



STATEMENT OF ACCOUNTS YEAR ENDED 31 DECEMBER 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020
(Expressed in millions of RMB, unless otherwise stated)

Note	2020 RMB	2019 RMB
Interest income	989,509	909,885
Interest expense	(413,600)	(372,819)
Net interest income	575,909	537,066
Fee and commission income	131,512	126,667
Fee and commission expense	(16,930)	(15,769)
Net fee and commission income	114,582	110,898
Net trading gain	4,313	9,120
Dividend income	3,182	1,184
Net gain arising from investment securities	5,765	9,093
Net gain on derecognition of financial assets measured at amortised cost	4,649	3,359
Other operating income, net: - Other operating income - Other operating expense	47,874 (42,050)	36,127 (28,846)
Other operating income, net	5,824	7,281
Operating income	714,224	678,001
Operating expenses	(188,574)	(188,132)
	525,650	489,869
Credit impairment losses	(193,491)	(163,000)
Other impairment losses	3,562	(521)
Share of profits of associates and joint ventures	895	249
Profit before tax	336,616	326,597
Income tax expense	(63,037)	(57,375)
Net profit	273,579	269,222
Other comprehensive income:		
Other comprehensive income that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	479	199
Fair value changes of equity instruments designated as measured at fair value through other comprehensive income	(279)	444
Others	24	59
Subtotal	224	702
Other comprehensive income that may be reclassified subsequently to profit or loss		
Fair value changes of debt instruments measured at fair value through other comprehensive income	(9,108)	9,005
Allowances for credit losses of debt instruments measured at fair value through other comprehensive income	(762)	1,624
Reclassification adjustments included in profit or loss due to disposals	(491)	(175)
Net loss on cash flow hedges	(61)	(292)
Exchange difference on translating foreign operations	(6,720)	2,682
Subtotal	(17,142)	12,844
Other comprehensive income for the year, net of tax	(16,918)	13,546
Total comprehensive income for the year	256,661	282,768
Net profit attributable to: Equity shareholders of the Bank	271,050	266,733
Non-controlling interests	2,529	2,489
	273,579	269,222
Total comprehensive income attributable to: Equity shareholders of the Bank	254,112	280,268
Non-controlling interests	2,549	2,500
	256,661	282,768
Basic and diluted earnings per share (in RMB Yuan)	1.06	1.05

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020
(Expressed in millions of RMB, unless otherwise stated)

	2020 RMB	2019 RMB
Assets:		
Cash and deposits with central banks	2,816,164	2,621,010
Deposits with banks and non-bank financial institutions	453,233	419,661
Precious metals	101,671	46,169
Placements with banks and non-bank financial institutions	368,404	531,146
Positive fair value of derivatives	69,029	34,641
Financial assets held under resale agreements	602,239	557,809
Loans and advances to customers	16,231,369	14,542,001
Financial investments		
Financial assets measured at fair value through profit or loss	577,952	675,361
Financial assets measured at amortised cost	4,505,243	3,740,296
Financial assets measured at fair value through other comprehensive income	1,867,458	1,797,584
Long-term equity investments	13,702	11,353
Fixed assets	172,505	170,740
Land use rights	14,118	14,738
Intangible assets	5,279	4,502
Goodwill	2,210	2,809
Deferred tax assets	92,950	72,314
Other assets	238,728	194,127
Total assets	28,132,254	25,436,261
Liabilities:		
Borrowings from central banks	781,170	549,433
Deposits from banks and non-bank financial institutions	1,943,634	1,672,698
Placements from banks and non-bank financial institutions	349,638	521,553
Financial liabilities measured at fair value through profit or loss	254,079	281,597
Negative fair value of derivatives	81,956	33,782
Financial assets sold under repurchase agreements	56,725	114,658
Deposits from customers	20,614,976	18,366,293
Accrued staff costs	35,460	39,075
Taxes payable	84,161	86,635
Provisions	54,114	42,943
Debt securities issued	940,197	1,076,575
Deferred tax liabilities	1,551	457
Other liabilities	545,240	415,435
Total liabilities	25,742,901	23,201,134
Equity:		
Share capital	250,011	250,011
Other equity instruments		
Preference shares	59,977	79,636
Perpetual bonds	39,991	39,991
Capital reserve	134,263	134,537
Other comprehensive income	15,048	31,986
Surplus reserve	275,995	249,178
General reserve	350,228	314,389
Retained earnings	1,239,295	1,116,529
Total equity attributable to equity shareholders of the Bank	2,364,808	2,216,257
Non-controlling interests	24,545	18,870
Total equity	2,389,353	2,235,127
Total liabilities and equity	28,132,254	25,436,261

SIGNIFICANT OFF BALANCE SHEET ITEMS

	2020	2019
Loan commitments		
- with an original maturity within one year	94,762	94,491
- with an original maturity of one year or over	488,350	373,227
Credit card commitments	1,068,582	1,063,718
	1,651,694	1,531,436
Bank acceptances	278,231	207,578
Financing guarantees	46,656	61,876
Non-financing guarantees	1,236,368	1,125,462
Sight letters of credit	43,329	36,629
Usance letters of credit	141,600	119,211
Others	15,652	3,615
Total	3,413,530	3,085,807

Additional Information

	2020	2019
Capital adequacy ratios:		
Common Equity Tier 1 ratio	13.62%	13.88%
Tier 1 ratio	14.22%	14.68%
Total capital ratio	17.06%	17.52%
Total risk-weighted assets	16,604,591	15,053,291

The law in China does not require the Head Office of the Bank to confer lower priority to depositors in the Singapore office vis-a-vis the China depositors, in repayment of deposits in the event of receivership, winding-up proceedings or equivalent proceedings of the bank.

Notes to the financial statements form an integral part of the audited financial statements and a full understanding of the statements and the state of affairs of the banks cannot be achieved without reference to the complete set of the bank's audited financial statements.

BOARD OF DIRECTORS

Tian Guoli	Chairman, executive director
Wang Jiang	Vice chairman, executive director, president
Lyu Jiajin	Executive director, executive vice president
Xu Jiandong	Non-executive director
Zhang Qi	Non-executive director
Tian Bo	Non-executive director
Xia Yang	Non-executive director
Shao Min	Non-executive director
Liu Fang	Non-executive director
Anita Fung Yuen Mei	Independent non-executive director
Malcolm Christopher McCarthy	Independent non-executive director
Carl Walter	Independent non-executive director
Kenneth Patrick Chung	Independent non-executive director
Graeme Wheeler	Independent non-executive director
Michel Madelain	Independent non-executive director

Subsidiaries

CCB Wealth Management Co., Ltd.
CCB Financial Asset Investment Co., Ltd.
CCB Financial Leasing Co., Ltd.
CCB Brazil Financial Holding – Investimentos e Participações Ltda.
CCB Trust Co., Ltd.
CCB Life Insurance Co., Ltd.
China Construction Bank (Europe) S.A.
China Construction Bank (London) Limited
PT Bank China Construction Bank Indonesia Tbk
CCB Pension Management Co., Ltd.
Sino-German Bausparkasse Co., Ltd.
China Construction Bank (Malaysia) Berhad
China Construction Bank (New Zealand) Limited
China Construction Bank (Russia) Limited Liability Company
Golden Fountain Finance Limited
CCB Principal Asset Management Co., Ltd.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of China Construction Bank Corporation
(Established in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of China Construction Bank Corporation (the "Bank") and its subsidiaries (the "Group") set out on pages 172 to 302, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and relevant notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKASs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Expected credit losses for loans and advances to customers measured at amortised cost
- Consolidation assessment and disclosures of structured entities
- Valuation of financial instruments

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Bank are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Bank are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Bank are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Bank either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Bank are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKASs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Choi Kam Cheong, Geoffrey.

Ernst & Young

Certified Public Accountants

Hong Kong

26 March 2021