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China Construction Bank (Asia) Announces Consolidated Net Profit after Tax of HKD4,004 Million for 2023

Hong Kong – April 29, 2024 – China Construction Bank (Asia) Corporation Limited ["CCB (Asia)"] today announced its consolidated net profit after tax to reach HKD4,004 million for the year ended December 31, 2023, an increase of HKD915 million or 29.6%, as compared with 2022. Set out below are the highlights:

- Total operating income of CCB (Asia) for the year of 2023 amounted to HKD8,927 million, which was HKD1,044 million higher than that of 2022. If including the interest income of trading advances to customers and trade bills and foreign currency swap amortization costs/income, net interest income amounted to HKD6,466 million, representing an increase of 10.0% as compared with that of 2022. Non-interest income was HKD2,461 million (after exclusion of aforementioned interest income and foreign currency swap amortization costs/income), representing an increase of 22.8% as compared with that of 2022, mainly attributable to the increase in trading income (after exclusion of aforementioned interest income and foreign currency swap amortization costs/income) by HKD368 million or 88.0%, increase in net fees and commission income by HKD129 million or 9.1%, but partially offset by the decrease in net gains from disposal of financial assets measured at fair value through other comprehensive income by HKD55 million or 43.7%.
- Total operating expenses increased by 3.3% to HKD3,179 million while the cost-to-income ratio enhanced by 3.4 percentage points to 35.6%. In 2023, the amount of impairment allowance charges decreased by 16.8% to HKD958 million, mainly due to the decrease of net charge of individual impairment because of less newly downgraded non-performing loan during the year, but partially offset by the increase in net charge of collective impairment driven by the unfavorable changes in risk parameters, certain loans newly downgraded to special-mention, coupled with fewer net transfer to individual impairment during the year.
- As at December 31, 2023, total consolidated assets stood at HKD493.9 billion, an increase of 7.3% from HKD460.5 billion at end of 2022. The gross advances to customers and trade bills decreased by 3.6% to HKD264.3 billion, which was mainly caused by the decreases in residential property loans, onshore guarantees for offshore loans and syndicated loans, but partially offset by the growth in bilateral loans. As at December 31, 2023, the impaired loan ratio was 1.07%, slightly increased by 0.03 percentage point.



- The financial assets measured at fair value through other comprehensive income increased by 22.1% to HKD128.7 billion, while the financial assets at amortized costs decreased by 48.4% to HKD1.6 billion. As a whole, the net aggregate balances of these two types of financial assets increased by 20.1%, mainly due to the increase in holding of high quality liquidity debt securities issued by the governments and corporate bonds. In addition, the cash and balances with banks and central banks, placement with banks increased by 30.6% to HK\$89.6 billion, mainly to cope with liquidity requirements near year end. The financial assets measured at fair value through profit or loss decreased by 20.8% to HKD1.9 billion, mainly due to the decreased holding of certificates of deposit issued by banks.
- The total liabilities increased by 7.3%, of which deposits from customers increased by 8.1% to HKD381.1 billion. The current and saving deposit balance from customers were maintained at a similar level as that at end of 2022. On the other hand, deposits and balances of banks decreased by 16.0% and the overall wholesales funding continued to account for only a small proportion to total liabilities.
- The Total Capital Ratio, Leverage Ratio and Net Stable Funding Ratio as at December 31, 2023 were 21.7%, 14.4% and 144.1% respectively. The annual Average Liquidity Coverage Ratio for the year of 2023 was 131.8%. All the aforementioned ratios were maintained at sound levels and well above regulatory requirements.

About China Construction Bank (Asia) Corporation Limited

China Construction Bank (Asia) Corporation Limited (“CCB (Asia)”) is the comprehensive and integrated commercial banking platform of China Construction Bank Corporation (“CCB”) in Hong Kong. As the flagship of CCB Group’s overseas business, CCB (Asia) holds a variety of licenses and provides a wide array of banking services including retail banking services, commercial banking services, corporate banking services and treasury business etc., along with its industry-leading advantages in RMB services, FinTech, cross-border services and green finance. Through the extensive network and diversified service channels of CCB Group in Mainland China and Hong Kong, CCB (Asia) provides comprehensive, one-stop and integrated finance solutions to individuals, corporate and institutional clients. Adheres to “market-oriented, customer-centric” business philosophy, with its integrated operational platform as the basis, FinTech as the core drive and innovation as the leading force, CCB (Asia) is committed to providing efficient, safe and novel smart banking services to the general public.

For more information about CCB (Asia), please visit www.asia.ccb.com.

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