



**CHINA CONSTRUCTION BANK (ASIA)
CORPORATION LIMITED**

Regulatory Disclosures

For the quarter ended

30 September 2024

(Unaudited)

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED

Regulatory Disclosures

As at 30 September 2024

(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 are calculated in accordance with the Banking (Capital) Rules ("BCR") and Banking (Liquidity) Rules ("BLR") issued by HKMA.

		(a)	(b)	(c)	(d)	(e)
		30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
	Regulatory capital (amount)					
1	Common Equity Tier 1 (CET1)	73,666,930	71,155,043	69,579,414	68,248,400	66,332,482
2	Tier 1	81,444,531	78,932,644	77,357,015	76,026,001	74,110,083
3	Total capital	84,062,608	81,476,818	79,800,034	78,437,446	76,549,894
	RWA (amount)					
4	Total RWA	399,094,467	385,976,747	367,075,766	362,197,487	350,981,407
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	18.46%	18.44%	18.96%	18.84%	18.90%
6	Tier 1 ratio (%)	20.41%	20.45%	21.07%	20.99%	21.12%
7	Total capital ratio (%)	21.06%	21.11%	21.74%	21.66%	21.81%
	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 (%)	0.87%	0.89%	0.88%	0.90%	0.89%
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 (%)	3.37%	3.39%	3.38%	3.40%	3.39%
12	CET1 available after meeting the AI's minimum capital requirements (%)	13.96%	13.94%	14.46%	14.34%	14.40%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	560,242,767	549,829,731	515,228,660	528,628,739	512,467,950
14	LR (%)	14.54%	14.36%	15.01%	14.38%	14.46%
	Liquidity Coverage Ratio (LCR)					
15	Total high quality liquid assets (HQLA)	101,108,515	95,833,728	92,205,773	97,100,101	90,359,063
16	Total net cash outflows	77,053,666	64,381,105	68,189,231	72,361,263	68,292,015
17	LCR (%)	131.57%	150.37%	136.12%	134.67%	132.66%
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	332,344,033	333,338,509	319,142,410	320,355,171	309,478,766
19	Total required stable funding	245,788,368	236,237,001	230,475,433	222,367,035	217,048,871
20	NSFR (%)	135.22%	141.10%	138.47%	144.07%	142.58%

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

		(a)	(b)	(c)	(d)	(e)
		30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Of the material entity at LAC consolidation group level						
1	Internal loss-absorbing capacity available	84,062,608	81,476,818	79,800,034	78,437,446	76,549,894
2	Risk-weighted amount under the LAC Rules	399,094,467	385,976,747	367,075,766	362,197,487	350,981,407
3	Internal LAC risk-weighted ratio	21.06%	21.11%	21.74%	21.66%	21.81%
4	Exposure measure under the LAC Rules	560,242,767	549,829,731	515,228,660	528,628,739	512,467,950
5	Internal LAC leverage ratio	15.00%	14.82%	15.49%	14.84%	14.94%
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.

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

		(HK\$ million)				
		(a)	(b)	(c)	(d)	(e)
		30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Of the non-HK resolution entity at resolution group level (Note 1)						
1	External loss-absorbing capacity available ¹	4,753,047	4,466,048	4,500,050	4,405,919	4,195,643
2	Total risk-weighted amount under the relevant non-HK LAC regime ¹	24,566,807	23,202,096	23,265,168	24,541,872	23,874,896
3	External loss-absorbing capacity as a percentage of risk-weighted amount ¹	19.35%	19.25%	19.34%	17.95%	17.57%
4	Leverage ratio exposure measure under the relevant non-HK LAC regime ¹	47,486,203	45,263,627	45,091,629	43,983,119	42,657,311
5	External loss-absorbing capacity as a percentage of leverage ratio exposure measure ¹	10.01%	9.87%	9.98%	10.02%	9.84%
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.

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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 September 2024	As at 30 June 2024	As at 30 September 2024
1	Credit risk for non-securitization exposures	343,098,257	329,738,672	27,447,861
2	Of which STC approach	343,098,257	329,738,672	27,447,861
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	7,687,084	8,828,137	614,966
7	Of which SA-CCR approach	7,544,679	8,578,774	603,574
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
8a	Of which counterparty default risk to CCPs in respect of derivative contracts	1,251	1,413	100
9	Of which others	141,154	247,950	11,292
10	CVA risk	2,356,325	3,034,338	188,506
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	28,460,663	27,397,300	2,276,853
21	Of which STM approach	28,460,663	27,397,300	2,276,853
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	16,217,138	15,703,300	1,297,371
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	399,094,467	385,976,747	31,927,557

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

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LR2: Leverage ratio (“LR”)

		(a)	(b)
		As at 30 September 2024	As at 30 June 2024
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	519,776,175	503,652,544
2	Less: Asset amounts deducted in determining Tier 1 capital	(1,113,420)	(1,205,109)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	518,662,755	502,447,435
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)	1,945,462	3,080,373
5	Add-on amounts for PFE associated with all derivative contracts	9,417,996	10,120,097
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	(238,410)	-
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	11,125,048	13,200,470
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	5,605,099	12,924,096
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	316,817	889,667
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	5,921,916	13,813,763
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	98,743,036	92,428,842
18	Less: Adjustments for conversion to credit equivalent amounts	(71,707,309)	(67,705,202)
19	Off-balance sheet items	27,035,727	24,723,640
Capital and total exposures			
20	Tier 1 capital	81,444,531	78,932,644
20a	Total exposures before adjustments for specific and collective provisions	562,745,446	554,185,308
20b	Adjustments for specific and collective provisions	(2,502,679)	(4,355,577)
21	Total exposures after adjustments for specific and collective provisions	560,242,767	549,829,731
Leverage ratio			
22	Leverage ratio	14.54%	14.36%

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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 stable level for the third quarter ended 30 September 2024.

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 September 2024
Level 1 assets	86,429,614
Level 2A assets	5,004,536
Level 2B assets	9,674,365
Total weighted amount of HQLA	101,108,515

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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 September 2024 (76 data points)	
		(a)	(b)
Basis of disclosure: Hong Kong office		Unweighted value (average)	Weighted value (average)
A. HQLA			
1	Total HQLA		101,108,515
B. CASH OUTFLOWS			
2	Retail deposits and small business funding, of which:	205,558,110	14,762,556
3	Stable retail deposits and stable small business funding	2,585,998	77,612
4	Less stable retail deposits and less stable small business funding	90,711,378	9,072,164
4a	Retail term deposits and small business term funding	112,260,734	5,612,780
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	125,390,837	77,503,909
6	Operational deposits	-	-
7	Unsecured wholesale funding (other than small business funding) not covered in row 6	125,390,837	77,503,909
8	Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period	-	-
9	Secured funding transactions (including securities swap transactions)		1,447,876
10	Additional requirements, of which:	41,197,588	9,955,892
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	1,665,631	1,666,015
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)	39,531,957	8,289,877
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	7,403,840	7,376,735
15	Other contingent funding obligations (whether contractual or non-contractual)	162,530,005	380,659
16	Total Cash Outflows		111,427,627
C. CASH INFLOWS			
17	Secured lending transactions (including securities swap transactions)	612,127	399,471
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	101,901,709	30,233,396
19	Other cash inflows	71,668,339	3,741,094
20	Total Cash Inflows	174,182,175	34,373,961
D. LIQUIDITY COVERAGE RATIO (ADJUSTED VALUE)			
21	Total HQLA		101,108,515
22	Total Net Cash Outflows		77,053,666
23	LCR (%)		131.57%