**[Press Release of 2022 Interim Performance Report]**

**Stick to the original and serve entity economy, robust innovation-driven development**

**China Construction Bank reports operating results for the first half of 2022**

On Aug. 30, 2022, China Construction Bank Corporation (Stock code: SH: 601939; HK: 00939) (hereinafter referred to as "CCB") reported operating results for the first half of 2022 (The following data for the Group were prepared in line with International Financial Reporting Standards and denominated in RMB). Since 2022, CCB has conscientiously carried out the decision-making and deployment of the CPC Central Committee and the State Council; implemented the new development concept through new financial campaign; enhanced its "Three Abilities", further promoted "Three Major Strategies"; given full rein to its leading role in financial services as a leading state-owned bank; vigorously supported the stable operation of the economy and made significant achievements in these regards.

According to the interim report, CCB registered robust growth in asset and liability and maintained relative advantages in core indexes by the end of June 2022. The total assets reached RMB 33.69 trillion, up by 11.35%; the net value of its loans and advance payments and its financial investments grew by 8.38% and 10.26% respectively. The total liabilities reached RMB 31.01 trillion, increased by 12.18%; the deposits increased by 8.07%. Its net interest income was RMB 317.340 billion and the net income from handling charges and commissions was RMB 68.823 billion. The NPL ratio was 1.40%, down by 0.02 percentage points over that at the end of previous year. Its net profit was RMB 161.730 billion, up by 4.95% YOY. Its annualised return on equity was 1.01%, annualized weighted average ROE was 12.56% and a capital adequacy ratio was 17.95%.

**Precisely serviced entity economy**

**Assisted with the development of beautiful life**

In the first half of the year 2022, the global pandemic still had lingering effects on the global economy; bad situation between Russia and Ukraine and major economies' tightening policies brought new impacts; the international environment was getting increasingly complicated and stringent. The sporadic outbreak of the pandemic imposed heavy pressures on economic downturn. Facing the extraordinarily complex and difficult situation, CCB resolutely met the requirements of “stabilizing pandemic, stabilizing the economy and ensuring safe development”, assumed the responsibilities as the big state-owned bank and actively introduced a series of effective, warm and practical measures to support epidemic prevention and control and social and economic development. It aggressively promoted the benign cycle of the quality development of the entity economy and the quality development of CCB together.

**Increased credit supports to epidemic prevention and control and key sectors.** **CCB** established the white list of key clients for epidemic prevention and control in severely-affected regions; satisfied the credit needs of key enterprises in epidemic prevention and control, livelihood and other related sectors; opened green passages of credit approval and offered preferential policies to listed enterprises for epidemic prevention and control and production recovery purposes. It optimized the conditions and processes for enterprises that were temporarily and severely affected by the epidemic but had a bright development prospect. It implemented differential internal fund transfer price and economic capital evaluation policy; strengthened support to key sectors of the entity economy, including inclusive finance, green development, manufacturing and rural revitalization. It established the "green passage" declaration mechanism for bond underwriting and helped epidemic prevention and control enterprises to raise production funds.

**Assisted enterprises to settle their troubles and surrendered reasonable benefits to the entity economy.** CCB increased efforts to pull small and micro businesses out of troubles; reduced charging items and commissions for individual merchants; renewed loans, extended debt services and grace period and adjusted interest-clearing frequency to eligible small and micro businesses according to market principles. It improved and diversified online service scenarios and features of individual property loan; established differential individual loan repayment schedule for those affected by the epidemic; provided four types of alleviating measures, including grace period, lower monthly installment payment, suspension of monthly installment payment and extension of repayment period. For truck drivers and other key clients who are severely affected by the epidemic, adjusted individual loan arrangement according to client needs, extended the repayment period of credit card and provided credit rating protection to eligible clients.

**CCB effectively served the society & economy and developed key areas.**It constantly optimized resource allocation structure. It focused on the key fields and bottlenecks in the national economy. New loans were mainly distributed to infrastructure, wholesale, retail and manufacturing sectors, etc; technology loans reached RMB one trillion; loans for Beijing, Tianjin and Hebei Province, the Yangtze River Delta, Guangdong-Hong Kong-Macao and other key areas were increased.As of the end of June, CCB had a domestic corporate loans of RMB 10.60 trillion, up by RMB 1.00 trillion or 10.46% over the year-end of the previous year. It had a balance of RMB 5.47 trillion in infrastructure loan, up by RMB 406.590 billion or 8.02% over the year-end balance of the previous year and accounting for 51.66% of its loans and advance payments. The balance of middle and long-term loans to the manufacturing sector was RMB 835.932 billion, up by RMB 164.191 billion or 24.44% over the year-end balance of the previous year. The balance of loans for private enterprises was RMB 4.15 trillion, up by 524.074 billion or 14.45% over that at the end of the previous year. The balance of loans to strategic emerging industries was RMB 1.17 trillion, up by RMB 245.770 billion or 26.66% over the year-end of the previous year. The balance of technology loans amounted to RMB 1.14 trillion, up by RMB 264.570 billion or 30.07% over the year-end of the previous year. It offered a supply chain financial support of RMB 438.888 billion to over 70,000 clients along the industrial chains of 4,113 core enterprises in the first half of the year.

**Effectively met the financial needs of hundreds of millions of customers.** It stably promoted construction of ecology and further increased its direct and special service ability and an integrated online-offline digitalized service network gradually took shape; established close digital link with clients to accurately master the clients' financial and non-financial needs and carried out the theme events of "Benefit Season" and "Fighting Season". It facilitated construction of a wealth management system and platform; deepened the brand of "CCB Dragon Wealth"; and established an extended wealth management system with CCB features. As of the end of June, the balance of domestic individual deposit accounted for RMB 12.36 trillion, up by RMB 1.08 trillion over the year-end of the previous year. The individual client's financial assets were more than RMB 16 trillion. It had a balance of RMB 8.09 trillion in domestic individual loans, up by 2.47%. Wherein, the balance of individual housing loans was 6.48 trillion Yuan; the balance of individual consumption loans was 255.763 billion Yuan; the balance of fast individual loans was 206.898 billion Yuan. The profit of individual banking services accounted for 62.81% of total.

**Continuously promoted digitalized operation.** CCB facilitated the construction of three platforms of business, data and technology. It focused on "Three Major Strategies" and the key business sectors and promoted the upgrading of platform operation. It continuously improved the retailing ecology that is oriented with the "Dual" platform of mobile banking service and CCB life APP; facilitated the public domain ecology that had corporate Internet banking and corporate mobile banking. As of the end of June, the number of individual mobile banking users was 428 million, up by 2.53%; there were about 156 million monthly active users in average, 28.072 billion transactions with amount of RMB 43.12 trillion. "CCB Life" APP had over 66 million registered users cumulatively, about 4 million daily active users and nearly 280,000 quality registered merchants; it undertook governmental consumption coupons in a value of RMB 1.224 billion in 133 cities cumulatively. It actively and stably promoted the pilot R&D program of digital RMB under the central leadership of PBC. CCB preferentially developed an operating environment of digital CNY and established a complete digital CNY purse service system.

**Stably promoted its strategic businesses**

**Effectively improved service quality and efficiency**

CCB fully and accurately fulfilled the idea of new development, and considered the country's interests, takes strengthening the ability to serve the country, guard against financial risks and enhance the ability to participate in international competition as the basic guidelines, forcefully advances the "Three Major Strategies" of house rental, inclusive finance and FinTech and effectively improves service quality and efficiency of entity economy.

**Stable progress of house lease strategy.** As of the end of June, its house lease service platform covered 96% administrative zones of a local and higher level, offering a transparent trading platform to 15,000 corporate and 40.34 million individual landowners and tenants and an effective market regulatory tool for the government. There are 200 communities for long-term lease called "CCB JIANGONGJIAYUAN" in service. CCB aggressively supported the development of discount leasable house; interfaced with over 500 discount leasable house in major cities nationwide; offered special loans to increase the supply of low-rental small apartments; and assisted to settle the residential needs of new citizens and young people. As of the end of June, the balance of property lease loans amounted to RMB 180.617 billion, up by RMB 47.156 billion or 35.33% over that at the end of last year.

**Notable results of inclusive financial strategy.** CCB continuously improved the digital inclusive financial mode; availed digital technologies to continuously optimize "CCB Huidongni" APP. Its APP had over 170 million visits, 22.50 million downloads, over 1.65 million credit clients and a credit value of over RMB 1.3 trillion cumulatively. CCB focused on small and micro businesses, small businesses of industry and commerce, farming-related clients, upstream and downstream clients along the supply chain and other target groups of inclusive finance; diversified the system of products, including "Rapid Loan for Small and Micro Businesses". Since launch of the product, it has served 3.0219 million clients and provided a total credit of RMB 7.41 trillion cumulatively. CCB enhanced the ability to serve technological innovation; supported medium, small and micro clients in technological innovation; improved the service mode of "Entrepreneurs’ Harbor" which has been promoted to 25 provinces and cities; offered a credit of over RMB 37 billion to over 15,000 enterprises covered by the Harbor. As of the end of June, it had a balance of RMB 2.14 trillion in inclusive financial loan, up by RMB 267.058 billion or 14.25% over the year-end balance of the previous year; totally 2.2520 million clients of inclusive financial loan, up by 315,300 over those at the end of the previous year. The profits to the entity economy are further surrendered. The loan interest rate for small and micro businesses that were fit for inclusive finance newly granted in the first half of the year was 4.08%, decreased by 8 base points as compared with the previous year.

**Forceful development of FinTech strategy.** CCB continuously enhanced the independent controllability of information system and increased the safety and stability of system operation to enable the quality development of its businesses. CCB facilitated its digital infrastructure construction and cloud transformation and continuously developed the brand of "CCB Cloud". Standard hashrate scale increased by over 20% over that at the end of the previous year, the overall scale and service capability stayed ahead in the industry. As of the end of June, it acquired 934 patents cumulatively, including 540 invention patents, leading in the domestic banking industry. CCB Fintech is the only enterprise of the financial system included in the catalog of "model enterprise of scientific reform" released by the Office of State-owned Enterprise Reform Leadership Panel under the State Council. It strengthened smart government, enhanced social and livelihood service assurance and established new routes of serving digital government. As of the end of June, CCB established partnerships with 29 provincial governments cumulatively and participated in the development of the "Internet+ governmental service" and "Internet+ regulation" platforms or scenarios of application for 14 provinces and 13 cities. It shared outlet system to establish the "governmental service hall by your side"; over 14,000 service outlets of the CCB offered governmental services, covering the handling, appointment and inquiry services of over 7,700 service items and with a total business volume of over 61 million transactions and 26 million serviced clients. CCB is the first to establish the "Inter-provincial Government Services" zone with its smart ATMs, covering 31 provinces, autonomous regions and municipalities nationwide.

**Continuous increase in green financing.** CCB established the CCB Strategic Development Plan for Green Finance; proposed the general strategic goal of becoming "a world-leading sustainable bank" and fifteen key tasks. At the end of June, the balance of green loans was RMB 2.41 trillion, up by RMB 450.189 billion or 22.93% over the year-end balance of the previous year; it distributed RMB 56.223 billion in loans for carbon emission reduction and RMB 4.047 billion for clean and efficient use of coals cumulatively; continuously optimized the white list of green lending and distributed RMB 357.9 billion in green lending cumulatively. It successfully issued green financial bonds in RMB 10 billion; issued the twin-currency "Belt & Road" green bonds overseas to raise a total fund of USD 1.67 billion; underwrote 23 issues of green debt financing vehicles, with a total issuing scale of RMB 25.771 billion and an underwritten value of RMB 16.311 billion.

**Continuously improved the service system of rural revitalization.** As of the end of June, there were totally 490,000 service points of inclusive financing program "Yu Nong Tong", covering nearly 80% towns and villages nationwide; "Yu Nong Tong" APP had 3.17 million registered users and distributed a loan of RMB 11.826 billion and handled a payment of RMB 281 million cumulatively; 18.36 million "Rural Revitalization: Yu Nong Tong Cards" were issued to key individuals of innovation and venturing cumulatively. The two farmer product packages, i.e. : online "Yunong Quick Loan" and offline "Yunong Loan", were continuously diversified to deepen the financial ability to serve farmers. As of the end of June, the balance of farming-related loans was RMB 2.77 trillion, up by RMB 305.003 billion or 12.37% over the year-end balance of the previous year; there were 2.69 million clients of farming-related loans and the newly-distributed farming-related loans had an interest rate of 4.08% in the first half of the year, down by 22 base points compared with that at the end of the previous year. Meanwhile, it continuously released the powers of sustainable development for the countryside through strengthening supports to projects concerning the public good.

**All-around and active risk management and control**

**Consolidated and optimized asset quality**

In face of complicated external operating environment in the first half of the year, CCB stuck to all-around risk management; continuously improved the risk management system; improved three defense lines; established a concerted risk control mechanism between its parent company and subsidiaries and between its domestic and overseas subsidiaries; and improved the management mechanism of risk preference, credit policy, quota plan, etc. It kept a balance of development and security; actively implemented various alleviating policies; and assisted with the stable operation of the economy and ensured the robust operation of the group.

**Consolidated the bottomline of risk prevention and control.** It continuously strengthened risk analysis and prediction and credit base management and took proactive measures against risk challenges. It further improved credit policy guide, enhanced industrial research capability and optimized credit structure. It stuck to robust and prudential fluidity risk management; actively adapted to monetary policy adjustment; properly applied group funds; and guaranteed the safety of payment and clearing across the bank. It strengthened development of an all-around active and intelligent modern risk management system; optimized risk evaluation, risk portrait, standardization, pressure test and other management tools. It upgraded mobile risk control, procedure automation and anti-fraud and anti-money-laundering ability and promoted the development of a smart risk control system.

**It’s tried to maintain the stable asset quality.** As of the end of June, the nonperforming loans was RMB 285.509 billion, up by RMB 19.438 billion over the year-end of the previous year; the NPL ratio was 1.40%, down by 0.02 percentage points compared with that at the end of the previous year. The special-mentioned loan accounted for 2.63%, down 0.06 pps from the end of the previous year. In the first half of the year, it withdrew a credit deprecation loss of RMB 93.032 billion for loans, down by RMB 1.418 billion or 1.50% compared with that at the end of the previous year. CCB'S capital adequacy ratio was 17.95%, Tier 1 capital adequacy ratio was 13.93%, and core Tier 1 capital adequacy ratio was 13.40%, leading in the domestic market.

As per CCB, the next phase of work would be guided by President Xi Jinping’s thought on socialism with Chinese characteristics for a new era, and the focuses were as follows: first, undertake the responsibilities as a leading state-owned bank and aggressively support the economic stability and recovery. Second, continuously improve operational quality and efficiency for value creation. Third, strength platform mentality and promote the simultaneous development of the first and the second development curves. Fourth, consolidate the base of development; strengthen comprehensive ability to serve the clients and deepen digitalized operation. Fifth, keep a balance of development and security and continuously strengthen overall risk management. In face of the complicated domestic and overseas situations, CCB will fully and accurately implement the new development concepts; deeply promote its new financial campaigns in property lease, inclusive finance and financial technology; realize concerted development of all sectors and take concrete actions to meet the successful convocation of the 20th National Congress of the CPC.