve		62,262	11
TOTAL EQUITY	**74,776,705**	**74,555,205**	
TOTAL EQUITY & LIABILITIES	**469,697,573**	**470,282,863**	

Notes:

Collective provisions are equivalent to the amount of expected credit loss (“ECL”) provided under *Stage 1: 12 month ECL* and *Stage 2: Lifetime ECL but not credit impaired* for financial accounting purposes.

Specific provisions are equivalent to the amount of ECL provided under *Stage 3: lifetime ECL and credit impaired* for financial accounting purposes.

(Expressed in thousands of Hong Kong Dollars)

CCA(A): Main features of regulatory capital instruments and Non-capital LAC Debt instruments

Instruments that meet both regulatory capital and LAC requirement

		CET1 capital HKD ordinary shares	CET1 capital RMB ordinary shares	AT1 Perpetual capital instruments	AT1 Perpetual capital instruments
1	Issuer	China Construction Bank (Asia) Corporation Limited	China Construction Bank (Asia) Corporation Limited	China Construction Bank (Asia) Corporation Limited	China Construction Bank (Asia) Corporation Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not applicable	Not applicable	XS2092236434	XS2142208573
3	Governing law(s) of the instrument	Hong Kong	Hong Kong	English Law (subordination governed by Hong Kong Law)	English Law (subordination governed by Hong Kong Law)
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	Not applicable	Not applicable	Not applicable	Not applicable
	Regulatory treatment				
4	Transitional Basel III rules[#]	Common Equity Tier 1	Common Equity Tier 1	Not applicable	Not applicable
5	Post-transitional Basel III rules[+]	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
6	Eligible at solo*/group/ solo & group (for regulatory capital purposes)	Solo and Group	Solo and Group	Solo and Group	Solo and Group
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group	Solo and LAC consolidation group	Solo and LAC consolidation group	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares	Additional Tier 1 capital instruments	Additional Tier 1 capital instruments
8	Amount recognised in regulatory capital (Currency in million, as of 30-June-2023)	HKD6,511 million	HKD22,317 million	HKD3,901 million	HKD3,876 million
8a	Amount recognised in loss-absorbing capacity (Currency in million, as of 30-June-2023)	HKD6,511 million	HKD22,317 million	HKD3,901 million	HKD3,876 million
9	Par value of instrument	HKD40 each	RMB40 each	USD500 million	USD500 million
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity
11	Original date of issuance	Since incorporation	15-Aug-2013	13-Dec-2019	26-Mar-2020

(Expressed in thousands of Hong Kong Dollars)

CCA(A): Main features of regulatory capital instruments and Non-capital LAC Debt instruments (Continued)

Instruments that meet both regulatory capital and LAC requirement (Continued)

		CET1 capital HKD ordinary shares	CET1 capital RMB ordinary shares	AT1 Perpetual capital instruments	AT1 Perpetual capital instruments
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Not applicable	Not applicable	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Not applicable	Not applicable	13-Dec-2024. Redemption in whole at 100%	26-Mar-2025. Redemption in whole at 100%
16	Subsequent call dates, if applicable	Not applicable	Not applicable	Any distribution payment date after first call date	Any distribution payment date after first call date
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Not applicable	Not applicable	Fixed	Fixed
18	Coupon rate and any related index	Not applicable	Not applicable	Year 1-5: 4.31% per annum payable semiannually in arrear; Year 5 onwards: resettable on year 5 and every 5 years thereafter at then prevailing 5-year US Treasury yield plus a fixed initial spread	Year 1-5: 3.18% per annum payable semiannually in arrear; Year 5 onwards: resettable on year 5 and every 5 years thereafter at then prevailing 5-year US Treasury yield plus a fixed initial spread
19	Existence of a dividend stopper	Not applicable	Not applicable	Yes	Yes
20	Fully discretionary, partially discretionary or mandatory	Not applicable	Not applicable	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	Not applicable	Not applicable	No	No
22	Noncumulative or cumulative	Not applicable	Not applicable	Noncumulative	Noncumulative
23	Convertible or non-convertible	Not applicable	Not applicable	Non-convertible	Non-convertible

(Expressed in thousands of Hong Kong Dollars)

CCA(A): Main features of regulatory capital instruments and Non-capital LAC Debt instruments (Continued)

Instruments that meet both regulatory capital and LAC requirement (Continued)

		CET1 capital HKD ordinary shares	CET1 capital RMB ordinary shares	AT1 Perpetual capital instruments	AT1 Perpetual capital instruments
24	If convertible, conversion trigger (s)	Not applicable	Not applicable	Not applicable	Not applicable
25	If convertible, fully or partially	Not applicable	Not applicable	Not applicable	Not applicable
26	If convertible, conversion rate	Not applicable	Not applicable	Not applicable	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable	Not applicable	Not applicable	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable	Not applicable	Not applicable	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable	Not applicable	Not applicable	Not applicable
30	Write-down feature	Not applicable	Not applicable	Yes	Yes
31	If write-down, write-down trigger(s)	Not applicable	Not applicable	Upon the occurrence of a Non-Viability Event	Upon the occurrence of a Non-Viability Event
32	If write-down, full or partial	Not applicable	Not applicable	Partial	Partial
33	If write-down, permanent or temporary	Not applicable	Not applicable	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable	Not applicable	Not applicable
34a	Type of subordination	Contractual	Contractual	Contractual	Contractual

(Expressed in thousands of Hong Kong Dollars)

CCA(A): Main features of regulatory capital instruments and Non-capital LAC Debt instruments (Continued)

Instruments that meet both regulatory capital and LAC requirement (Continued)

		CET1 capital HKD ordinary shares	CET1 capital RMB ordinary shares	AT1 Perpetual capital instruments	AT1 Perpetual capital instruments
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable	Not applicable	Subordinated to depositors, general creditors, creditors in respect of Tier 2 capital securities of the Issuer and all other subordinated creditors; pari passu with Additional Tier 1 capital securities; and senior to holders of ordinary shares or other instruments expressed to rank junior to the capital securities by operation of law or contract.	Subordinated to depositors, general creditors, creditors in respect of Tier 2 capital securities of the Issuer and all other subordinated creditors; pari passu with Additional Tier 1 capital securities; and senior to holders of ordinary shares or other instruments expressed to rank junior to the capital securities by operation of law or contract.
36	Non-compliant transitioned features	Not applicable	Not applicable	No	No
37	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable	Not applicable

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

\+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

Information relating to the disclosure of the full terms and conditions of the capital instruments issued can be viewed on the website:
https://www.asia.ccb.com/hongkong/aboutus/financial_results/regulatory_disclosures.html

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

TLAC1(A): LAC Composition of Material subsidiary (at LAC Consolidation Group Level)

		(a)
	Regulatory capital elements of internal loss-absorbing capacity and adjustments	
1	Common Equity Tier 1 ("CET1") capital	65,283,775
2	Additional Tier 1 ("AT1") capital before LAC adjustments	7,777,601
3	AT1 capital instruments ineligible as internal loss-absorbing capacity as not issued directly or indirectly to, and held directly or indirectly by, the resolution entity or non-HK resolution entity in the material subsidiary's resolution group	-
4	Other adjustments	-
5	AT1 capital eligible under the LAC Rules	7,777,601
6	Tier 2 ("T2") capital before LAC adjustments	2,463,013
7	Amortized portion of T2 capital instruments that are internal LAC debt instruments issued directly or indirectly to, and held directly or indirectly by, the resolution entity or non-HK resolution entity in the material subsidiary's resolution group	-
8	T2 capital instruments ineligible as internal loss-absorbing capacity as not issued directly or indirectly to, and held directly or indirectly by, the resolution entity or non-HK resolution entity in the material subsidiary's resolution group	-
9	Other adjustments	-
10	T2 capital eligible under the LAC Rules	2,463,013
11	**Internal loss-absorbing capacity arising from regulatory capital**	75,524,389
	Non-regulatory capital elements of internal loss-absorbing capacity	
12	Internal non-capital LAC debt instruments issued directly or indirectly to, and held indirectly or indirectly by, the resolution entity or non-HK resolution entity in the material subsidiary's resolution group	-
17	**Internal loss-absorbing capacity arising from non-capital LAC debt instruments before adjustments**	-
	Non-regulatory capital elements of internal loss-absorbing capacity: adjustments	
18	**Internal loss-absorbing capacity before deductions**	75,524,389
19	Deductions of exposures between the material subsidiary's LAC consolidation group and group companies outside that group that correspond to non-capital items eligible for internal loss-absorbing capacity	-
20	Deduction of holdings of its own non-capital LAC liabilities	-
21	Other adjustments to internal loss-absorbing capacity	-
22	**Internal loss-absorbing capacity after deductions**	75,524,389

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

TLAC1(A): LAC Composition of Material subsidiary (at LAC Consolidation Group Level) (Continued)

		(a)
	Risk-weighted amount and exposure measure under the LAC Rules for internal loss-absorbing capacity purposes	
23	Risk-weighted amount under the LAC Rules	353,281,949
24	Exposure measure under the LAC Rules	508,345,477
	Internal LAC ratios and buffers	
25	**Internal LAC risk-weighted ratio**	21.38%
26	**Internal LAC leverage ratio**	14.86%
27	**CET1 capital (as a percentage of RWA under the Banking (Capital) Rules ("BCR")) available after meeting the LAC consolidation group's minimum capital and LAC requirements**	13.98%
28	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA under the BCR)	3.39%
29	Of which: capital conservation buffer requirement	2.50%
30	Of which: institution-specific countercyclical capital buffer requirement	0.89%
31	Of which: higher loss absorbency requirement	-

(Expressed in thousands of Hong Kong Dollars)

TLAC2: Material subsidiary – Creditor Ranking at Legal Entity Level

		Creditor ranking				**Sum of values in columns 1 to 2**
		1 (most junior)	**1 (most junior)**	**2 (most senior)**	**2 (most senior)**	
1	Is a resolution entity or a non-HK resolution entity the creditor/investor?	Yes	Yes	Yes	Yes	
2	Description of creditor ranking	Ordinary shares (Note 1)		Additional Tier 1 capital instruments		
3	Total capital and liabilities net of credit risk mitigation	6,511,043	22,316,800	3,901,107	3,876,494	36,605,444
4	Subset of row 3 that are excluded liabilities	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities	6,511,043	22,316,800	3,901,107	3,876,494	36,605,444
6	Subset of row 5 that are eligible as internal loss-absorbing capacity	6,511,043	22,316,800	3,901,107	3,876,494	36,605,444
7	Subset of row 6 with 1 year ⩽ residual maturity < 2 years	-	-	-	-	-
8	Subset of row 6 with 2 years ⩽ residual maturity < 5 years	-	-	-	-	-
9	Subset of row 6 with 5 years ⩽ residual maturity < 10 years	-	-	-	-	-
10	Subset of row 6 with residual maturity ⩾ 10 years, but excluding perpetual securities	-	-	-	-	-
11	Subset of row 6 that is perpetual securities	6,511,043	22,316,800	3,901,107	3,876,494	36,605,444

Note 1: Issued and fully paid ordinary shares.

(Expressed in thousands of Hong Kong Dollars)

CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer ("CCyB")

The CCyB is calculated as the weighted average of the applicable CCyB ratios in effect in the jurisdictions in which banks have private sector credit exposures. The Group's CCyB ratio as at 30 June 2023 was 0.887% as the majority of its private sector credit exposures are attributed to Hong Kong whereas JCCyB is 1.00%.

The table below provides an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the Group's CCyB ratio:

		As at 30 June 2023			
		(a)	(c)	(d)	(e)
	Geographical breakdown by Jurisdiction (J)	**Applicable JCCyB ratio in effect (%)**	**RWA used in computation of CCyB ratio**	**AI-specific CCyB ratio (%)**	**CCyB amount**
1	Hong Kong SAR	1.000%	228,976,977		
2	Australia	1.000%	14,684		
3	Germany	0.750%	2,025,586		
4	Netherlands	1.000%	7,608,204		
5	United Kingdom	1.000%	2,167,240		
6	Sum of above		240,792,691		
7	Total (including those exposures in jurisdictions with zero JCCyB ratio)		270,789,266	0.887%	3,133,611

(Expressed in thousands of Hong Kong Dollars)

LR1: Summary comparison of accounting assets against leverage ratio exposure measure

Below shows the reconciliation from the total assets in the published financial statements to the LR exposure measure.

	Item	**Value under the LR framework As at 30 June 2023**
1	Total consolidated assets as per published financial statements	469,697,573
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	516,000
2a	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
3a	Adjustments for eligible cash pooling transactions	-
4	Adjustments for derivative contracts	692,911
5	Adjustment for SFTs (i.e. repos and similar secured lending)	15,383,909
6	Adjustment for off-balance sheet (“OBS”) items (i.e. conversion to credit equivalent amounts of OBS exposures)	23,904,379
6a	Adjustments for specific and collective provisions that are allowed to be excluded from exposure measure	(207,123)
7	Other adjustments	(1,642,172)
8	**Leverage ratio exposure measure**	**508,345,477**

(Expressed in thousands of Hong Kong Dollars)

LR2: Leverage ratio

		(a)	(b)
		As at 30 June 2023	**As at 31 March 2023**
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	471,120,632	452,951,232
2	Less: Asset amounts deducted in determining Tier 1 capital	(1,493,829)	(1,620,277)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	469,626,803	451,330,955
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	1,560,538	1,029,321
5	Add-on amounts for PFE associated with all derivative contracts	1,478,349	1,724,955
6	Gross-up for collateral provided in respect of derivative contracts where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit-related derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	-	-
11	Total exposures arising from derivative contracts	3,038,887	2,754,276
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	14,571,386	13,026,742
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	1,164,864	857,369
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	15,736,250	13,884,111
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	93,004,150	96,294,617
18	Less: Adjustments for conversion to credit equivalent amounts	(69,099,771)	(71,842,000)
19	Off-balance sheet items	23,904,379	24,452,617
Capital and total exposures			
20	Tier 1 capital	73,061,376	72,187,843
20a	Total exposures before adjustments for specific and collective provisions	512,306,319	492,421,959
20b	Adjustments for specific and collective provisions	(3,960,842)	(3,773,340)
21	Total exposures after adjustments for specific and collective provisions	508,345,477	488,648,619
Leverage ratio			
22	**Leverage ratio**	**14.37%**	**14.77%**

(Expressed in thousands of Hong Kong Dollars)

LIQ1: Liquidity coverage ratio- for category 1 institution

The average LCR for each quarter is based on the arithmetic mean of its LCR as at the end of each working day for each quarter for the Bank as required by the HKMA for its regulatory purposes. LCR measures the extent of liquid assets covering total net cash outflow due within 30 days arising from on-balance sheet and off-balance sheet exposures including contingent funding obligations.

The average LCR of the Bank was maintained at a steady level in the first half of 2023.

The Bank's High Quality Liquidity Assets ("HQLA") consists of cash, balances at central banks and high quality marketable securities issued or guaranteed by sovereigns, central banks, mainland policy banks and non-financial corporate debt securities. The Bank's primary sources of funds were retail and corporate customer deposits. The funding base was also supplemented by wholesale funding such as issuance of certificates of deposit, term debts and short-term interbank money market borrowing.

The Bank's customer deposits are mainly denominated in HKD and USD. To meet customers' loan demand, the Bank swaps surplus HKD funding into USD and other foreign currencies. This results in some currency mismatch in the LCR.

The currency mismatch between the HQLA and the net cash outflow in the calculation of LCR is controlled and monitored via individual currency LCR limits. The HQLA mix is further governed by concentration caps and limits in accordance with statutory requirements and internal policy requirements for risk management purposes.

The Bank closely monitors all its exchange traded and over-the-counter derivative exposures arising from customer transactions and their corresponding hedging activities. Collateral may be required to be posted to counterparties depending on the marked-to-market position of the derivative contracts. Nonetheless, such exposures are not material and hence the impact of the relevant cash outflows was minimal to the LCR levels.

The Bank manages its liquidity independently of other members of the CCB Group and has not granted any liquidity facility to any group member. However, CCB Head Office provides strong liquidity support to the Bank which forms an important part of the Bank's funding sources.

The composition of the Bank's HQLA was:

	Weighted amount (average value) at quarter ended **30 June 2023**
Level 1 assets	**79,109,572**
Level 2A assets	**2,436,349**
Level 2B assets	**5,102,477**
Total weighted amount of HQLA	**86,648,398**

(Expressed in thousands of Hong Kong Dollars)

LIQ1: Liquidity coverage ratio- for category 1 institution (Continued)

The below template presents the details of LCR, high quality liquid assets ("HQLA"), and a breakdown of cash outflows and inflows.

		Quarter ended 30 June 2023 (71 data points)	
		(a)	(b)
Basis of disclosure: Hong Kong office		**Unweighted value** (average)	**Weighted value** (average)
A.	**HQLA**		
1	Total HQLA		**86,648,398**
B.	**CASH OUTFLOWS**		
2	Retail deposits and small business funding, of which:	**174,658,820**	**12,856,553**
3	*Stable retail deposits and stable small business funding*	3,291,793	98,753
4	*Less stable retail deposits and less stable small business funding*	83,788,958	8,378,896
4a	*Retail term deposits and small business term funding*	87,578,069	4,378,904
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	**127,702,510**	**85,005,071**
6	*Operational deposits*	-	-
7	*Unsecured wholesale funding (other than small business funding) not covered in row 6*	127,702,510	85,005,071
8	*Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period*	-	-
9	Secured funding transactions (including securities swap transactions)		2,139,849
10	Additional requirements, of which:	**35,868,186**	**7,188,838**
11	*Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements*	1,070,454	1,070,454
12	*Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions*	-	-
13	*Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)*	34,797,732	6,118,384
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	6,290,136	6,290,136
15	Other contingent funding obligations (whether contractual or non-contractual)	189,241,376	377,201
16	Total Cash Outflows		**113,857,648**
C.	**CASH INFLOWS**		
17	Secured lending transactions (including securities swap transactions)	1,442,766	842,085
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	106,306,867	42,560,865
19	Other cash inflows	68,730,890	4,131,248
20	Total Cash Inflows	**176,480,523**	**47,534,198**
D.	**LIQUIDITY COVERAGE RATIO (ADJUSTED VALUE)**		
21	Total HQLA		**86,648,398**
22	Total Net Cash Outflows		**66,323,450**
23	LCR (%)		**130.80%**

(Expressed in thousands of Hong Kong Dollars)

LIQ2: Net stable funding ratio – for category 1 institution

For the quarter ended 30 June 2023:

		(a)	(b)	(c)	(d)	(e)
Basis of disclosure: Hong Kong office		**Unweighted value by residual maturity**				**Weighted amount**
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
A.	**Available stable funding ("ASF") item**					
1	Capital:	76,129,488	-	-	-	76,129,488
2	*Regulatory capital*	76,129,488	-	-	-	76,129,488
2a	*Minority interests not covered by row 2*	-	-	-	-	-
3	*Other capital instruments*	-	-	-	-	-
4	Retail deposits and small business funding:	-	170,257,849	6,412,651	55,277	159,216,691
5	*Stable deposits*		3,159,251	-	-	3,001,289
6	*Less stable deposits*		167,098,598	6,412,651	55,277	156,215,402
7	Wholesale funding:		207,312,771	1,298,572	16,841	56,243,090
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		207,312,771	1,298,572	16,841	56,243,090
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	-	5,457,501	-	645,089	645,089
12	*Net derivative liabilities*	-				
13	*All other funding and liabilities not included in the above categories*	-	5,457,501	-	645,089	645,089
14	**Total ASF**					292,234,358
B.	**Required stable funding ("RSF") item**					
15	Total HQLA for NSFR purposes				98,632,777	10,962,461
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	49,362	164,533,712	38,327,329	156,243,601	199,668,432
18	*Performing loans to financial institutions secured by Level 1 HQLA*	-	-	-	-	-
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	-	84,706,442	7,521,503	15,068,674	31,535,392
20	*Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:*	-	77,860,426	26,247,384	86,683,110	125,734,547
21	*With a risk-weight of less than or equal to 35% under the STC approach*	-	-	-	-	-
22	*Performing residential mortgages, of which:*	-	844,644	768,102	37,431,401	25,398,911

(Expressed in thousands of Hong Kong Dollars)

LIQ2: Net stable funding ratio – for category 1 institution (Continued)

For the quarter ended 30 June 2023 (Continued):

		(a)	(b)	(c)	(d)	(e)
Basis of disclosure: Hong Kong office		**Unweighted value by residual maturity**				**Weighted amount**
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
23	*With a risk-weight of less than or equal to 35% under the STC approach*	-	754,905	726,902	36,120,770	24,219,404
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	49,362	1,122,200	3,790,340	17,060,416	16,999,582
25	Assets with matching interdependent liabilities					
26	Other assets:	7,265,951	3,029,193	346	4,637	8,130,537
27	*Physical traded commodities, including gold*	-				-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*	723,563				615,029
29	*Net derivative assets*	1,112,728				1,112,728
30	*Total derivative liabilities before adjustments for deduction of variation margin posted*	565,627				28,281
31	*All other assets not included in the above categories*	4,864,033	3,029,193	346	4,637	6,374,499
32	Off-balance sheet items		215,889,552			1,664,404
33	**Total RSF**					220,425,834
34	**Net Stable Funding Ratio (%)**					132.58%

(Expressed in thousands of Hong Kong Dollars)

LIQ2: Net stable funding ratio – for category 1 institution (Continued)

For the quarter ended 31 March 2023:

		(a)	(b)	(c)	(d)	(e)
Basis of disclosure: Hong Kong office		**Unweighted value by residual maturity**				**Weighted amount**
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
A.	**Available stable funding ("ASF") item**					
1	Capital:	75,262,191	-	-	-	75,262,191
2	*Regulatory capital*	75,262,191	-	-	-	75,262,191
2a	*Minority interests not covered by row 2*	-	-	-	-	-
3	*Other capital instruments*	-	-	-	-	-
4	Retail deposits and small business funding:	-	162,905,053	12,519,965	90,831	158,138,448
5	*Stable deposits*		3,302,013	-	-	3,136,912
6	*Less stable deposits*		159,603,040	12,519,965	90,831	155,001,536
7	Wholesale funding:		190,655,412	2,699,250	-	50,201,783
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		190,655,412	2,699,250	-	50,201,783
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	-	6,528,834	-	684,189	684,189
12	*Net derivative liabilities*	-				
13	*All other funding and liabilities not included in the above categories*	-	6,528,834	-	684,189	684,189
14	**Total ASF**					284,286,611
B.	**Required stable funding ("RSF") item**					
15	Total HQLA for NSFR purposes				96,278,552	9,990,558
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	47,785	147,784,141	24,812,455	169,801,791	202,654,587
18	*Performing loans to financial institutions secured by Level 1 HQLA*	-	-	-	-	-
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	-	67,288,687	5,999,928	19,828,087	32,921,354
20	*Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:*	-	77,148,765	16,984,834	93,098,680	126,200,677
21	*With a risk-weight of less than or equal to 35% under the STC approach*	-	-	-	-	-
22	*Performing residential mortgages, of which:*	-	905,925	807,728	38,537,302	26,174,511

(Expressed in thousands of Hong Kong Dollars)

LIQ2: Net stable funding ratio – for category 1 institution (Continued)

For the quarter ended 31 March 2023 (Continued):

		(a)	(b)	(c)	(d)	(e)
Basis of disclosure: Hong Kong office		**Unweighted value by residual maturity**				**Weighted amount**
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
23	*With a risk-weight of less than or equal to 35% under the STC approach*	-	783,085	764,768	37,195,111	24,950,748
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	47,785	2,440,764	1,019,965	18,337,722	17,358,045
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	6,789,868	6,298,465	968	5,101	7,442,656
27	*Physical traded commodities, including gold*	-				-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*	597,606				507,965
29	*Net derivative assets*	742,564				742,564
30	*Total derivative liabilities before adjustments for deduction of variation margin posted*	546,748				27,337
31	*All other assets not included in the above categories*	4,902,950	6,298,465	968	5,101	6,164,790
32	Off-balance sheet items				223,938,713	1,800,442
33	**Total RSF**					221,888,243
34	**Net Stable Funding Ratio (%)**					128.12%

(Expressed in thousands of Hong Kong Dollars)

CR1: Credit quality of exposures

The table below provides an overview of the credit quality of on- and off-balance sheet exposures as at 30 June 2023:

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amounts of			Of which ECL accounting provisions for credit losses on STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	
		Defaulted exposures	Non-defaulted exposures	Allowances /impairments	Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		Net values (a+b-c)
1	Loans	2,778,894	340,596,713	(3,750,522)	2,288,852	1,461,670	-	339,625,085
2	Debt securities	-	116,969,157	(3,197)	-	3,197	-	116,965,960
3	Off-balance sheet exposures	-	39,062,021	(207,123)	-	207,123	-	38,854,898
4	**Total**	**2,778,894**	**496,627,891**	**(3,960,842)**	**2,288,852**	**1,671,990**	**-**	**495,445,943**

The Group identifies the exposures as “default” if the exposure is past due for more than 90 days or other qualitative factors that the borrower is unlikely to pay in full for the credit obligations to the Group.

CR2: Changes in defaulted loans and debt securities

The table below provides information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs as at 30 June 2023 and 31 December 2022 respectively:

		(a)
		Amount
1	**Defaulted loans and debt securities at end of the previous reporting period (31 December 2022)**	**2,861,262**
2	Loans and debt securities that have defaulted since the last reporting period	218,846
3	Returned to non-defaulted status	(25)
4	Amounts written off	(299,455)
5	Other changes*	(1,734)
6	**Defaulted loans and debt securities at end of the current reporting period (30 June 2023)**	**2,778,894**

* Other changes include loan repayment and exchange rate difference

(Expressed in thousands of Hong Kong Dollars)

CR3: Overview of recognized credit risk mitigation

The following table presents the extent of credit risk exposures covered by different types of recognized CRM as at 30 June 2023:

		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
1	Loans	321,771,711	17,853,374	1,478,158	16,375,216	-
2	Debt securities	115,365,507	1,600,453	-	1,600,453	-
3	**Total**	**437,137,218**	**19,453,827**	**1,478,158**	**17,975,669**	**-**
4	Of which defaulted	485,082	4,960	501	4,459	-

Compared with 31 December 2022, the exposures secured by recognized collateral increased by 56% mainly due to increase of loans secured by equity collateral. Exposures secured by recognized guarantees decreased by 25% mainly due to decrease in corporate exposure.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach

The following table illustrates the effect of any recognized CRM (including recognized collateral under both comprehensive and simple approaches) on the calculation of credit risk capital requirements under STC approach as at 30 June 2023:

		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		**Exposures post-CCF and post-CRM**		**RWA and RWA density**	
	Exposure classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	44,717,556	-	44,720,056	-	2,221,637	5%
2	PSE exposures	4,531,674	1,000,000	6,282,123	500,000	1,356,425	20%
2a	Of which: domestic PSEs	4,531,674	1,000,000	6,282,123	500,000	1,356,425	20%
2b	Of which: foreign PSEs	-	-	-	-	-	0%
3	Multilateral development bank exposures	9,049,441	-	9,049,441	-	-	0%
4	Bank exposures	95,484,872	43,058	100,745,305	21,529	36,587,266	36%
5	Securities firm exposures	559,292	-	1,955,747	-	977,874	50%
6	Corporate exposures	244,457,180	40,466,996	236,995,770	17,913,415	231,109,369	91%
7	CIS exposures	-	-	-	-	-	0%
8	Cash items	192,859	-	192,859	-	-	0%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	0%
10	Regulatory retail exposures	11,709,213	48,358,549	11,645,694	2,093	8,735,840	75%
11	Residential mortgage loans	39,077,904	-	37,349,439	-	13,935,052	37%
12	Other exposures which are not past due exposures	14,034,851	3,135,547	13,400,156	-	13,400,156	100%
13	Past due exposures	109,259	-	109,259	-	157,842	144%
14	Significant exposures to commercial entities	-	-	-	-	-	0%
15	**Total**	463,924,101	93,004,150	462,445,849	18,437,037	308,481,461	64%

(Expressed in thousands of Hong Kong Dollars)

CR5: Credit risk exposures by asset classes and by risk weights – for STC approach

The following table presents a breakdown of credit risk exposures under STC approach by asset classes and by risk weights as at 30 June 2023:

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(ha)	(i)	(j)
	Exposure class \ Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
1	Sovereign exposures	33,611,869	-	11,108,187	-	-	-	-	-	-	-	44,720,056
2	PSE exposures	-	-	6,782,123	-	-	-	-	-	-	-	6,782,123
2a	Of which: domestic PSEs	-	-	6,782,123	-	-	-	-	-	-	-	6,782,123
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	9,049,441	-	-	-	-	-	-	-	-	-	9,049,441
4	Bank exposures	-	-	45,987,172	-	54,779,662	-	-	-	-	-	100,766,834
5	Securities firm exposures	-	-	-	-	1,955,747	-	-	-	-	-	1,955,747
6	Corporate exposures	-	-	403,055	-	46,993,593	-	207,473,690	38,847	-	-	254,909,185
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Cash items	192,859	-	-	-	-	-	-	-	-	-	192,859
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-	-	-
10	Regulatory retail exposures	-	-	-	-	-	11,647,787	-	-	-	-	11,647,787
11	Residential mortgage loans	-	-	-	35,922,562	-	258,889	1,167,988	-	-	-	37,349,439
12	Other exposures which are not past due exposures	-	-	-	-	-	-	13,400,156	-	-	-	13,400,156
13	Past due exposures	-	-	4,459	-	-	-	501	104,299	-	-	109,259
14	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
15	**Total**	**42,854,169**	**-**	**64,284,996**	**35,922,562**	**103,729,002**	**11,906,676**	**222,042,335**	**143,146**	**-**	**-**	**480,882,886**

Compared with 31 December 2022, 55% decrease in credit risk exposures under 150% risk weight was mainly due to decrease in syndication loan.

(Expressed in thousands of Hong Kong Dollars)

CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

The following table presents a comprehensive breakdown of counterparty default risk exposures (other than those to CCPs), RWAs, and, where applicable, main parameters under the approaches used to calculate default risk exposures in respect of derivative contracts and SFTs as at 30 June 2023:

		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
1	SA-CCR approach (for derivative contracts)	1,559,178	1,328,841		1.4	4,043,226	1,954,643
1a	CEM (for derivative contracts)	-	-		-	-	-
2	IMM(CCR) approach			-	-	-	-
3	Simple approach (for SFTs)					-	-
4	Comprehensive approach (for SFTs)					1,804,767	500,144
5	VaR (for SFTs)					-	-
6	**Total**						**2,454,787**

CCR2: CVA capital charge

The following table presents information on portfolios subject to the CVA capital charge and the CVA calculations based on standardized CVA method and advanced CVA method as at 30 June 2023:

		(a)	(b)
		EAD post CRM	RWA
	Netting sets for which CVA capital charge is calculated by the advanced CVA method	-	-
1	(i) VaR (after application of multiplication factor if applicable)		-
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		-
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	3,992,237	1,613,950
4	**Total**	**3,992,237**	**1,613,950**

(Expressed in thousands of Hong Kong Dollars)

CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for STC approach

The following table presents a breakdown of default risk exposures as at 30 June 2023, other than those to CCPs, in respect of derivative contracts and SFTs that are subject to the STC approach, by asset classes and risk-weights, irrespective of the approach used to determine the amount of default risk exposures:

		(a)	(b)	(c)	(ca)	(d)	(e)	(f)	(g)	(ga)	(h)	(i)
	Risk Weight / Exposure class	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total default risk exposure after CRM
1	Sovereign exposures	3,631	-	-	-	-	-	-	-	-	-	3,631
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-
2a	Of which: domestic PSEs	-	-	-	-	-	-	-	-	-	-	-
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	2,055,680	-	1,704,514	-	-	-	-	-	3,760,194
5	Securities firm exposures	-	-	-	-	1,777,098	-	-	-	-	-	1,777,098
6	Corporate exposures	-	-	-	-	-	-	287,059	-	-	-	287,059
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Regulatory retail exposures	-	-	-	-	-	16,900	-	-	-	-	16,900
9	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-
10	Other exposures which are not past due exposures	-	-	-	-	-	-	3,111	-	-	-	3,111
11	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**3,631**	**-**	**2,055,680**	**-**	**3,481,612**	**16,900**	**290,170**	**-**	**-**	**-**	**5,847,993**

(Expressed in thousands of Hong Kong Dollars)

CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)

The following table presents a breakdown of all types of collateral posted or recognized collateral received to support or reduce the exposures to counterparty default risk exposures as at 30 June 2023 in respect of derivative contracts or SFTs entered into, including contracts or transactions cleared through a CCP:

	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	-	500,000	352,341
Cash - other currencies	-	98,955	659,811	332,983	13,731,581	18,255
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	503,631
Other Debt Securities	-	-	-	-	-	15,514,460
Equity securities	-	-	-	-	352,338	-
Total	**-**	**98,955**	**659,811**	**332,983**	**14,583,919**	**16,388,687**

Compared with 31 Dec 2022, the 30% decrease in fair value of recognised collateral received (unsegregated) , the 42% increase in fair value of posted collateral (segregated) and 124% increase in fair value of posted collateral (unsegregated) under derivative contracts were mainly driven by change of market value and outstanding transaction volume.

The increases in fair vlaue of recognised collateral received and posted collateral undre SFTs were mainly driven by increase in outstanding transaction volume.

CCR6: Credit-related derivatives contracts

The following table presents the amount of credit-related derivative contracts as at 30 June 2023, broken down into credit protection bought and credit protection sold:

	(a)	(b)
	Protection bought	**Protection sold**
Notional amounts		
Single-name credit default swaps	-	-
Index credit default swaps	-	-
Total return swaps	-	-
Credit-related options	-	-
Other credit-related derivative contracts	-	-
Total notional amounts	**-**	**-**
Fair values		
Positive fair value (asset)	-	-
Negative fair value (liability)	-	-

(Expressed in thousands of Hong Kong Dollars)

CCR8: Exposures to CCPs

The following table provides a comprehensive breakdown of exposures to both qualifying and non-qualifying CCPs and the respective RWAs as at 30 June 2023, covering all types of credit risk exposures (including default risk exposures to the CCPs, credit risk exposures arising from initial margins posted, and default fund contributions made, to the CCPs):

		(a)	(b)
		Exposure after CRM	**RWA**
1	**Exposures of the AI as clearing member or clearing client to qualifying CCPs (total)**		1,413
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	8	-
3	(i) OTC derivative transactions	8	-
4	(ii) Exchange-traded derivative contracts	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets subject to valid cross-product netting agreements	-	-
7	Segregated initial margin	-	
8	Unsegregated initial margin	-	-
9	Funded default fund contributions	51,300	1,413
10	Unfunded default fund contributions	-	-
11	**Exposures of the AI as clearing member or clearing client to non-qualifying CCPs (total)**	-	**-**
12	Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which:	-	-
13	(i) OTC derivative transactions	-	-
14	(ii) Exchange-traded derivative contracts	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets subject to valid cross-product netting agreements	-	-
17	Segregated initial margin	-	
18	Unsegregated initial margin	-	-
19	Funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Compared with 31 December 2022, the 41% increase in RWA for exposures to qualifying CCP was mainly driven by increase in the funded default fund contributions.

(Expressed in thousands of Hong Kong Dollars)

SEC1: Securitization exposures in banking book

There was no securitisation exposure in the banking book as at 30 June 2023.

SEC2: Securitization exposures in trading book

There was no securitisation exposure in the trading book as at 30 June 2023.

SEC3: Securitization exposures in banking book and associated capital requirements – where AI acts as originator

There was no securitisation exposure in the banking book and the associated capital requirements where the Group acts as an originator as at 30 June 2023.

SEC4: Securitization exposures in banking book and associated capital requirements – where AI acts as investor

There was no securitisation exposure in the banking book and the associated capital requirements where the Group acts as an investor as at 30 June 2023.

MR1: Market risk under Standardised (market risk) approach (STM approach)

The table below provides the components of the market risk capital requirements calculated using the STM approach as at 30 June 2023:

		(a)
		RWA
	Outright product exposures	
1	Interest rate exposures (general and specific risk)	2,571,663
2	Equity exposures (general and specific risk)	-
3	Foreign exchange (including gold) exposures	22,238,462
4	Commodity exposures	-
	Option exposures	
5	Simplified approach	-
6	Delta-plus approach	-
7	Other approach	-
8	Securitization exposures	-
9	**Total**	**24,810,125**

(Expressed in thousands of Hong Kong Dollars)

Off-balance sheet exposures other than derivative transactions

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments to extend credit:

	As at 30 June 2023	As at 31 December 2022
Direct credit substitutes	**60,595**	102,700
Transaction-related contingencies	**3,054,210**	2,963,201
Trade-related contingencies	**2,659,130**	1,437,364
Other commitments:		
which are unconditionally cancellable or automatically cancellable due to the deterioration in the credit worthiness of the borrower	**53,942,129**	54,900,558
with an original maturity up to one year	**844,679**	4,514,432
with an original maturity over one year	**32,443,407**	33,260,246
Total	**93,004,150**	97,178,501
Total RWAs for credit risk of its off-balance sheet exposures	**16,191,737**	16,416,023

Contingent liabilities and commitments are credit-related instruments which include letters of credits, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for the loans. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client defaults. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

(Expressed in thousands of Hong Kong Dollars)

International claims

International claims are exposures recorded on the statement of financial position based on the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor. For a claim on the branch of a bank, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate international claims are shown as follows:

	As at 30 June 2023				
			Non-bank private sector		
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Total
Developed countries	**6,271,143**	**10,635,106**	**139,264**	**14,291,280**	**31,336,793**
Developing Asia and Pacific	**88,452,383**	**11,298,347**	**4,800,166**	**28,019,342**	**132,570,238**
- of which China	**88,168,044**	**11,298,347**	**4,438,370**	**24,832,807**	**128,737,568**
Offshore centres	**1,113,345**	**5,075,841**	**36,464,462**	**65,217,161**	**107,870,809**
- of which Hong Kong SAR	**776,752**	**5,075,841**	**36,449,250**	**62,388,295**	**104,690,138**

	As at 31 December 2022				
			Non-bank private sector		
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Total
Developed countries	10,625,752	7,282,250	111,092	12,109,931	30,129,025
Developing Asia and Pacific	81,156,177	11,187,680	4,525,216	35,220,245	132,089,318
- of which China	81,156,177	11,187,680	4,525,216	31,738,769	128,607,842
Offshore centres	4,687,041	875,338	38,343,063	53,287,675	97,193,117
- of which Hong Kong SAR	2,071,617	875,338	38,338,318	51,841,188	93,126,461

(Expressed in thousands of Hong Kong Dollars)

Loans and advances to customers by geographical areas

The following table breaks down the Bank's loans and advances exposure by geographical region as of 30 June 2023. The geographical analysis is based on location of the customers and has taken into account of transfer of risk.

As of 30 June 2023

	Gross advances	Impaired advances	Overdue advances	Specific provisions	Collective provisions
Hong Kong	235,136,971	2,711,503	648,533	2,221,676	1,152,884
China	15,930,484	67,391	74,864	67,176	133,266
Macau	51,760	-	-	-	217
Others	20,448,922	-	-	-	174,863
	271,568,137	2,778,894	723,397	2,288,852	1,461,230

As of 31 December 2022

	Gross advances	Impaired advances	Overdue advances	Specific provisions	Collective provisions
Hong Kong	240,104,287	2,603,690	663,337	2,095,483	1,082,685
China	16,288,696	257,572	70,201	251,802	213,099
Macau	53,839	-	-	-	184
Others	17,658,574	-	-	-	66,358
	274,105,396	2,861,262	733,538	2,347,285	1,362,326

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
Regulatory Disclosures Statement (Unaudited)
As at 30 June 2023

(Expressed in thousands of Hong Kong Dollars)

Gross loans and advances to customers by industry sectors

	As at 30 June 2023		As at 31 December 2022	
	Outstanding balance	% of gross advances covered by collateral	Outstanding balance	% of gross advances covered by collateral
Loans and advances for use in Hong Kong				
Industrial, commercial and financial				
Property development	15,244,404	94.58	12,545,085	91.64
Property investment	26,560,861	93.05	27,335,101	90.99
Financial concerns	37,105,122	23.10	34,446,138	23.47
Stockbrokers	1,364,835	32.97	1,392,576	0.00
Wholesale and retail trade	6,016,858	74.59	4,507,534	99.27
Manufacturing	5,855,177	77.29	6,900,063	79.46
Transport and transport equipment	4,919,491	90.35	5,332,062	81.56
Recreational activities	1,193,247	0.00	1,201,538	0.00
Information technology	3,966,162	85.18	1,655,507	51.99
Others	13,881,506	79.16	16,490,118	68.17
	116,107,663		111,805,722	
Individuals				
Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	744	100.00	960	100.00
Loans for the purchase of other residential properties	34,866,498	100.00	36,678,500	100.00
Credit card advances	3,302,257	0.00	3,690,807	0.00
Others	13,583,964	32.40	13,935,975	25.72
	51,753,463		54,306,242	
Trade finance	2,374,107	64.88	1,648,024	82.64
Loans and advances for use outside Hong Kong	100,503,166	43.62	105,546,647	46.31
Accrued interest receivables	829,738		798,761	
Gross loans and advances to customers	271,568,137		274,105,396	

(Expressed in thousands of Hong Kong Dollars)

Gross loans and advances to customers by industry sectors (Continued)

Analysis of gross loans and advances to customers which constitute not less than 10% of gross loans and advances to customers are as follows:

As of 30 June 2023

	Gross advances	**Impaired advances**	**Overdue advances**	**Specific provisions**	**Collective provisions**
Financial concerns	37,105,122	-	-	-	31,915
Loans for use outside Hong Kong	100,503,166	2,504,922	614,703	2,061,215	399,601
Loans for the purchase of other residential properties	34,866,498	3,684	1,640	3,684	189,716

As of 31 December 2022

	Gross advances	Impaired advances	Overdue advances	Specific provisions	Collective provisions
Financial concerns	34,446,138	-	-	-	21,267
Loans for use outside Hong Kong	105,546,647	2,451,609	623,301	2,196,715	259,696
Loans for the purchase of other residential properties	36,678,500	-	3,652	3,734	205,538

(Expressed in thousands of Hong Kong Dollars)

Mainland activities exposures

The table below summarises the Mainland activities exposure of the Bank, categorised by types of non-bank counterparties:

As at 30 June 2023

Types of Counterparties	**On-balance sheet exposure**	**Off-balance sheet exposure**	**Total**
(a) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	80,915,156	15,941,872	96,857,028
(b) Local governments, local government-owned entities and their subsidiaries and JVs	14,824,434	933,611	15,758,045
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	53,628,885	9,630,008	63,258,893
(d) Other entities of central government not reported in part (a) above	5,297,194	324,701	5,621,895
(e) Other entities of local governments not reported in part (b) above	98,770	-	98,770
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	10,660,944	1,526,736	12,187,680
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	262,453	-	262,453
Total	**165,687,836**	**28,356,928**	**194,044,764**
Total assets after provision	**467,587,727**		
On-balance sheet exposures as percentage of total assets	**35.43%**		

(Expressed in thousands of Hong Kong Dollars)

Mainland activities exposures (Continued)

As at 31 December 2022

Types of Counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
(a) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	80,436,880	10,402,990	90,839,870
(b) Local governments, local government-owned entities and their subsidiaries and JVs	15,438,754	923,018	16,361,772
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	52,041,351	13,763,031	65,804,382
(d) Other entities of central government not reported in part (a) above	7,673,382	403,908	8,077,290
(e) Other entities of local governments not reported in part (b) above	-	-	-
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	12,496,198	1,992,643	14,488,841
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	238,694	-	238,694
Total	168,325,259	27,485,590	195,810,849
Total assets after provision	458,821,808		
On-balance sheet exposures as percentage of total assets	36.69%		

(Expressed in thousands of Hong Kong Dollars)

Currency concentrations

The Group had the following net foreign currency exposures which exceeded 10% of the net foreign currency exposure in all currencies:

As at 30 June 2023

HKD equivalent	RMB	USD	Others	Total
Spot assets	51,986,570	161,682,741	27,302,625	240,971,936
Spot liabilities	(73,875,315)	(160,313,104)	(14,613,401)	(248,801,820)
Forward purchases	25,936,978	52,909,435	6,202,112	85,048,525
Forward sales	(26,084,445)	(56,584,815)	(19,020,757)	(101,690,017)
Net (short) / long position (note 2)	(22,036,212)	(2,305,743)	(129,421)	(24,471,376)

As at 31 December 2022

HKD equivalent	RMB	USD	Others	Total
Spot assets	49,105,080	158,088,867	25,003,155	232,197,102
Spot liabilities	(71,580,566)	(147,374,584)	(17,597,749)	(236,552,899)
Forward purchases	23,566,920	41,816,303	5,883,422	71,266,645
Forward sales	(23,373,313)	(55,004,399)	(13,369,447)	(91,747,159)
Net (short) / long position (note 2)	(22,281,879)	(2,473,813)	(80,619)	(24,836,311)

There was no net option nor structural position as at 30 June 2023.

Note 1: The Group's foreign exchange exposures in the table above are prepared in accordance with the HKMA 'Return of Foreign Currency Position - (MA(BS)6)'.

Note 2: The RMB spot liabilities include the RMB17.6 billion share capital (HK$22.3 billion). The net short RMB position was mainly stemmed from the conversion of RMB capital related assets into Hong Kong dollars in 2015.

(Expressed in thousands of Hong Kong Dollars)

Glossary

Abbreviations	Descriptions
ASF	Available Stable Funding
AT1	Additional Tier 1
BSC	Basic Approach
CCF	Credit Conversion Factor
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CCyB	Countercyclical Capital Buffer
CEM	Current Exposure Method
CIS	Collective Investment Scheme
CRM	Credit Risk Mitigation
CVA	Credit Valuation Adjustment
D-SIB	Domestic Systemically Important Authorized Institution
EAD	Exposure at Default
EPE	Expected Positive Exposure
FBA	Fall-back Approach
G-SIB	Global Systemically Important Banks
IMM	Internal Models Approach
IMM (CCR)	Internal Models (Counterparty Credit Risk) Approach
IRB	Internal Ratings-Based Approach
LAC	Loss-absorbing Capacity
LTA	Look-through Approach
MBA	Mandate-Based Approach
N/A	Not Applicable
PFE	Potential Future Exposure
PSE	Public Sector Entity
RC	Replacement Cost
RSF	Required Stable Funding
RW	Risk-Weight
RWA	Risk-Weighted Asset/Risk-Weighted Amount
SA-CCR	Standardized Approach for Counterparty Credit Risk
SEC-ERBA	Securitization External Ratings Based Approach
SEC-FBA	Securitization Fall-Back Approach
SEC-IRBA	Securitization Internal Ratings-Based Approach
SEC-SA	Securitization Standardized Approach
SFT	Securities Financing Transaction
STC	Standardized (Credit Risk) Approach
STM	Standardized (Market Risk) Approach
VaR	Value at Risk