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中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 939)

(USD Preference Shares Stock Code: 4606)

Announcement on the Establishment of a Wholly-owned Subsidiary through External Investment

Highlights:

- China Construction Bank Corporation (the “**Bank**”) intends to establish a wholly-owned subsidiary, CCB Wealth Management Co., Ltd. (the “**CCB Wealth Management**”, the name of the company shall be subject to regulatory approval), with a registered capital of no more than RMB15 billion (the “**Investment**”).
- Upon consideration and approval of the board of directors, the Investment is not subject to the consideration of the shareholders’ general meeting. It is still subject to approvals by the relevant regulatory authorities.
- The Investment is not a related party transaction or a material asset restructuring of the Bank.

I. Overview of the Investment

Upon consideration and approval of the board of directors of the Bank, the Bank intends to invest no more than RMB15 billion for the establishment of a wholly-owned subsidiary, CCB Wealth Management Co., Ltd.

The Investment is not a related party transaction or a material asset restructuring, and the Investment is not subject to the approval of the shareholders’ general meeting. It is still subject to approvals by the relevant regulatory authorities.

II. Consideration and Approval of the Board of Directors of the Bank on the Investment

The 7th meeting of the board of directors of 2018 (the “**Meeting**”) of the Bank was held onsite on 16 November 2018 in Beijing. The Meeting was chaired by Mr. Wang Zuji, vice chairman of the board of directors. 14 directors were eligible to attend the Meeting and 11 of them attended the Meeting in person. Mr. Tian Guoli, chairman of the board of directors, appointed Mr. Wang Zuji, vice chairman of the board of directors, as his proxy to attend and vote on his behalf. Sir Malcolm Christopher McCarthy, director of the Bank, appointed Mr. Murray Horn, director of the Bank, as his proxy to attend and vote on his behalf. Mr. Carl Walter, director of the Bank, appointed Mr. Murray Horn, director of the Bank, as his proxy to attend and vote on his behalf. The convening of the Meeting complied with the provisions of the *Company Law of the People’s Republic of China* and the *Articles of Association of China Construction Bank Corporation* and other relevant rules. The Proposal regarding the Establishment of CCB Wealth Management Co., Ltd. was considered and approved at the Meeting. It was resolved that CCB Wealth Management be established by the Bank with an investment of no more than RMB15 billion. The management of the Bank is also authorised to amend the establishment plan according to comments from regulatory authorities and to deal with follow-up detailed issues related to the Investment. Voting results: voted in favour: 14 votes, voted against: 0 vote, abstained from voting: 0 vote.

III. Basic Information of the Investment Target

The registered capital of CCB Wealth Management is intended to be no more than RMB15 billion, with the shareholding ratio of the Bank being 100% and the proposed registered office in Shenzhen, Guangdong Province. CCB Wealth Management will be managed as a tier-one subsidiary of the Bank. CCB Wealth Management plans to apply for the operation of the following businesses: (i) public offering of wealth management products to the general public and investment and management of properties entrusted by investors; (ii) private placement of wealth management products to eligible investors and investment and management of properties entrusted by investors; (iii) wealth management advisory and consulting services; and (iv) other businesses approved by the banking supervisory authorities under the State Council.

CCB Wealth Management will establish a sound corporate governance structure in accordance with the *Company Law of the People’s Republic of China*, *Guidelines on Corporate Governance of Commercial Banks*, relevant regulatory laws and regulations applicable to wealth management subsidiaries of commercial banks and relevant corporate governance regulations and set up strict risk management and internal control mechanism according to regulatory requirements and business features.

IV. Impact of the Investment on the Bank

The Investment will be funded by the Bank’s own capital.

The Investment is an important initiative for the Bank to implement the latest regulatory requirements, adapt to changes in the internal and external economic and financial environments, and promote the sustainable and healthy development of the wealth management business. Through the corporation-based operation and management of the wealth management business, the establishment of effective risk isolation from the Bank is conducive to promoting the professional, market-oriented and international development of the wealth management business, further increasing the support to market entities such as high-quality state-owned enterprises and private enterprises, strengthening the ability to serve the real economy and capital markets, and enhancing the Bank’s comprehensive financial services and overall risk resistance ability.

V. Risk Analysis of the External Investment

The Investment is still subject to approvals by the relevant regulatory authorities.

Announcement of the captioned matter is hereby given.

By order of the Board of Directors
China Construction Bank Corporation
Wang Zuji
Vice Chairman, Executive Director and President

16 November 2018

As at the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli, Mr. Wang Zuji and Mr. Zhang Gengsheng; the non-executive directors of the Bank are Ms. Feng Bing, Mr. Zhu Hailin, Mr. Li Jun, Mr. Wu Min and Mr. Zhang Qi; and the independent non-executive directors of the Bank are Ms. Anita Fung Yuen Mei, Sir Malcolm Christopher McCarthy, Mr. Carl Walter, Mr. Chung Shui Ming Timpson, Mr. Kenneth Patrick Chung and Mr. Murray Horn.