



中信股份
CITIC Limited

CITIC LIMITED

Stock code: 00267

Half-Year Report **2024**



Our Businesses



Comprehensive Financial Services

CITIC Financial Holdings	(100%)
CITIC Bank (601998.SH) (00998.HK)	(68.49%)
CITIC Securities (600030.SH) (06030.HK)	(19.84%)
CITIC Trust	(100%)
CITIC-Prudential Life	(50%)
CSC Financial¹ (601066.SH) (06066.HK)	(4.53%)
CITIC Finance	(98.69%)
CITIC Consumer Finance	(70%)

Note 1: CITIC Limited holds 4.53% of the shares of CSC Financial through Glasslake Holdings Limited, an indirect wholly-owned subsidiary. At the same time, CITIC Securities directly holds 4.94% of the shares of CSC Financial.

Note 2: CITIC Limited holds 9.61%, 1.37% and 7.94% of the shares of Alumina Limited (a listed company, Stock code: AWC.ASX) through CITIC Resources Holdings Limited, CITIC Australia Pty Limited and Bestbuy Overseas Company Limited, respectively.

Note 3: CITIC Limited holds 1.71% of the shares of SSC (Stock code: 600871.SH) through CITIC Corporation, a wholly-owned subsidiary and 10.01% shares of China Overseas Land & Investment Limited (Stock code: 00688.HK) through an indirect wholly-owned subsidiary.

As at 30 June 2024



Advanced Intelligent Manufacturing

CITIC Heavy Industries (601608.SH)	(67.27%)
CITIC Dicastal	(42.11%)
CITIC Holdings	(100%)



Advanced Materials

CITIC Pacific Special Steel (000708.SZ)	(83.85%)
CITIC Metal (601061.SH)	(89.77%)
CITIC Resources² (01205.HK)	(59.50%)
CITIC Mining International	(100%)
CITIC Pacific Energy	(100%)
Nanjing Iron & Steel (600282.SH)	(62.76%)



New Consumption

CITIC Telecom International (01883.HK)	(57.54%)
AsiaSat	(50.50%)
CITIC Press (300788.SZ)	(73.50%)
Dah Chong Hong	(100%)
CITIC Agriculture	(100%)



New-Type Urbanisation

CITIC Construction	(100%)
CITIC Environment	(100%)
CITIC Industrial Investment	(100%)
CITIC Offshore Helicopter (000099.SZ)	(38.63%)
CITIC Pacific Properties	(100%)
CITIC Urban Development & Operation	(100%)
CITIC Heye Investment	(100%)



Our Company

CITIC Limited (00267.HK) is one of China's largest conglomerates and a constituent of the Hang Seng Index. Tracing our roots to the beginning of China's opening and reform, CITIC has grown in step with the country's rise and modernisation. We have built a remarkable portfolio of businesses in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

Aligning its mission with national goals and contributing to national rejuvenation, CITIC pursues a vision of "building an outstanding conglomerate with a lasting reputation." CITIC is committed to pioneering national goals and to being a leading technology-driven group.

Our platform is unique in its diversity and scale, allowing CITIC to capture emerging opportunities in China and around the world. Guiding us as we grow is our fundamental commitment to create long-term value for all of our shareholders.

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Highlights

RMB million	Half Year ended 30 June		Increase/ (decrease)
	2024	2023	
Revenue	377,647	333,986	13%
Profit before taxation	71,747	69,263	3.6%
Net profit	56,749	57,471	(1.3%)
Profit attributable to ordinary shareholders	32,113	32,092	0.1%
Basic earnings per share (RMB)	1.10	1.10	0.1%
Diluted per share (RMB)	1.09	1.10	(0.7%)
Dividend per share (RMB)	0.19	0.18	5.6%
Net cash used in operating activities	(295,978)	(132,313)	(124%)
Capital expenditure	13,538	7,093	91%

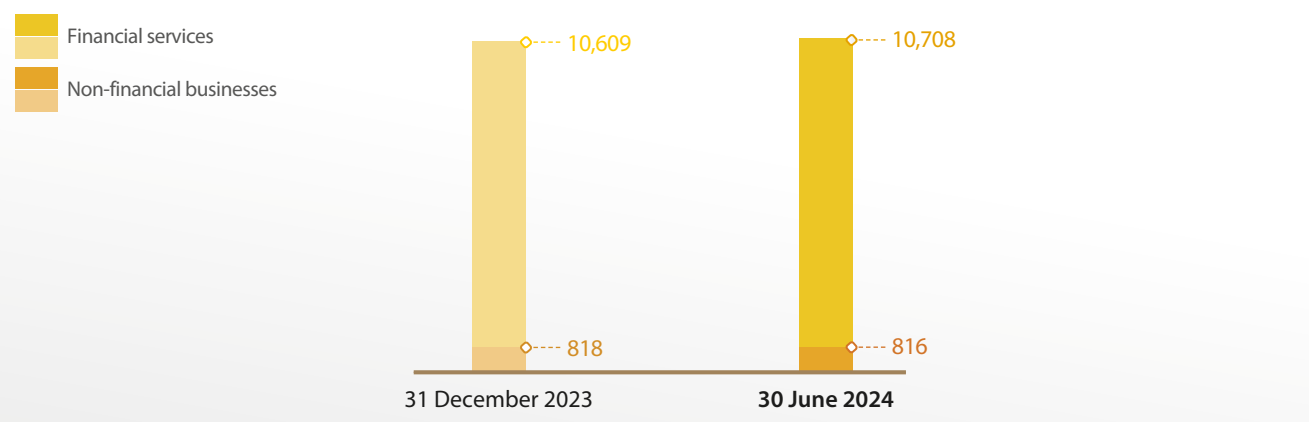
RMB million	As at 30 June 2024	As at 31 December 2023	Increase/ (decrease)
Total assets	11,429,264	11,330,920	0.9%
Total liabilities	10,024,187	9,994,138	0.3%
Total ordinary shareholders' funds	733,482	703,178	4.3%

Business RMB million	Business assets		Revenue from external customers		Profit attributable to ordinary shareholders	
	As at	Increase/ (decrease)	Half-year ended	Increase/ (decrease)	Half-year ended	Increase/ (decrease)
	30 June 2024	(Note)	30 June 2024	(decrease)	30 June 2024	(decrease)
Comprehensive financial services	10,708,104	0.9%	139,763	1.1%	27,895	1.3%
Advanced intelligent manufacturing	60,592	0.3%	25,461	5.5%	459	7.7%
Advanced materials	362,583	(0.3%)	166,810	28%	6,653	15%
New consumption	55,796	0.2%	24,221	(2.6%)	32	(93%)
New-type urbanisation	337,469	(0.3%)	21,361	33%	2,922	(3.9%)

Note: compared with balances as at 31 December 2023.

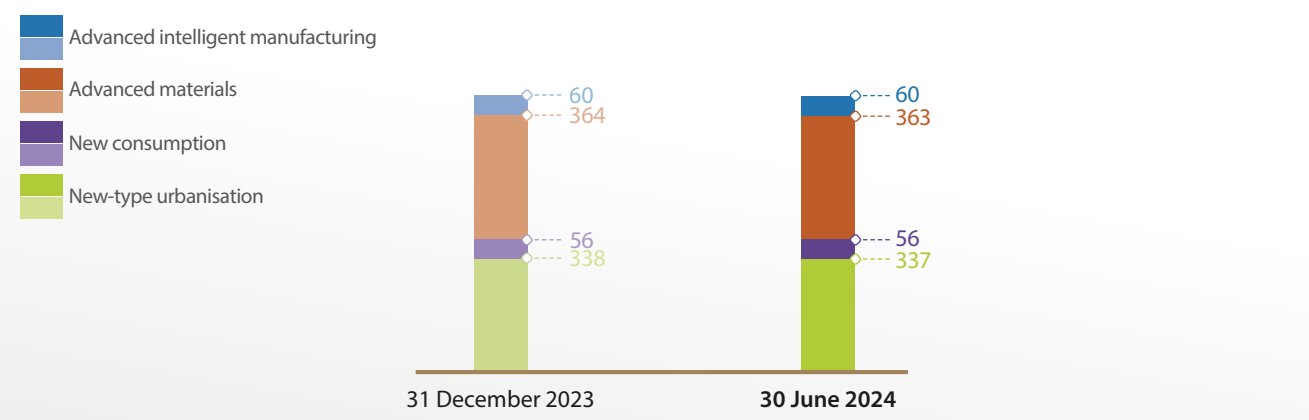
Business assets

RMB billion



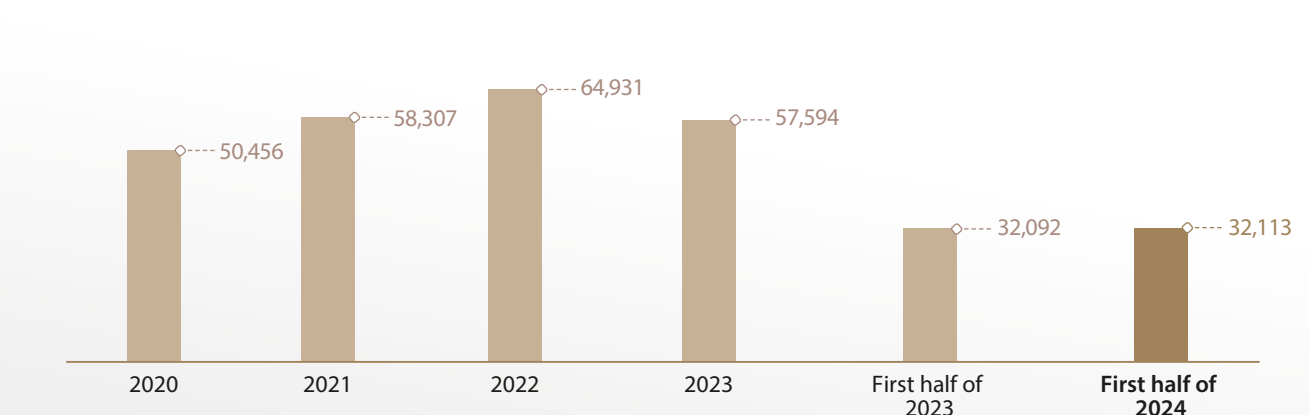
Assets of non-financial businesses

RMB billion



Profit attributable to ordinary shareholders

RMB million



Chairman's Letter to Shareholders



Dear shareholders,

In the first half of 2024, amid a complex and challenging external environment, CITIC Limited remained fully committed to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and resolutely implemented the major decisions and plans of the Central Committee of the Communist Party of China and the State Council. Under CITIC's "One Deepening, Three Promotions and Five Breakthroughs" strategic direction for reform and development, we focused on promoting operational excellence in our financial business, transforming and upgrading our non-financial business portfolio and promoting effective risk resolution. In the first half of 2024, CITIC delivered a stable performance and recorded a profit attributable to ordinary shareholders of RMB32.1 billion, a year-on-year increase of 0.1%. S&P Global Ratings upgraded CITIC Limited's long-term issuer credit rating from BBB+ (positive outlook) to A- (stable outlook), our highest rating since 2016. CITIC Group also climbed 29 places to 71st in the "Fortune Global 500".

These achievements would not have been possible without the support of our shareholders. CITIC Limited remains committed to enhancing our corporate value and shareholder returns with a stable and sustainable dividend policy. The Board of Directors recommends an interim dividend of RMB0.19 per share, an increase of RMB0.01 per share year on year. The total dividend payout amounts to RMB5.527 billion.

We have demonstrated our confidence in CITIC's fundamentals and long-term development prospects with concrete action. In the first half of the year, we announced a voluntary purchase of CITIC Limited shares by directors, senior and middle management. Since the announcement, nearly 200 participants have purchased an aggregate value of more than HK\$80 million in shares.

Further demonstrating resilient development with the implementation of the "553" strategy

The comprehensive financial service segment overcame operational pressure and instituted the CITIC model of "Five Major Tasks" in finance. CITIC Financial Holdings has taken the initiative to improve the quality and efficiency of serving the real economy and the segment provided a total of RMB11.8 trillion in financing across credit, equity, bond underwriting and other sources. The establishment of CITIC Equity Investment Alliance and CITIC Special Assets Alliance further strengthened our competitiveness in comprehensive financial services. Following the implementation of the "Five Leading" strategy, CITIC Bank outperformed the market in its management of the narrowing net interest margin and achieved growth in its operating income and non-interest income. Green finance, medium- and long-term loans for the manufacturing sector and inclusive finance rose by 15%, 8% and 7%, respectively, from the beginning of the year. CITIC Securities delivered stable profit and led the industry with RMB909 billion in domestic equity and debt underwriting value. It also maintained a leading position in equity financing for strategic emerging industries and technology innovation bond underwriting. CSC Financial ranked second in the industry with total domestic equity and bond underwriting of RMB704.8 billion and ranked first in the number of corporate equity financing deals for national specialised and sophisticated "little giant" enterprises. Following efforts to accelerate business transformation, CITIC Trust accelerated its business transformation and realised 18% growth in trust assets under management compared to the beginning of the year. Meanwhile, CITIC-Prudential Life expanded its distribution channels and optimised its product structure, achieving 10% year-on-year growth in new business value.

The advanced intelligent manufacturing segment benefited from strong growth momentum in the equipment manufacturing and high-tech manufacturing sectors. It has been actively promoting high-end, intelligent and green transformation while enhancing product competitiveness. CITIC Heavy Industries completed a private placement of RMB828 million and further strengthened its leading position in global equipment manufacturing. CITIC Dicastal, despite challenges such as rising costs, recorded growth in revenue and profit with double-digit increases in both the production and sales of aluminium wheels and castings.

The advanced materials segment contributed to the security of the industrial chain through the supply of national strategic resources. CITIC Pacific Special Steel and Nanjing Iron & Steel outperformed peers despite weak demand, with production and export volumes of special steel products ranking first among domestic special steel companies. Notably, CITIC Pacific Special Steel's ultra-high strength wire rods with a world-leading capacity of 2,060MPa were developed and used for the bridge cables of the Shenzhen-Zhongshan Link. As Australia's largest magnetite operation, Sino Iron continues to manage challenges including reduced production while land access issues are being resolved, labour shortages and cost pressures and remains a leading concentrate supplier to China. The phase three concentrator of the Kamo-a-Kakula Copper Mine and the new concentrator of the Kipushi Zinc Mine, both under Ivanhoe Mines with investment from CITIC Metal, were completed and put into production ahead of schedule with world-leading production capacity.

The new consumption segment actively responded to consumer market headwinds with a focus on agility and transformation. CITIC Press's focus on smart publishing and levelled readers for children helped maintain its leading position in the retail publishing market. CITIC Telecom International continued to expand 5G applications to support smart city development. The number of CITIC Telecom's 5G users doubled year on year, and the

Chairman's Letter to Shareholders

penetration rate neared 90%, demonstrating its business resilience and growth potential. CITIC actively supported Yuan Longping High-Tech Agriculture in implementing China's seed industry revitalisation action plan as part of our long-term investment and commitment to build Longping High-Tech into a world-class seed industry group.

The new-type urbanisation segment continues to align to the Belt and Road Initiative and regional development with an aim to accelerate project construction and delivery. CITIC Construction's key domestic and international projects, such as Ziyang Airport Economic Zone, Nanjing Jiangbei New District and Kazakhstan Expressway, are progressing according to plan while CITIC Environment nearly doubled the value of new contracts year on year. CITIC Environment recently undertook the operation of the largest peninsula sewage treatment plant in Macau and completed the production acceptance of its KBM oilfield water reuse project in Kazakhstan ahead of schedule. CITIC Pacific Properties accelerated the delivery and settlement of various key projects with growth in both revenue and profit despite downward market trends.

Managing corporate development and security for high-quality growth

Steady progress in risk diffusion. We have achieved positive results with the implementation of a collaborative risk resolution model and attained breakthroughs in projects including Shenzhen Jinsha Bay and Shanghai Dongjiadu. CITIC Trust also successfully exited the Guangzhou Evergrande project. We have established a regular risk assessment mechanism to strengthen holistic risk management and organisational transparency, reinforcing compliance responsibilities at all levels.

Unleashing efficiency through technological innovation. We launched the AI+ action plan to foster a "1+N" large language model by coordinating the implementation of a foundation model designed at the group-level, while empowering subsidiaries to capitalise on their market leadership and key roles in the value chain to develop industry-specific models. We are also advancing the development of innovative platforms, such as the State Key Laboratory of Intelligent Mining Heavy Equipment, the State Key Laboratory for digital steel and the key generic technology laboratory for the seed industry. Building on the success of our "Factory Lighthouses" for aluminium wheels and special steel manufacturing, we are now focusing our efforts to achieve another "Lighthouse" designation at CITIC Dicastal's factory in Morocco. CITIC Dicastal and CITIC Heavy Industries jointly launched an integrated die-casting project and published a solution to advance global automotive production processes. Two scientific and technological achievements involving Nanjing Iron & Steel received the National Science and Technology Progress Award (Second Class).

Bolstering efforts in overseas expansion. Internationalisation has been CITIC's long-standing strength and a long-term strategic direction. The opening of CITIC Bank Hong Kong Branch further reinforced our international financial services network. CITIC Securities continued to excel in global financial services, achieving high growth in profit in its international business. CITIC Dicastal maintained its position as the global market share leader in aluminium wheels for 16 consecutive years. CITIC Heavy Industries reported a record high in the total number of new international orders. CITIC Construction signed contracts for several major projects, including the Riyadh social housing initiative in Saudi Arabia, the Marjan Island commercial complex in the United Arab Emirates and highway reconstruction in Uzbekistan.

Driving continuous improvements in ESG performance. The Board of Directors' Strategic Committee has been renamed the Strategic and Sustainable Development Committee with a corresponding working structure established to further strengthen our top-level ESG management. We are exploring the development of an integrated green

financial service system encompassing five key components of green financial services, including green financing, green investment, green consulting, green living and carbon management. We continued to lead the market in both the scale and number of issues of underwritten green bonds while the balance of green corporate loans reached RMB529.1 billion. CITIC has also allocated more resources and introduced innovative assistance models, channelling over RMB900 million into various types of funding for the counties and districts we assist.

Launching the “Financial Core” and “Industrial Starlink” initiatives to deepen comprehensive reform

With ongoing complexity and challenges expected in the second half of the year, we will thoroughly study and implement the guiding principles set forth by the Third Plenary Session of the 20th Party Central Committee and adhere to CITIC's “One Deepening, Three Promotions and Five Breakthroughs” strategic direction for reform and development. We strive to be in the vanguard of deepening reform to accelerate high-quality development and strengthen our core competitiveness. We will continue to foster new quality productive forces with new growth engines, enhance value creation through structural adjustment, fortify risk control through risk management systems and refine our governance structure to promote organisational competitiveness. These comprehensive and in-depth reforms will drive performance and value enhancement, charting a blueprint for a first-class, technologically-advanced enterprise.

Among the many reform initiatives, we have launched projects to strengthen our “Financial Core”, namely building a banking business with “Five Leading” capabilities, establishing a world-class investment bank, consolidating our leading position in trust services, enhancing our competitive edge in insurance and promoting financial leasing as a new growth driver for our comprehensive financial segment. To foster new quality productive forces and develop future industry champions, we have launched a series of “Industrial Starlink” programmes designed to rekindle our established “star” franchises, nurture emerging “stars” and identify future “stars” in the industry.

This year marks CITIC's 45th anniversary. Throughout our journey, continuous reform has enabled us to navigate uncertainties, overcome difficulties and embrace opportunities. Today, we remain committed to deepening reform, promoting a CITIC that has “more distinctive characteristics, higher quality and greater potential”. We strive to build a well-structured and capable team, a well-managed and risk-controlled business foundation, a set of scientific, sound and effective systems and a clean, positive and entrepreneurial corporate culture. In doing so, we endeavour to make greater contribution towards building China into a great country and advancing national rejuvenation through Chinese modernisation.



Xi Guohua
Chairman
30 August 2024

Financial Review

In the first half of 2024, the global economic recovery showed divergent momentum. Developed economies faced uncertainties stemming from monetary policy adjustments and geopolitical conflicts. Although the domestic economy continued to recover, it still faced multiple challenges, such as weak consumer demand, a slowdown in fixed asset investment growth, and a downturn in the real estate industry. Faced with this complex domestic and external environment, the Company comprehensively promoted reform and innovation, actively optimised its business structure, prudently prevented and resolved risks. As a result, it achieved new progress in high-quality development. The Company achieved revenue of RMB377.6 billion, a year-on-year increase of 13%. Net profit was RMB56.7 billion and profit attributable to ordinary shareholders was RMB32.1 billion, representing a year-on-year decrease of 1.3% and increase of 0.1%.

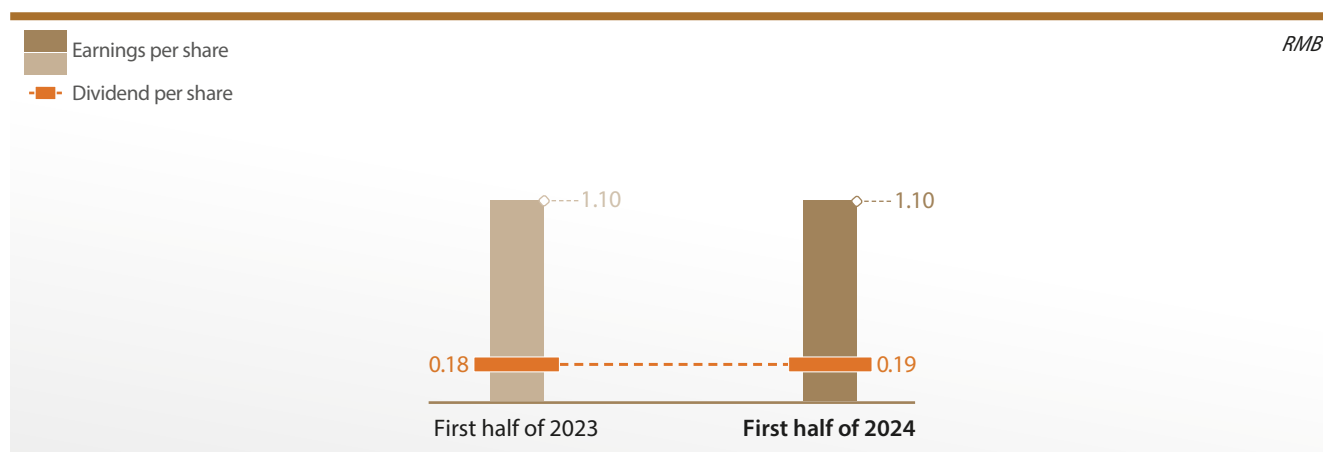
The **comprehensive financial services segment** coordinated the implementation of the “five major initiatives” in finance, effectively serving the real economy. Its revenue and profit attributable to ordinary shareholders increased by 1.1% and 1.3% year on year respectively. **CITIC Bank** continued to promote its “five leading” business strategy. Operating performance remains stable. The growth in non-interest income drove a 2.6% year-on-year increase in operating revenue. **CITIC Securities** maintained its strong position as the industry leader, achieving a net profit exceeding RMB10 billion. It ranked first among its peers in domestic stock and bond underwriting. **CITIC Trust** accelerated its business transformation, with steady growth in trust asset scale and continued optimisation of the proprietary asset allocation structure, resulting in good investment returns. **CITIC Prudential Life** focused on channel building and product structure optimisation, with a 10% year-on-year increase in new business value.

The **non-financial segment** recorded a 22% year-on-year increase in revenue and a 3.4% year-on-year increase in profit attributable to ordinary shareholders. The **advanced intelligent manufacturing segment** saw its core products like aluminium wheels and aluminium castings maintaining double-digit sales growth. The heavy equipment business recorded a significant increase in new overseas orders. Revenue and profit attributable to ordinary shareholders increased by 5.5% and 7.7% year on year, respectively. Following the consolidation of Nanjing Iron & Steel, the **advanced materials segment's** revenue grew 28% year on year. It overcame the impact of declining steel and iron ore prices. Net profit attributable to ordinary shareholders increased 15% year on year. The **new consumption segment** actively responded to market and policy changes through business expansion and cost control. However, it was affected by the automotive price war and the downturn in the Brazilian seed business, leading to declines in revenue and profits. The **new-type urbanisation segment** actively integrated into the Belt and Road Initiative and regional development strategies. It pushed forward with project construction and delivery, with a significant year-on-year increase in new overseas engineering contracts. Revenue increased 33% year on year, while profit attributable to ordinary shareholders decreased 3.9%.

Earnings per share and dividends

In the first half of 2024, the Group's basic earnings per share of net profit attributable to ordinary shareholders was RMB1.10, essentially unchanged from RMB1.10 in the first half of 2023. As at 30 June 2024, there were 29,090,262,630 shares in issue.

The Group will distribute an interim dividend of RMB0.19 per share to ordinary shareholders (interim dividend 2023: RMB0.18 per share), which is equivalent to an aggregate cash distribution of RMB5,527 million.



Segment Results

Comprehensive Financial Services

RMB million	First half of 2024	First half of 2023	Increase/(decrease)	
			Amount	%
Revenue from external customers	139,763	138,277	1,486	1.1%
Net profit	49,980	51,228	(1,248)	(2.4%)
Profit attributable to ordinary shareholders	27,895	27,529	366	1.3%
Total assets (as compared with the end of 2023)	10,708,104	10,609,132	98,972	0.9%

In the first half of 2024, this segment achieved revenue of RMB139,763 million, a year-on-year increase of 1.1%. Net profit was RMB49,980 million, a year-on-year decrease of 2.4%, while profit attributable to ordinary shareholders of RMB27,895 million, a year-on-year increase of 1.3%.

CITIC Bank steadily promoted its “five leading” business strategy, withstanding the pressure of continuous net interest margin and reduced loan demand. It achieved revenue of RMB108.6 billion, a year-on-year increase of 2.6%, among which non-interest income reached RMB36 billion, a year-on-year increase of 10.3%. The bank’s profit attributable to its shareholders was RMB35.5 billion, a year-on-year decrease of 1.6%. Asset quality remained stable, with the non-performing loan ratio edged up by 0.01 percentage points from the beginning of the year to 1.19%. The provision coverage ratio was 206.76%, a decrease of 0.83 percentage points from the beginning of the year. The bank actively supported the real economy. Balances of deposit and loan increased by 2.2% and 1.7%, respectively, compared to the beginning of the year. CITIC Bank continued to adjust its loan structure adhering to national strategies while loans for key areas such as science and technology innovation finance, green finance, inclusive finance, agriculture-related loans, and manufacturing outpaced total loan growth.

Financial Review

CITIC Securities accelerated its efforts to become a world-class investment bank, maintaining its leading industry position. Its domestic equity and bond underwriting value reached RMB909 billion, maintaining the top position in the industry. Among these, both equity financing for strategic emerging industries and bond underwriting for technology innovation ranked first in the industry. The company proactively expanded its global footprint, establishing branch offices in Frankfurt, Toronto, and other locations, with its overseas business profitability reaching a new high for the same period. Affected by the overall market downturn and the continued tightening of IPO and refinancing policies, the company's revenue reached RMB42.8 billion, a year-on-year increase of 0.1%. Profit attributable to the parent company was RMB10.6 billion, a year-on-year decrease of 6.5%.

CITIC Trust accelerated the pace of its business transformation, reducing dependence on traditional operations, with trust assets growing by 18% compared to the beginning of the year. Structural improvement in proprietary asset allocation further supported earnings. The company made concerted efforts to mitigate and resolve risks, successfully exited projects including the Guizhou Zunyi and Evergrande Guangzhou projects. CITIC Trust recorded revenue of RMB2.8 billion and profit attributable to the parent company of RMB1.4 billion, up 25% and 4.8% year-on-year, respectively.

CITIC-Prudential Life^{note} was impacted by the integrated written premium transformation policy, resulting in original premium income of RMB16.9 billion, a year-on-year decrease of 0.6%. Despite the external challenges, the company continued to optimise its business structure and product mix, with more longer-duration and higher-value insurance products. Its new business value grew 10% year-on-year, and the new business value margin improved by 8.1 percentage points year-on-year.

Advanced Intelligent Manufacturing

<i>RMB million</i>	First half of 2024	First half of 2023	Increase/(decrease)	
			Amount	%
Revenue from external customers	25,461	24,145	1,316	5.5%
Net profit	969	903	66	7.3%
Profit attributable to ordinary shareholders	459	426	33	7.7%
Total assets (as compared with the end of 2023)	60,592	60,415	177	0.3%

In the first half of 2024, this segment achieved revenue of RMB25,461 million, net profit of RMB969 million and profit attributable to ordinary shareholders of RMB459 million, a year-on-year increase of 5.5%, 7.3% and 7.7% respectively.

Note: CITIC-Prudential Life is a joint venture of CITIC Limited, which holds a 50% equity interest, without consolidating its financial statements.

CITIC Dicastal overcame adverse factors such as intense domestic market competition, rising cost elements, and escalating trade barriers overseas. Its aluminium wheel and aluminium casting sales and production volumes increased 12% and 16% year-on-year, respectively, both reaching historical highs, ranking No.1 globally for 16 consecutive years and 3 consecutive years, respectively. The company ranked 49th in the global top 100 automotive parts manufacturers. CITIC Dicastal accelerated its overseas production, actively advancing the construction of the 'lighthouse factory' in Morocco. Following their commissioning last year, the aluminium wheel factory in Mexico and the aluminium casting factory in Morocco saw continuous increases in capacity utilisation, reaching 90% and 65%, respectively. The integrated die casting project completed its core R&D, realising the consolidation of 98 components into one, which accelerated the transformation of automotive manufacturing processes.

CITIC Heavy Industries stepped up efforts to expand its overseas business, focusing on regional markets in Australia, Africa, and South America and achieved the bulk production of large-scale crushing and grinding machinery for all major overseas mega mines. New effective overseas orders surged by 65% to RMB4 billion, accounting for 50% of total orders, a year-on-year increase of 17 percentage points, both reaching a historical high. However, due to a slowdown in the pace of some domestic projects, revenue decreased by 16% year-on-year to RMB3.9 billion. Through initiatives such as lean production and cost control, the gross profit margin increased by 3 percentage points to 21%, resulting in a profit attributable to ordinary shareholders of RMB191 million, a year-on-year increase of 0.6%.

Advanced Materials

<i>RMB million</i>	First half of 2024	First half of 2023	Increase/(decrease)	
			Amount	%
Revenue from external customers	166,810	130,603	36,207	28%
Net profit	8,378	6,595	1,783	27%
Profit attributable to ordinary shareholders	6,653	5,789	864	15%
Total assets (as compared with the end of 2023)	362,583	363,781	(1,198)	(0.3%)

In the first half of 2024, this segment achieved revenue of RMB166,810 million, up by 28% year-on-year, while net profit of RMB8,378 million and profit attributable to ordinary shareholders of RMB6,653 million, a year-on-year increase of 27% and 15% respectively.

CITIC Pacific Special Steel capitalised on growth opportunities in industries such as bearings and new energy vehicles. In the first half of the year, it achieved special steel sales of 9.52 million tonnes and exports of 1.12 million tonnes, maintaining its leading position in domestic special steel industry. Monthly sales of bar and wire products reached historical highs. Its 2,060 MPa-level bridge cable materials were used in the construction of the “Shenzhen-Zhongshan Channel”, realising domestic large-scale application for the first time. Affected by a significant decline in market demand, the company’s revenue reached RMB57 billion, a year-on-year decrease of 2.3%, recording profit attributable to ordinary shareholders RMB2.7 billion, a year-on-year decrease of 10%. Its operating performance outpaced the industry. **Nanjing Iron & Steel** experienced counter-cyclical growth in high-end products, with sales of advanced steel materials such as high-tech shipbuilding and marine engineering steel, high-standard bearings and other advanced steel materials reaching 1.3 million tonnes, accounting for over 27% of total sales. The gross profit margin increased by 1.61 percentage points to 17.94%. The company actively expanded its overseas key customer base and increased the export of high-value-added products. In the first half of the year, the export order intake and export volume grew by 64% and 31% year-on-year, respectively, while profit attributable to ordinary shareholders rose by 25% to RMB1.2 billion.

Sino Iron continued to manage challenges including reduced production while land access being revolved, labour shortages, and cost pressures and remained a leading concentrate supplier to China.

CITIC Metal achieved revenue of RMB64.2 billion and profit attributable to ordinary shareholders was RMB1.1 billion, representing year-on-year growth of 4.9% and 3.7%, respectively. The non-ferrous metals segment capitalised on the opportunity of the rising price of copper. The company bolstered its upstream and downstream channel development and sales efforts, resulting in double-digit growth in electrolytic copper product sales. The non-ferrous business segment generated revenue of RMB44.6 billion, a 28% increase year-on-year, accounting for 70% of total revenue with profitability significantly enhanced. The third phase of KK copper mine’s concentrator, under Ivanhoe Mines with investment from CITIC Metal, was completed ahead of schedule, and expected to commence commercial production in the third quarter of 2024, enabling the mine to become the world’s third-largest copper mine with an annual production capacity of over 600,000 tonnes. A strategic divestment of a small stake in Ivanhoe unlocked investment value at favourable prices.

CITIC Resources continued to expanded its crude oil trading operations. It achieved revenue of HK\$3.9 billion, a year-on-year increase of 93%. However, impacted by a one-time tax benefit in the Yuedong Oilfield in the same period last year, as well as a year-on-year decline in coal prices in the current period, profit attributable to the parent company decreased 7.9% year-on-year to HK\$353 million.

CITIC Pacific Energy’s traditional coal sales and new energy power generation both experienced growth coupled with the decline in coal prices that reduced power generation costs. It achieved revenue of RMB5 billion and profit attributable to the parent of RMB710 million, up 15% and 84% year-on-year respectively.

New Consumption				
	First half of 2024	First half of 2023	Increase/(decrease)	
<i>RMB million</i>			Amount	%
Revenue from external customers	24,221	24,870	(649)	(2.6%)
Net profit	260	828	(568)	(69%)
Profit attributable to ordinary shareholders	32	481	(449)	(93%)
Total assets (as compared with the end of 2023)	55,796	55,704	92	0.2%

In the first half of 2024, this segment achieved revenue of RMB24,221 million, net profit of RMB260 million, and profit attributable to ordinary shareholders of RMB32 million, representing year-on-year declines of 2.6%, 69%, and 93% respectively.

CITIC Press actively responded to the contraction of the traditional book publishing industry and the impact of new media channels. It focused on developing its digital and intelligent publishing as well as children's reading systems. Through price control and cost reduction, it improved its gross profit margin by 3.31 percentage points. The profit attributable to ordinary shareholders grew 2.2% year-on-year to RMB93 million. In the first half of the year, the market share of book publishing reached 2.68%, ranking first among national publishing houses. Specifically, business management, popular science, self-help psychology, and biography maintained the top position, while children's and lifestyle categories ranked second.

CITIC Telecom actively sought the extension of its concession assets in Macau, continuously expanding 5G applications to support the construction of smart cities. In the Macau region, the number of 5G users grew 24% from the beginning of the year to 624,000, with a penetration rate reaching 87.9%. The company launched its 5.5G commercial services in July of this year, making Macau one of the first cities in the world to commercially adopt 5.5G technology. As part of its global strategy, CITIC Telecom expanded into new markets. It partnered with a globally-renowned hardware provider in Singapore to deploy servers for local customers and delivered several data centre ICT projects in Malaysia. However, due to the intensified competition in the international telecommunications business, revenue declined 8.2% year-on-year to HK\$4.9 billion, and profit attributable to ordinary shareholders fell 37% to HK\$455 million.

Dah Chong Hong actively expanded into overseas markets. The commercial vehicle division completed the establishment and capital injection for the Isuzu project in Vietnam, with the store opening plan progressing smoothly. The yacht division actively advanced the preliminary preparatory work for the authorisation of its new principals in the Asia-Pacific region. Impacted by the automotive price war and disruption to new energy vehicle consumption, the company's vehicle sales volume declined 2.9% year-on-year. In the first half of the year, it achieved revenue of RMB19 billion, down 1.6% year-on-year, and incurred a loss of RMB89 million.

Financial Review

Longping High-Tech turned to profitability, achieving a net profit of RMB110 million compared to a loss in the same period last year. The company became the first seed industry enterprise to receive the China Quality Award. By seizing business opportunities in the low-cadmium rice market, the company's domestic rice seed sales grew over 20% year-on-year, solidifying its position as the industry leader. In the first half of the year, Longping High-Tech received approvals for 28 new rice varieties, obtained 38 plant variety protection certificates and was granted two invention patents and five utility model patents, setting new historical highs.

New-Type Urbanisation

<i>RMB million</i>	First half of 2024	First half of 2023	Increase/(decrease)	
			Amount	%
Revenue from external customers	21,361	16,077	5,284	33%
Net profit	3,015	3,094	(79)	(2.6%)
Net profit attributable to ordinary shareholders	2,922	3,042	(120)	(3.9%)
Total assets (as compared with the end of 2023)	337,469	338,424	(955)	(0.3%)

In the first half of 2024, this segment achieved revenue of RMB21,361 million, a 33% year-on-year increase. It realised net profit of RMB3,015 million and profit attributable to ordinary shareholders of RMB2,922 million, a year-on-year decrease of 2.6% and 3.9% respectively.

The property development and operation business pushed forward with the delivery and settlement of projects. Key real estate projects, such as Suzhou Wuzhong and Changsha Longping, were successfully delivered, contributing to a revenue of RMB7.2 billion, a year-on-year increase of 204%. Multiple measures were implemented to accelerate inventory clearance, such as stepping up discount pricing for projects such as Fenghua in Ningbo to boost sales. The Qingdao government repurchased 596 residential units in the Qingdao Langya Jun project, which will be used for affordable housing.

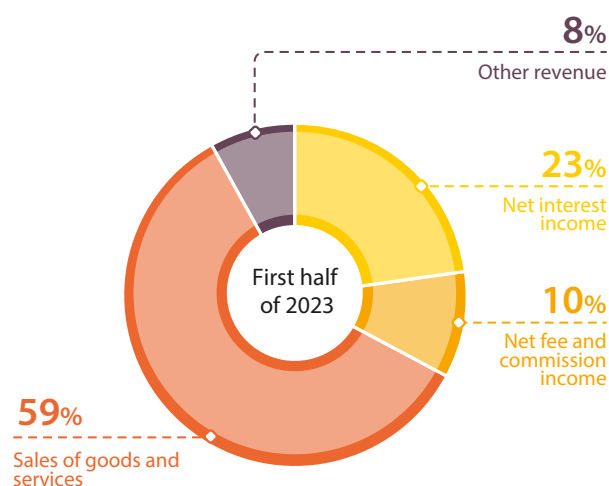
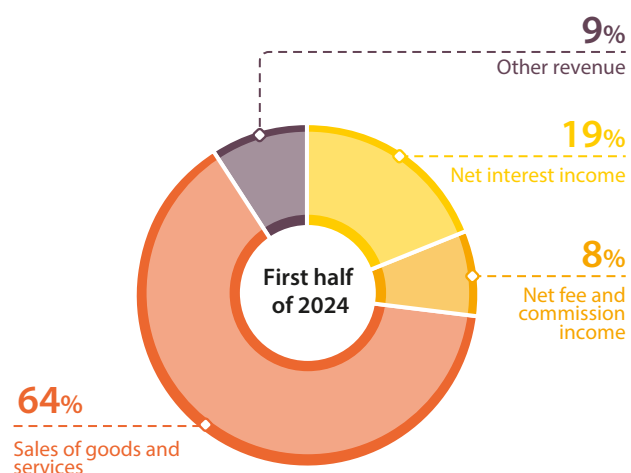
The business of engineering construction and urban operations signed a series of contracts for key projects, including social housing project in Riyadh, Saudi Arabia, a commercial complex on Marayna Island in the UAE, and highway renovation in Uzbekistan. In the first half of the year, the value of new effective contracts increased by RMB10.3 billion year-on-year to RMB15.2 billion. Key projects, including Ziyang Airport Economic Zone, Nanjing Jiangbei New District, and Kazakhstan expressways, all progressed according to plan. The company completed the production acceptance of the produced water reuse project in the KBM oilfield in Kazakhstan ahead of schedule and undertook the operation of Macau's largest peninsula wastewater treatment plant.

Group Financial Results

Revenue

by nature

RMB million	Half-year ended 30 June		Increase/(decrease)	
	2024	2023	Amount	%
Net interest income	74,136	75,717	(1,581)	(2.1%)
Net fee and commission income	29,031	34,499	(5,468)	(16%)
Sales of goods and services	241,035	197,166	43,869	22%
– Sales of goods	221,401	177,501	43,900	25%
– Revenue from construction contracts	6,032	6,143	(111)	(1.8%)
– Revenue from other services	13,602	13,522	80	0.6%
Other revenue	33,445	26,604	6,841	26%



Expected credit losses and other impairment losses

In the first half of 2024, expected credit and asset impairment losses of RMB33,674 million were recorded, a decrease of 2.4% from the same period last year. In particular, CITIC Bank recognised impairment losses of RMB34,413 million, primarily due to expected credit losses of RMB29,974 million on loans and advances to customers.

Net financial charges

In the first half of 2024, the Group's finance costs amounted to RMB6,902 million, an increase of RMB1,208 million, or 21% year-on-year, mainly due to an increase in interest expenses.

In the first half of 2024, the Group's finance income amounted to RMB1,312 million, an increase of RMB573 million or 78% year-on-year, primarily driven by an increase in interest income.

Financial Review

Income tax

Income tax of the Group in the first half of 2024 was RMB14,998 million, an increase of RMB3,206 million compared with the corresponding period, consistent with the trend of changes in profit before tax.

Group Cash Flows

RMB million	CITIC Limited Half-year ended 30 June				Including CITIC Bank Half-year ended 30 June			
	2024	2023	Increase/(decrease)		2024	2023	Increase/(decrease)	
			Amount	%			Amount	%
Net cash used in operating activities	(295,978)	(132,313)	(163,665)	(124%)	(341,909)	(123,018)	(218,891)	(178%)
Net cash generated from investing activities	19,849	26,738	(6,889)	(26%)	61,639	44,392	17,247	39%
Including: Proceeds from disposal and redemption of financial investments	1,711,493	1,320,930	390,563	30%	1,716,776	1,320,829	395,947	30%
Payments for purchase of financial investments	(1,689,581)	(1,275,837)	(413,744)	(32%)	(1,651,773)	(1,272,807)	(378,966)	(30%)
Net cash generated from/(used in) financing activities	232,749	31,521	201,228	638%	245,616	(16,838)	262,454	1,559%
Including: Proceeds from bank and other loans and debt instruments issued	1,140,437	777,825	362,612	47%	907,898	519,116	388,782	75%
Repayment of bank and other loans and debt instructions issued	(911,082)	(725,903)	(185,179)	(26%)	(673,828)	(521,085)	(152,743)	(29%)
Interest paid on bank and other loans and debt instruments issued	(23,883)	(19,302)	(4,581)	(24%)	(14,943)	(11,168)	(3,775)	(34%)
Dividends paid to non-controlling interests	(4,602)	(1,404)	(3,198)	(228%)	(1,858)	(1,984)	126	6.4%
Net decrease in cash and cash equivalents	(43,380)	(74,054)	30,674	41%	(34,654)	(95,464)	60,810	64%
Cash and cash equivalents at the beginning of the Period	359,383	427,460	(68,077)	(16%)	249,002	307,871	(58,869)	(19%)
Effect of exchange rate changes	2,595	2,621	(26)	(1.0%)	2,432	5,766	(3,334)	(58%)
Cash and cash equivalents at the end of the Period	318,598	356,027	(37,429)	(11%)	216,780	218,173	(1,393)	(0.6%)

Capital Expenditure

RMB million	Half-year ended 30 June		Increase/(decrease)	
	2024	2023	Amount	%
Comprehensive financial services	4,118	1,532	2,586	169%
Advanced intelligent manufacturing	607	703	(96)	(14%)
Advanced materials	6,301	2,917	3,384	116%
New consumption	454	709	(255)	(36%)
New-type urbanisation	2,058	1,232	826	67%
Total	13,538	7,093	6,445	91%

Capital Commitments

As at 30 June 2024, the contracted capital commitments of the Group amounted to approximately RMB14,316 million. Details are disclosed in Note 33(f) to the financial statements.

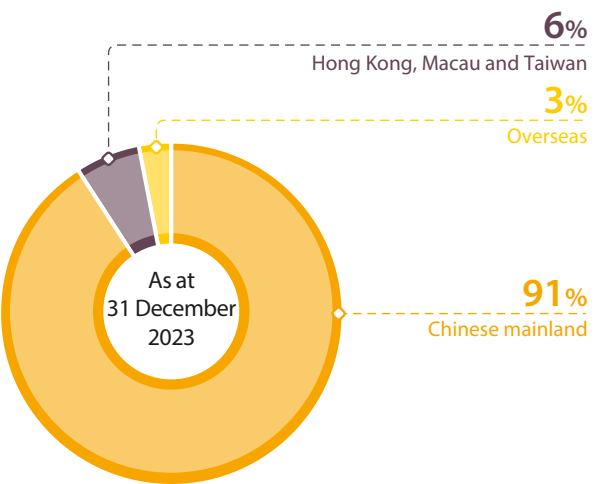
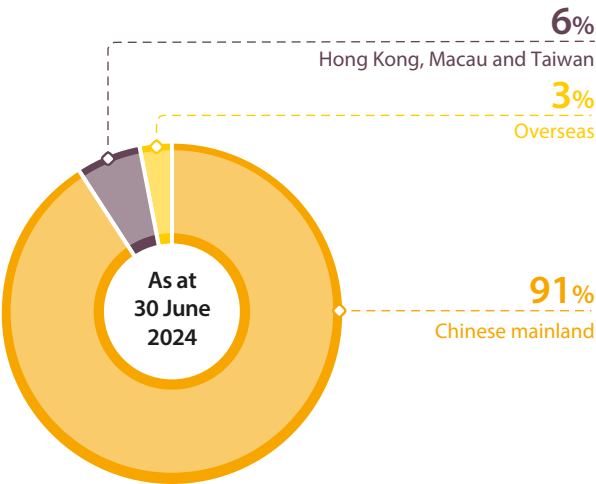
Group Financial Position

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Total assets	11,429,264	11,330,920	98,344	0.9%
Loans and advances to customers and other parties	5,474,256	5,380,140	94,116	1.7%
Investments in financial assets	3,333,592	3,356,367	(22,775)	(0.7%)
Cash and deposits	583,489	625,135	(41,646)	(6.7%)
Trade and other receivables	293,070	254,452	38,618	15%
Fixed assets	210,710	210,719	(9)	(0.004%)
Placements with banks and non-bank financial institutions	298,629	237,742	60,887	26%
Total liabilities	10,024,187	9,994,138	30,049	0.3%
Deposits from customers	5,577,672	5,459,993	117,679	2.2%
Deposits from banks and non-bank financial institutions	811,766	893,565	(81,799)	(9.2%)
Debt instruments issued	1,431,737	1,221,107	210,630	17%
Borrowing from central banks	275,603	273,226	2,377	0.9%
Trade and other payables	412,702	391,948	20,754	5.3%
Bank and other loans	254,893	235,770	19,123	8.1%
Total ordinary shareholders' funds	733,482	703,178	30,304	4.3%

Total assets

As at 30 June 2024, total assets increased to RMB11,429,264 million from RMB11,330,920 million as at 31 December 2023.

By geography



Loans and advances to customers and other parties

As at 30 June 2024, the net loans and advances to customers and other parties of the Group were RMB5,474,256 million, an increase of RMB94,116 million, or 1.7% compared with 31 December 2023. The proportion of loans and advances to customers and other parties to total assets was 47.90%, an increase of 0.42 percentage point compared with 31 December 2023.

RMB million	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Loans and advances to customers and other parties measured at amortised cost				
Corporate loans	2,830,177	2,625,019	205,158	7.8%
Discounted bills	2,657	1,784	873	49%
Personal loans	2,340,099	2,294,540	45,559	2.0%
Accrued interest	20,967	20,188	779	3.9%
Total loans and advances to customers and other parties measured at amortised cost	5,193,900	4,941,531	252,369	5.1%
Allowance for impairment losses	(144,041)	(139,679)	(4,362)	(3.1%)
Carrying amount of loans and advances to customers and other parties measured at amortised cost	5,049,859	4,801,852	248,007	5.2%
Loans and advances to customers and other parties at fair value through profit or loss				
Corporate loans	9,559	5,558	4,001	72%
Loans and advances to customers and other parties at fair value through other comprehensive income				
Corporate loans	70,655	58,064	12,591	22%
Discounted bills	344,183	514,666	(170,483)	(33%)
Carrying amount of loans and advances to customers and other parties at fair value through other comprehensive income	414,838	572,730	(157,892)	(28%)
Net loans and advances to customers and other parties	5,474,256	5,380,140	94,116	1.7%

Financial Review

Investments in financial assets

As at 30 June 2024, the investments in financial assets of the Group were RMB3,333,592 million, a decrease of RMB22,775 million, or 0.7% compared with 31 December 2023. The proportion of investments in financial assets to total assets was 29.17%, a decrease of 0.45 percentage point compared with 31 December 2023.

(a) Analysed by types

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Debt securities	2,082,037	2,116,909	(34,872)	(1.6%)
Investment management products	29,935	35,614	(5,679)	(16%)
Investment funds	591,563	553,540	38,023	6.9%
Trust investment plans	189,192	205,542	(16,350)	(8.0%)
Certificates of deposit and certificates of interbank deposit	86,726	126,908	(40,182)	(32%)
Equity investment	311,133	278,588	32,545	12%
Wealth management products	7,645	6,161	1,484	24%
Investments in creditor's rights on assets	1,900	1,900	–	–
Others	40,486	39,966	520	1.3%
Subtotal	3,340,617	3,365,128	(24,511)	(0.7%)
Accrued interest	20,947	19,861	1,086	5.5%
Less: allowance for impairment losses	(27,972)	(28,622)	650	2.3%
Total	3,333,592	3,356,367	(22,775)	(0.7%)

(b) Analysed by measurement attribution

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Financial assets at amortised cost	991,934	1,076,039	(84,105)	(7.8%)
Financial assets at FVPL	1,329,560	1,292,115	37,445	2.9%
Debt investments at FVOCI	934,990	967,803	(32,813)	(3.4%)
Equity investments at FVOCI	77,108	20,410	56,698	278%
Total	3,333,592	3,356,367	(22,775)	(0.7%)

Deposits from customers

As at 30 June 2024, deposits from customers of the Group were RMB5,577,672 million, representing an increase of RMB117,679 million, or 2.2% compared with the end of year 2023. The proportion of deposits from customers to total liabilities was 55.64%, representing an increase of 1.01 percentage points compared with the end of year 2023.

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Corporate deposits				
Time and call deposits	1,787,895	1,755,882	32,013	1.8%
Demand deposits	2,060,738	2,149,823	(89,085)	(4.1%)
Subtotal	3,848,633	3,905,705	(57,072)	(1.5%)
Personal deposits				
Time and call deposits	1,121,774	1,125,384	(3,610)	(0.3%)
Demand deposits	444,924	340,432	104,492	31%
Subtotal	1,566,698	1,465,816	100,882	6.9%
Outward remittance and remittance payables	84,778	19,022	65,756	346%
Accrued interest	77,563	69,450	8,113	12%
Total	5,577,672	5,459,993	117,679	2.2%

Bank and other loans

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Comprehensive financial services	9,406	10,344	(938)	(9.1%)
Advanced intelligent manufacturing	9,041	6,018	3,023	50%
Advanced materials	94,448	90,205	4,243	4.7%
New consumption	8,150	6,608	1,542	23%
New-type urbanisation	56,651	54,245	2,406	4.4%
Operation management	132,588	125,712	6,876	5.5%
Elimination	(56,135)	(58,000)	1,865	3.2%
Subtotal	254,149	235,132	19,017	8.1%
Accrued interest	744	638	106	17%
Total	254,893	235,770	19,123	8.1%

Financial Review

Debt instruments issued

<i>RMB million</i>	As at 30 June 2024	As at 31 December 2023	Increase/(decrease)	
			Amount	%
Comprehensive financial services	1,346,476	1,133,946	212,530	19%
Advanced intelligent manufacturing	–	–	–	–
Advanced materials	4,990	5,259	(269)	(5.1%)
New consumption	3,205	3,184	21	0.7%
New-type urbanisation	1,000	–	1,000	–
Operation management	71,398	74,009	(2,611)	(3.5%)
Elimination	(2,354)	(2,818)	464	16%
Subtotal	1,424,715	1,213,580	211,135	17%
Accrued interest	7,022	7,527	(505)	(6.7%)
Total	1,431,737	1,221,107	210,630	17%

Total ordinary shareholders' funds

As at 30 June 2024, total ordinary shareholders' funds of the Group amounted to RMB733,482 million, representing an increase of RMB30,304 million as compared with the end of year 2023.

Risk Management

CITIC Limited has established a risk management and internal control system covering all business segments to identify, assess and manage various risks in the Group's business activities. The business, operating results, financial position and profitability of CITIC Limited may be subject to a number of risk factors and uncertainties, directly or indirectly, relating to the Group. The risk factors set out below are not exhaustive and CITIC Limited, in addition to these risk factors, may also be exposed to other unknown risks or risks that may not be material at present but may become material in future.

Financial Risk

As a sub-committee of the Executive Committee, the Asset and Liability Management Committee ("ALCO") has been established to monitor financial risks of the Group in accordance with the relevant treasury and financial risk management policies.

Asset and liability management

CITIC Limited's sources of funds for different businesses include long-term and short-term debt and equity, of which ordinary shares, preferred shares and perpetual securities are the alternative forms of equity financing instruments. CITIC Limited manages its capital structure to finance its overall operations and growth by using different sources of funds. The type of funding is targeted to match the characteristics of our underlying business.

1. Debt

ALCO centrally manages and regularly monitors the existing and projected debt levels of CITIC Limited and its major non-financial subsidiaries to ensure that the Group's debt size, structure and cost are at reasonable levels.

As at 30 June 2024, consolidated debt of CITIC Limited⁽¹⁾ was RMB1,678,864 million, including loans of RMB254,149 million and debt instruments issued⁽²⁾ of RMB1,424,715 million. Debt of CITIC Bank⁽³⁾ accounted for RMB1,167,607 million. CITIC Limited attaches importance to cash flow management, the head office of CITIC Limited had cash and deposits of RMB1,461 million and available committed facilities of RMB40,545 million.

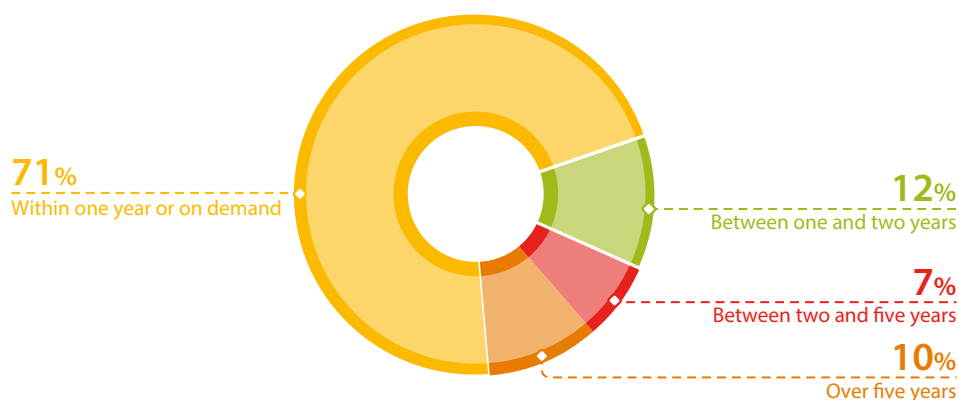
The details of debt are as follows:

As at 30 June 2024	RMB million
Consolidated debt of CITIC Limited	1,678,864
Among which: Debt of CITIC Bank	1,167,607

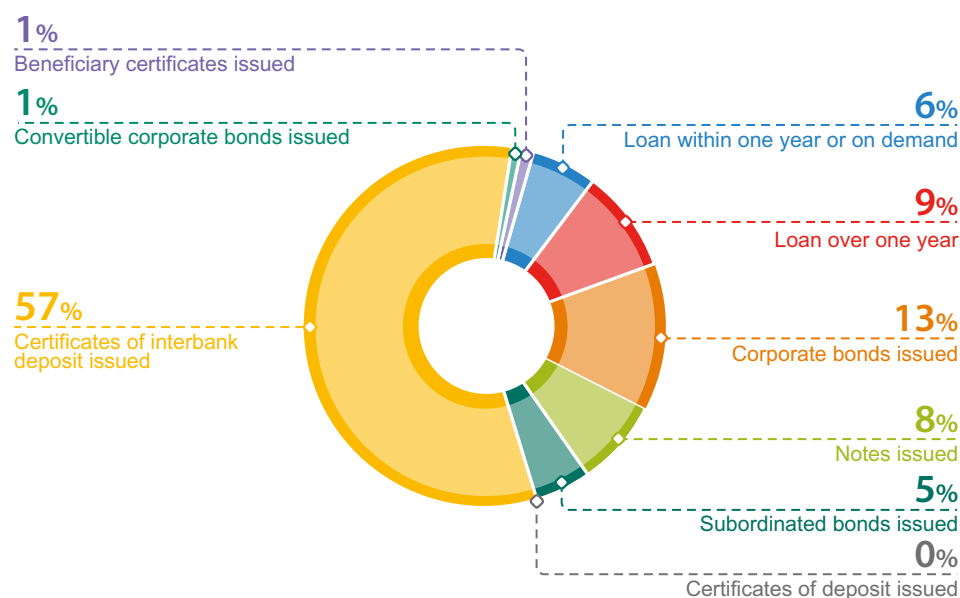
Note:

- (1) Consolidated debt of CITIC Limited is the sum of "bank and other loans" and "debt instruments issued" in the Consolidated Balance Sheet of CITIC Limited excluding interest accrued;
- (2) Debt instruments issued include corporate bonds, notes, subordinated bonds, certificates of deposit issued, certificates of interbank deposit issued, convertible corporate bonds and beneficiary certificates excluding interest accrued;
- (3) Debt of CITIC Bank refers to CITIC Bank's consolidated debt securities issued, including long-term debt securities, subordinated bonds, certificates of deposit issued, certificates of interbank deposit issued and convertible corporate bonds excluding interest accrued and convertible corporate bonds that has been subscribed by another subsidiary of the Group.

Consolidated debt by maturity as at 30 June 2024



Consolidated debt by type as at 30 June 2024



The debt to equity ratio of CITIC Limited as at 30 June 2024 is as follows:

In RMB million	Consolidated
Debt	1,678,864
Total equity ⁽⁴⁾	1,405,077
Debt to equity ratio	119%

Note:

(4) Total consolidated equity is based on the "total equity" in the Consolidated Statement of Financial Position.

2. Liquidity risk management

The objective of liquidity risk management is to ensure that CITIC Limited always has sufficient cash to repay its maturing debt, perform other payment obligations and meet other funding requirements for normal business development.

CITIC Limited's liquidity management involves the regular cash flow forecast for the next three years and the consideration of its liquid assets level and new financings necessary to meet future cash flow requirements.

CITIC Limited centrally monitors and graded manages its own liquidity and that of its major non-financial subsidiaries and improves the efficiency of fund utilisation. With flexible access to domestic and overseas markets, CITIC Limited seeks to diversify sources of funding through different financing instruments, in order to raise low-cost funding of medium and long terms, maintain a mix of staggered maturities and minimise refinancing risk.

Details of liquidity risk management are set out in Note 34(b) to the consolidated financial statements.

3. Contingent liabilities and commitments

Details of contingent liabilities and commitments of CITIC Limited as at 30 June 2024 are set out in Note 33 to the consolidated financial statements.

4. Pledged loan

Details of cash and deposits, trade and other receivables, inventories, financial assets held for trading, fixed assets, right-of-use assets and intangible assets pledged as security for CITIC Limited's loan as at 30 June 2024 are set out in Note 29(d) to the consolidated financial statements.

5. Credit ratings

	Standard & Poor's	Moody's
30 June 2024	A-/Stable	A3/Stable

Risk Management

Treasury risk management

Treasury risk management essentially covers the following financial risks inherent in CITIC Limited's businesses:

- Interest rate risk
- Currency risk
- Counterparty risk for financial products
- Commodity risk
- Market price risk

CITIC Limited manages the above risks by using appropriate financial derivatives or other means, and priority will be given to simple, cost-efficient and effective hedge instruments which meet the HKFRS 9 in performing treasury risk management responsibilities. To the extent possible, gains and losses of the derivatives offset the losses and gains of the assets, liabilities or transactions being hedged.

CITIC Limited is committed to establishing a comprehensive and uniform treasury risk management system. Within the group-wide treasury risk management framework, member companies are required to, according to their respective business characteristics and regulatory requirements, implement suitable treasury risk management strategies and procedures and submit reports on a regular and ad hoc basis.

1. Interest rate risk

CITIC Limited regularly monitors current and projected interest rate changes, with each of the operating entities of the Group implementing its own interest rate risk management system covering identification, measurement, monitoring and control of market risks. Interest rate risk is managed by taking into account market conditions and controlled at a reasonable level.

For our financial subsidiaries, repricing risk and benchmark risk are the main sources of interest rate risk. Observing the principle of prudent risk appetite, they closely track changes in the macroeconomic situation and internal business structure, continue to optimise the maturity structure of deposits, make timely adjustments to the loan repricing lifecycle, and take the initiative to manage sensitive gaps in interest rates for the overall objective of achieving steady growth both in net interest income and economic value within a tolerable level of interest rate risk.

For our head office and non-financial subsidiaries, the interest rate risk arises primarily from debt. Borrowings at floating rates expose CITIC Limited to cash flow interest rate risk, while borrowings at fixed rates expose CITIC Limited to fair value interest rate risk. Based on its balance sheet and market conditions, CITIC Limited and its non-financial subsidiaries will conduct analysis and sensitivity testing on interest rate risk, adopt a flexible approach in choosing financing instruments at floating and fixed rates, or choose to employ, at the suitable time, the interest rate swaps and other derivative instruments approved for use by the ALCO to manage interest rate risk.

Details of interest rate risk management are set out in Note 34(c) to the consolidated financial statements.

2. Currency risk

CITIC Limited has major operations in mainland China, Hong Kong and Australia, with Renminbi (“RMB”), Hong Kong dollar (“HKD”) and United States dollar (“USD”) as functional currencies respectively. The Group’s member companies are exposed to currency risk from gaps between financial assets and liabilities, future commercial transactions and net investments in foreign operations that are denominated in a currency that is not the member company’s functional currency. The reporting currency of the consolidated financial statements of CITIC Limited is RMB. Translation exposures from the consolidation of subsidiaries, whose functional currency is not RMB, are not hedged by using derivative instruments as no cash exposures are involved.

CITIC Limited measures its currency risk mainly by currency gap analysis. Where it is appropriate, the Group seeks to lower its currency risk by matching its foreign currency denominated assets with corresponding liabilities in the same currency or using forward contracts, cross currency swaps and other derivative instruments, provided that hedging is only considered for firm commitments and highly probable forecast transactions.

Details of currency risk management are set out in Note 34(d) to the consolidated financial statements.

3. Counterparty risk for financial products

CITIC Limited has business with various financial institutions, including deposits, interbank lending, financial investment products and derivative financial instruments. To mitigate the risk of non-recovery of deposited funds or financial instrument gains, member companies of CITIC Limited approve and adjust the list of counterparties and credit limits of approved financial institutions through internal credit extension processes. A regular report is required.

4. Commodity risk

Some businesses of CITIC Limited involve the production, procurement, and trading of commodities, and they face exposure to price risks of commodities such as iron ore, crude oil, gas and coal.

To manage some of its raw material exposures such as supply shortages and price volatility, CITIC Limited has entered into long-term supply contracts for certain inputs or used plain vanilla futures, forward contracts and other derivative instruments for hedging. While CITIC Limited views that natural offsetting is being achieved to a certain extent across its different business sectors, it performs a continual risk management review to ensure commodity risks are well understood and controlled within its business strategies.

5. Market price risk

CITIC Limited holds investments in financial assets classified as Derivative financial instruments or Investments in financial assets in the consolidated balance sheet, including shares of listed company. To control price risks arising from such investments, the Group actively monitors the price changes and diversifies the relevant investment risks through appropriate asset allocation.

Economic Environment

CITIC Limited operates diversified businesses globally in various countries and regions. As a result, its financial condition, operational results and business prospects are, to a significant degree, subject to the development of both international and domestic economies, as well as the political and legislative environment.

As China's economy is undergoing structural changes, the formation of new growth drivers involves further reforms in a variety of areas, including politics, economy, technology, culture and society. The global economy is still on the way of recovery, but the performances in main economic entities and regions are divergent, and challenges from trade friction and other aspects are increasing. The growth prospect is with uncertainty. If negative economic factors appear in countries and regions in which CITIC Limited operates, there might be an adverse impact on its operational results, financial condition and profitability.

Operational Risk

The financial services segment of the CITIC Limited covers various sectors, including banking, securities, trust, insurance and asset management. As information technology is widely applied in the modern financial services industry, the reliability of computer systems, computer networks and information management software is essential to both traditional financial and innovative businesses. Unreliable information technology systems or underdeveloped network technologies may result in inefficient trading systems, business interruption, or loss of important information, thus affecting the reputation and service quality of financial institutions and even incurring economic losses and legal disputes.

CITIC Limited carries out resources and energy, manufacturing, engineering construction, property development and management, and other businesses in countries and regions across the world, and these businesses might continue to encounter a diversity of operational difficulties. Certain difficulties, if beyond the control of CITIC Limited, might result in production delays or increases in production costs. These operational risks include delay of government payments, deterioration of tax policies, labour disputes, unforeseen technical failures, various disasters and emergencies, unexpected changes in mineral, geological or mining conditions, pollution and other environmental damage, as well as potential disputes with foreign partners, customers, subcontractors, suppliers or local residents or communities. Such risks would cause damage or loss to the relevant businesses of CITIC Limited, which in turn could adversely affect its operations, financial condition and profitability.

Credit Risk

With the proliferation of new market entities, innovative business models, new products, businesses and counterparties, credit risks could increase in both width and complexity. In this unpredictable economic climate, with extensive business operations and counterparties, the Company pays close attention to market developments and credit risks arising from business partners. If the Company fails to investigate and prevent such risks, they may have an adverse impact on its operations, financial condition and profitability.

Competitive Markets

CITIC Limited operates in highly competitive markets. Failure to compete in terms of product specifications, service quality, reliability or price may have an adverse impact on the Company.

- The comprehensive financial services business faces fierce competition from domestic and international commercial banks and other financial institutions;
- The engineering construction business is challenged by global peers as well as China's large state-owned enterprises and private companies;
- Resources and energy, manufacturing, property development and management, and other businesses in different sectors also face severe competition over resources, technologies, prices and services.

Intensification of competition might result in lower product prices, narrower profit margins as well as loss of market share for CITIC Limited.

Other External Risks and Uncertainties

Impact of local, national and international laws and regulations

CITIC Limited faces local business risks in different countries and regions. Such risks might have a significant impact on the financial condition, operations and business prospects of CITIC Limited in the relevant markets. The investments of CITIC Limited in countries and regions across the world might at present or in future be affected by changes in local, national or international political, social, legal, tax, regulatory and environmental requirements from time to time. In addition, new government policies or measures, if introducing changes in fiscal, tax, regulatory, environmental or other aspects that may affect competitiveness, could result in an additional or unforeseen increase in operating expenses and capital expenditures, produce risks to the overall return on investment of CITIC Limited, and delay or impede its business operations and hence adversely affect revenue and profit.

Impact of new accounting standards

The Hong Kong Institute of Certified Public Accountants ("HKICPA") issues new and revised Hong Kong Financial Reporting Standards ("HKFRSs") from time to time. As the accounting standards continue to evolve, HKICPA might further issue new and revised HKFRSs in the future. The new accounting policies, if required to be adopted by CITIC Limited, could have a significant impact on its financial condition and operations.

Natural disasters or events, terrorism and diseases

The business of CITIC Limited could be affected by events such as earthquakes, typhoons, tropical cyclones, inclement weather, acts or threats of terrorism, or outbreaks of highly contagious diseases, which would directly or indirectly reduce the supply of essential goods or services or reduce economic activities on a local, regional or global scale. Any of these disasters might damage the businesses of CITIC Limited, which would have a material adverse impact on the financial condition and operations of CITIC Limited.

Human Resources

In the first half of 2024, the Company's works on human resources followed the direction of marketisation, specialisation, differentiation and informatisation. Leveraging on a series of reforms for the construction of talent teams, the Company carried out open selection for the Group. Besides, the Company implemented the "Talent Ladder Programme", promoted the development of international talents, and also launched training in rotation for all outstanding young employees. By constantly optimising the whole chain of "selection, cultivation, management and utilisation" of the talent team, the Company continued to promote the strategy of "strengthening the enterprise with talents".

I. Strengthening the Construction of the Talent Echelon and Focusing on Cultivating Reserve Talents

The Company started the human resources reform with open selection and systematically improved the construction of the talent echelon. With a long-term perspective and a focus on the future, we have implemented the "Talent Ladder Programme" and the "Leadership Talent Programme" and established a talent reserve pool. By executing the "Three-Tier Talent Ladder" plan, we have cultivated a large number of exceptional talents and gradually formed a pyramid-shaped talent structure comprising 500 management trainees and excellent employees as foundational talents, 300 outstanding middle managers as backbone talents, and 50 distinguished management personnel as leadership talents. This solidifies the foundation for our sustainable and high-quality development.

II. Focusing on Staff Training to Improve the Comprehensive Quality of our Team

The Company actively empowered staff development with talent training and continuously improved the staff training system. Trainings are provided, based on the "Leadership Class, Excellence Class, and Talent Class", for staff according to their needs and classification by level. Every staff is required to participate in training by rotation. By comprehensively utilising various forms of training, such as executive coaching, intensive class, on-site teaching, and research project, the Company endeavoured to promote the simultaneous enhancement of employees' personal capability and the Company's operation and management level in various aspects such as strategic orientation, professional capacity enhancement, and international operations.

III. Cultivating International Talents to Empower the Development of International Business

The Company was dedicated to building a high-quality, international talent team, focusing on "high-end, sophisticated, and scarce" international professionals. We continued to intensify the introduction of overseas high-end talents and construct its international talent pool by levels and categorisation. We made investigation to formulate the strategy of building our international talent team, such as implementing the "International Management Talent Training Programme" and the "Ten, Hundred, Thousand" Project for International Talents, i.e. striving to cultivate 10 international leadership talents, 100 core talents, and 1,000 foundational talents. The Company leveraged its advantages in international business to develop personalised training programmes, offering a comprehensive, multi-position, and full-chain training model that provided a vast stage for the growth of international talents.

IV. Promoting Employee Rotations and Exchanges to Revitalise the Company's Talent Resource

The Company continued to advance the development of a system for employee rotations and exchanges, fully leveraging the comprehensive advantages and synergy. Through training by practicing, we continued to strengthen cross-agency rotations and exchanges between our headquarters and subsidiaries, among our subsidiaries in different sectors, with strategic partner enterprises and between domestic companies and overseas companies. We also arranged personnel in rotations and exchanges to participate in key special work in depth with a focus on improving their comprehensive quality and capabilities. In addition, we eased the worries of the employees by providing benefits and career development plan, aiming to achieve a win-win result of training talents and supporting the Company's development.

V. Advancing Reform of the Incentive System to Stimulate Employees' Passion

The Company continuously refined its incentive mechanisms with the aim of enhancing core competitiveness. Guided by the principles of "self-comparison for performance improvement, intra-sectoral comparison for comprehensive contributions, and industry comparison for leading standards", the Company further optimised the performance evaluation system, ensuring its scientific and fair nature. This approach is designed to guide all subsidiaries of the Company in comprehensively improving its competitiveness. The Company focused on the philosophy of "better performance leads to higher pay and faster promotion", maintaining a balance between incentives and constraints. The Company also strengthened the link between evaluation and performance pay, and strived to build a distributional guideline of "rewarding high performance and improving low efficiency" to stimulate employees' motivation and vitality.



Past Performance and Forward Looking Statements

Performance and results of the operations of CITIC Limited for previous years described within this Half-Year Report are historical in nature. Past performance is no guarantee of the future results of CITIC Limited. This Half-Year Report may contain forward looking statements and opinions, and therefore risks and uncertainties are involved. Actual results may differ materially from expectations discussed in such forward looking statements and opinions. None of CITIC Limited, the Directors, employees or agents assumes (a) any obligation to correct or update any forward looking statements or opinions contained in this Half-Year Report; and (b) any liability arising from any forward looking statements or opinions that do not materialise or prove to be incorrect.

Consolidated Income Statement

For the six months ended 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June	
		2024	2023
Interest income		167,337	169,660
Interest expenses		(93,201)	(93,943)
Net interest income	5(a)	74,136	75,717
Fee and commission income		35,097	39,524
Fee and commission expenses		(6,066)	(5,025)
Net fee and commission income	5(b)	29,031	34,499
Sales of goods and services	5(c)	241,035	197,166
Other revenue	5(d)	33,445	26,604
		274,480	223,770
Total revenue		377,647	333,986
Cost of sales and services	6	(219,113)	(176,981)
Other net income	7	5,254	2,507
Expected credit losses		(33,373)	(33,213)
Impairment losses		(301)	(1,304)
Other operating expenses	9	(57,063)	(55,337)
Net valuation income/(loss) on investment properties		6	(84)
Share of profits of associates, net of tax		2,606	2,912
Share of profits of joint ventures, net of tax		1,674	1,732
Profit before net finance charges and taxation		77,337	74,218
Finance income		1,312	739
Finance costs		(6,902)	(5,694)
Net finance charges	8	(5,590)	(4,955)
Profit before taxation	9	71,747	69,263
Income tax	10	(14,998)	(11,792)
Profit for the period		56,749	57,471
Attributable to:			
– Ordinary shareholders of the Company		32,113	32,092
– Non-controlling interests		24,636	25,379
Profit for the period		56,749	57,471
Earnings per share for profit attributable to ordinary shareholders of the Company during the period:	12		
Basic earnings per share (RMB)		1.10	1.10
Diluted earnings per share (RMB)		1.09	1.10

The notes on pages 41 to 135 form part of this unaudited consolidated interim financial information.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2024 – unaudited

(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June	
		2024	2023
Profit for the period		56,749	57,471
Other comprehensive income for the period	13		
Items that may be reclassified subsequently to profit or loss:			
Fair value changes on debt instruments at fair value through other comprehensive income		4,739	3,839
Loss allowance changes on debt instruments at fair value through other comprehensive income		114	586
Cash flow hedge: net movement in the hedging reserve		(285)	43
Share of other comprehensive loss of associates and joint ventures		(4,492)	(1,701)
Exchange differences on translation of financial statements and others		1,444	2,205
Items that will not be reclassified subsequently to profit or loss:			
Revaluation loss on owner-occupied property reclassified as investment property		–	(10)
Fair value changes on investments in equity instruments designated at fair value through other comprehensive income		595	(247)
Other comprehensive income for the period		2,115	4,715
Total comprehensive income for the period		58,864	62,186
Attributable to:			
– Ordinary shareholders of the Company		31,407	34,115
– Non-controlling interests		27,457	28,071
Total comprehensive income for the period		58,864	62,186

The notes on pages 41 to 135 form part of this unaudited consolidated interim financial information.

Consolidated Statement of Financial Position

As at 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	30 June 2024	31 December 2023
Assets			
Cash and deposits	15	583,489	625,135
Cash held on behalf of customers	16	235,875	239,019
Placements with banks and non-bank financial institutions		298,629	237,742
Derivative financial instruments	17	98,948	77,562
Trade and other receivables	18	293,070	254,452
Contract assets		25,108	24,312
Inventories		128,350	135,142
Financial assets held under resale agreements		125,450	164,983
Loans and advances to customers and other parties	19	5,474,256	5,380,140
Margin accounts	20	113,359	118,746
Investments in financial assets	21	3,333,592	3,356,367
– Financial assets at amortised cost		991,934	1,076,039
– Financial assets at fair value through profit or loss		1,329,560	1,292,115
– Debt investments at fair value through other comprehensive income		934,990	967,803
– Equity investments at fair value through other comprehensive income		77,108	20,410
Refundable deposits		62,099	62,182
Interests in associates	22	110,560	109,791
Interests in joint ventures	23	56,006	56,787
Fixed assets		210,710	210,719
Investment properties		38,182	38,153
Right-of-use assets		50,292	51,424
Intangible assets		22,456	22,537
Goodwill		26,174	26,076
Deferred tax assets		79,491	83,327
Other assets		63,168	56,324
Total assets		11,429,264	11,330,920

Consolidated Statement of Financial Position

As at 30 June 2024 – unaudited

(Expressed in millions of Renminbi, unless otherwise stated)

	Note	30 June 2024	31 December 2023
Liabilities			
Borrowing from central banks		275,603	273,226
Deposits from banks and non-bank financial institutions	24	811,766	893,565
Placements from banks and non-bank financial institutions		126,087	150,493
Financial liabilities at fair value through profit or loss	25	106,796	88,552
Customer brokerage deposits	26	288,072	282,534
Funds payable to securities issuers		2	35
Derivative financial instruments	17	94,495	73,755
Trade and other payables	27	412,702	391,948
Contract liabilities		25,681	31,482
Financial assets sold under repurchase agreements		481,719	744,571
Deposits from customers	28	5,577,672	5,459,993
Employee benefits payables		52,005	56,933
Income tax payable		8,296	9,234
Bank and other loans	29	254,893	235,770
Debt instruments issued	30	1,431,737	1,221,107
Lease liabilities		19,370	20,348
Provisions		16,479	16,130
Deferred tax liabilities		17,188	16,747
Other liabilities		23,624	27,715
Total liabilities		10,024,187	9,994,138
Equity	31		
Share capital		307,576	307,576
Reserves		425,906	395,602
Total ordinary shareholders' funds		733,482	703,178
Non-controlling interests		671,595	633,604
Total equity		1,405,077	1,336,782
Total liabilities and equity		11,429,264	11,330,920

Approved and authorised for issue by the board of directors on 30 August 2024.

Director: Xi Guohua

Director: Zhang Wenwu

The notes on pages 41 to 135 form part of this unaudited consolidated interim financial information.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Share capital	Capital reserve	Investment Hedging reserve	related reserves	General reserve	Retained earnings	Exchange reserve	Total	Non- controlling interests	Total equity
Balance at 31 December 2023		307,576	(42,395)	2,539	(8,232)	59,556	376,292	7,842	703,178	633,604	1,336,782
Profit for the period		-	-	-	-	-	32,113	-	32,113	24,636	56,749
Other comprehensive income for the period	13	-	-	(220)	(1,053)	-	-	567	(706)	2,821	2,115
Total comprehensive income for the period		-	-	(220)	(1,053)	-	32,113	567	31,407	27,457	58,864
Transactions with non-controlling interests	37	-	438	-	-	-	-	-	438	(2,697)	(2,259)
Appropriation to general reserve		-	-	-	-	167	(167)	-	-	-	-
Dividends paid to ordinary shareholders of the Company	11	-	-	-	-	-	(9,745)	-	(9,745)	-	(9,745)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	(16,422)	(16,422)
Other equity instruments issued by subsidiaries	32	-	-	-	-	-	-	-	-	37,000	37,000
Conversion of of subsidiary's convertible corporate bonds	30(f)	-	8,215	-	-	-	-	-	8,215	(7,303)	912
Disposal of equity investments at fair value through other comprehensive income		-	-	-	(18)	-	18	-	-	-	-
Disposal of subsidiaries		-	34	-	-	-	-	-	34	-	34
Others		-	(45)	-	-	-	-	-	(45)	(44)	(89)
Other changes in equity		-	8,642	-	(18)	167	(9,894)	-	(1,103)	10,534	9,431
Balance at 30 June 2024		307,576	(33,753)	2,319	(9,303)	59,723	398,511	8,409	733,482	671,595	1,405,077

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Share capital	Capital reserve	Hedging reserve	Investment related reserves	General reserve	Retained earnings	Exchange reserve	Total	Non-controlling interests	Total equity
Balance at 31 December 2022		307,576	(43,956)	2,750	(5,863)	55,773	335,447	6,838	658,565	574,209	1,232,774
Effect on accounting policy change		-	-	-	(2,367)	-	4,280	-	1,913	-	1,913
Balance at 1 January 2023		307,576	(43,956)	2,750	(8,230)	55,773	339,727	6,838	660,478	574,209	1,234,687
Profit for the period		-	-	-	-	-	32,092	-	32,092	25,379	57,471
Other comprehensive income for the period	13	-	-	49	1,100	-	-	874	2,023	2,692	4,715
Total comprehensive income for the period		-	-	49	1,100	-	32,092	874	34,115	28,071	62,186
Transactions with non-controlling interests		-	1,399	-	-	-	-	-	1,399	1,550	2,949
Appropriation to general reserve		-	-	-	-	106	(106)	-	-	-	-
Dividends paid to ordinary shareholders of the Company	11	-	-	-	-	-	(11,608)	-	(11,608)	-	(11,608)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	(15,502)	(15,502)
Acquisition of a new subsidiary		-	-	-	-	-	-	-	-	3,191	3,191
Disposal of equity investments at fair value through other comprehensive income		-	-	-	(151)	-	151	-	-	-	-
Others		-	229	-	-	-	-	-	229	42	271
Other changes in equity		-	1,628	-	(151)	106	(11,563)	-	(9,980)	(10,719)	(20,699)
Balance at 30 June 2023		307,576	(42,328)	2,799	(7,281)	55,879	360,256	7,712	684,613	591,561	1,276,174

The notes on pages 41 to 135 form part of this unaudited consolidated interim financial information.

Consolidated Cash Flow Statement

For the six months ended 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June	
		2024	2023
Cash flows from operating activities			
Profit before taxation		71,747	69,263
Adjustments for:			
– Depreciation and amortisation	9	13,243	11,156
– Expected credit losses		33,373	33,213
– Impairment losses		301	1,304
– Net valuation (income)/loss on investment properties		(6)	84
– Net valuation gain on investments		(10,071)	(5,650)
– Share of profits of associates and joint ventures, net of tax		(4,280)	(4,644)
– Interest expenses on debt instruments issued	5(a)	17,057	14,609
– Finance income	8	(1,312)	(739)
– Finance costs	8	6,902	5,694
– Net gain on investments in financial assets		(17,687)	(17,728)
– Net gain on disposal of subsidiaries, associates and joint ventures		(1,977)	(63)
Changes in working capital		107,290	106,499
Decrease/(increase) in deposits with central banks, banks and non-bank financial institutions		45,504	(10,310)
(Increase)/decrease in placements with banks and non-bank financial institutions		(65,155)	16,798
Increase in trade and other receivables		(37,869)	(72,736)
(Increase)/decrease in contract assets		(796)	187
Decrease/(increase) in inventories		6,792	(7,493)
Decrease/(increase) in financial assets held under resale agreements		35,358	(45,313)
Increase in loans and advances to customers and other parties		(117,106)	(227,686)
Decrease/(increase) in investments in financial assets held for trading purposes		22,082	(99,919)
Decrease/(increase) in cash held on behalf of customers		3,144	(18,826)
Increase in other operating assets		(22,987)	(46,843)
Decrease in deposits from banks and non-bank financial institutions		(81,099)	(117,369)
Decrease in placements from banks and non-bank financial institutions		(25,363)	(7,350)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(61)	3,755
(Decrease)/increase in trade and other payables		(5,209)	10,671
(Decrease)/increase in contract liabilities		(5,801)	3,795
Decrease in financial assets sold under repurchase agreements		(255,463)	(97,584)
Increase in deposits from customers		99,810	401,206
Increase in borrowing from central banks		543	34,767
Increase in customer brokerage deposits		4,704	26,538
Increase in other operating liabilities		20,584	39,130
Decrease in employee benefits payables		(4,928)	(3,228)
Increase/(decrease) in provisions		349	(393)

Consolidated Cash Flow Statement

For the six months ended 30 June 2024 – unaudited
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	Six months ended 30 June	
		2024	2023
Cash used in operating activities		(275,677)	(111,704)
Income tax paid		(20,301)	(20,609)
Net cash used in operating activities		(295,978)	(132,313)
Cash flows from investing activities			
Proceeds from disposal and redemption of financial investments		1,711,493	1,320,930
Proceeds from disposal of fixed assets, intangible assets and other assets		261	346
Proceeds from disposal of associates and joint ventures		3,645	(22)
Dividends received from equity investments, associates and joint ventures		1,993	2,796
Payments for purchase of financial investments		(1,689,581)	(1,275,837)
Payments for additions of fixed assets, intangible assets and other assets		(11,281)	(8,987)
Net cash payment for acquisition of subsidiaries		(8)	(1,216)
Net cash payment for acquisition of associates and joint ventures		(390)	(333)
Net decrease/(increase) in restricted cash		3,717	(606)
Cash paid for other investing activities		–	(10,333)
Net cash generated from investing activities		19,849	26,738
Cash flows from financing activities			
Transaction with non-controlling interests		(2,125)	3,001
Proceeds from bank and other loans		153,577	150,963
Repayments of bank and other loans and debt instruments issued		(911,082)	(725,903)
Proceeds from debt instruments issued		986,860	626,862
Issuance of other equity instruments by subsidiaries		36,996	–
Principal and interest elements of lease payments		(2,992)	(2,696)
Interest paid on bank and other loans and debt instruments issued		(23,883)	(19,302)
Dividends paid to non-controlling interests		(4,602)	(1,404)
Net cash generated from financing activities		232,749	31,521
Net decrease in cash and cash equivalents		(43,380)	(74,054)
Cash and cash equivalents at 1 January		359,383	427,460
Effect of exchange changes		2,595	2,621
Cash and cash equivalents at 30 June		318,598	356,027

The notes on pages 41 to 135 form part of this unaudited consolidated interim financial information.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

1 General information

CITIC Limited (the “Company”) was incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

The parent and the ultimate holding company of the Company is CITIC Group Corporation (“CITIC Group”).

These unaudited consolidated interim accounts (the “Accounts”) are presented in millions of Renminbi (“RMB”), unless otherwise stated.

The financial information relating to the year ended 31 December 2023 that is included in the Accounts as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6, to the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2 Basis of preparation

The Accounts have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* and Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Accounts should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The accounting policies adopted in the preparation of the Accounts are consistent with those adopted in the Group’s annual financial statements for the year ended 31 December 2023, except for the following amendments which became effective for the first time for the financial year beginning on or after 1 January 2024.

Amendments to HKAS 1	Non-current liabilities with covenants ⁽¹⁾
Amendments to HKFRS 16	Lease liability in a sale and leaseback ⁽¹⁾
Amendments to HKAS 7 and HKFRS 7	Supplier finance arrangements ⁽¹⁾

(1) Adoption of these amendments does not have a significant impact on the Accounts.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

2 Basis of preparation (continued)

The Group has not applied the following amendments which are not yet effective for the financial year beginning on or after 1 January 2024 and which have not been early adopted in the Accounts:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the classification and measurement of financial instruments ⁽¹⁾
HKFRS 18	Presentation and disclosure in financial statements ⁽¹⁾
HKFRS 19	Subsidiaries without public accountability: disclosures ⁽¹⁾
Amendments to HKFRS 10 and HKAS 28	Sale of contribution of assets between an investor and its associate or joint venture ⁽²⁾

(1) Effective for the annual reporting periods beginning on or after 1 January 2025.

(2) In December 2015, the HKICPA decided to defer the application date of these amendment until such time as the HKICPA has finalised its research project on the equity method.

The Group is in the process of making an assessment of the impact of the above amendments to standards. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

3 Critical accounting estimates and judgements

In addition to those described below, the critical accounting estimates and judgements required to be made in preparation of the Accounts are consistent with those set out in the Company's annual financial statements for the year ended 31 December 2023.

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes

Each of Sino Iron Pty Ltd. ("Sino Iron"), Korean Steel Pty Ltd. ("Korean Steel") and Balmoral Iron Pty Ltd. ("Balmoral Iron"), subsidiary companies of the Company, has entered into a Mining Right and Site Lease Agreement ("MRSLA") with Mineralogy. Among other things, those agreements, together with other project agreements, provide Sino Iron, Korean Steel and Balmoral Iron the right to develop and operate the Group's Sino Iron project in Western Australia ("Sino Iron Project") and to take and process one billion tonnes each of magnetite ore for that purpose. Before Balmoral Iron can exercise its one billion tonne mining right, it will need to submit and have approved by the State of Western Australia project proposals for its project, among other things.

There are a number of ongoing disputes between the Company, Sino Iron and Korean Steel ("CITIC Parties") on the one hand, and Mineralogy and Mr. Clive Palmer (the ultimate beneficial holder of shares in Mineralogy) ("Mr. Palmer") on the other hand, arising from the MRSLAs and other project agreements. Set out below are the details of those disputes considered to be material.

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

FCD Indemnity Disputes

Mineralogy and Mr. Palmer have commenced proceedings to pursue claims pursuant to an indemnity given by the Company under the Fortescue Coordination Deed ("FCD"). Mineralogy and Mr. Palmer allege that the CITIC Parties' failure to make certain royalty payments caused them losses for which they are indemnified pursuant to the indemnity contained in the FCD.

(i) Queensland Nickel FCD Indemnity Claim

On 29 June 2017, Mr. Palmer commenced a proceeding against the Company in the Supreme Court of Western Australia ("Proceeding CIV 2072/2017") claiming damages in the sum of AUD2,324,000,000 (now reduced by an amended statement of claim to AUD1,800,438,000). The amount claimed relates to losses allegedly suffered by Mr. Palmer in relation to the nickel and cobalt refinery business located at Yabulu in North Queensland ("Yabulu Refinery"), which was carried on by the Queensland Nickel group of companies controlled by Mr. Palmer.

After commencing this proceeding, Mr. Palmer joined Mineralogy as a second plaintiff and Sino Iron and Korean Steel as second and third defendants.

On 23 April 2024, Mineralogy and Mr. Palmer filed their seventh amended statement of claim. That statement of claim alleges that as the CITIC Parties did not pay to Mineralogy royalty on products produced by Sino Iron and Korean Steel ("Royalty Component B") when it was due for payment under the MRSLAs, Mineralogy did not provide funds to the manager of the Yabulu Refinery, Queensland Nickel Pty Ltd. ("QNI"), to enable it to continue managing and operating the Yabulu Refinery, and consequently, QNI was placed into administration in January 2016 and liquidation in April 2016.

Mineralogy and Mr. Palmer allege that if the CITIC Parties had paid Royalty Component B on time, Mineralogy would have provided the funds required to meet QNI's cashflow deficits at the times necessary to enable QNI to continue to manage and operate the Yabulu Refinery.

Mineralogy and Mr. Palmer claim that the liquidation of QNI led to the diminution in value of the Yabulu Refinery, and a consequential diminution in value of the shares of its joint venture owners, QNI Metals Pty Ltd. and QNI Resources Pty Ltd. The shares in those companies are ultimately beneficially owned by Mr. Palmer. Alternatively, Mineralogy and Mr. Palmer claim that Mr. Palmer lost the opportunity to sell his shareholding in QNI, QNI Metals Pty Ltd., QNI Resources Pty Ltd. and Queensland Nickel Sales Pty Ltd. while the Yabulu Refinery was a going concern, for market value between mid-2015 and mid-2016. Mineralogy and Mr. Palmer claim that the CITIC Parties are liable for those losses pursuant to an indemnity provision in the FCD.

On 17 May 2024, the CITIC Parties filed their amended substituted defence. It pleads a number of defences, including construction arguments, as well as arguments based on causation, mitigation, quantification of loss, Anshun estoppel and abuse of process.

Mineralogy and Mr. Palmer's amended reply, filed on 3 June 2024, contains allegations that certain conduct of the CITIC Parties, specifically alleged activities of the Fulcrum Group, has the effect of disentitling the CITIC Parties from obtaining relief claimed in the form of a permanent stay of the proceeding on grounds of Anshun estoppel or abuse of process ("Fulcrum Allegations").

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

FCD Indemnity Disputes (continued)

(i) Queensland Nickel FCD Indemnity Claim (continued)

A number of interlocutory applications in this proceeding have not yet been determined. These include:

- an application by the CITIC Parties that Mineralogy and Mr. Palmer be ordered to make discovery of new categories of documents; and
- amended applications filed by Mineralogy and Mr. Palmer on 17 June 2024:
 - to be relieved of certain discovery obligations regarding their financial capacity;
 - to strike out certain paragraphs of the CITIC Parties' amended substituted defence; and
 - to obtain discovery from the CITIC Parties of documents relating to the Fulcrum Allegations.

These applications were heard on 6 August 2024. The Court reserved its decision.

Pursuant to orders made by Justice K Martin in September 2020, this proceeding will be heard together with Proceeding CIV 1267/2018 as described below. Orders previously made in this proceeding that damages would be determined separately and subsequently to liability have been vacated. This means that all issues will be heard and determined together in a single trial.

On 12 April 2024, Mineralogy and Mr. Palmer filed an application regarding the sequencing of this and other proceedings. On 19 July 2024, Mineralogy and Mr. Palmer filed an amended version of that application. The amended application seeks orders that this proceeding:

- be heard after the final determination, including any appeals, of Proceeding CIV 2425/2023 as described below;
- alternatively, be heard concurrently with Proceeding CIV 2425/2023; or
- alternatively, be heard concurrently with Proceeding CIV 2425/2023 and Proceeding CIV 2336/2023 as described below.

The CITIC Parties oppose the amended application. The amended application was heard on 5 August 2024. The Court reserved its decision.

No trial date has been set for this proceeding.

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*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

FCD Indemnity Disputes (continued)

(ii) Palmer Petroleum FCD Indemnity Claim

On 16 February 2018, Mineralogy commenced a proceeding against the CITIC Parties in the Supreme Court of Western Australia ("Proceeding CIV 1267/2018") in which it claims damages in the sum of AUD2,675,400,000. That amount is alleged to represent the diminution in the value of Mineralogy's shares in Palmer Petroleum Pty Ltd. (now Aspenglow Pty Ltd.) ("Palmer Petroleum") or Blaxcell Limited stemming from the inability of those companies to develop certain petroleum prospecting licences in Papua New Guinea. Mineralogy is the holder and beneficial owner of all of the shares in Palmer Petroleum and Blaxcell Limited.

On 23 April 2024, Mineralogy filed its fourth amended statement of claim. In that statement of claim, Mineralogy claims that as the CITIC Parties failed to pay Royalty Component B when it was due for payment under the MRSLAs, Mineralogy (on which Palmer Petroleum was allegedly completely reliant for funding) did not provide funds to Palmer Petroleum to pay for services rendered to it by a contractor, and in July 2016, Palmer Petroleum was wound up in insolvency.

Mineralogy claims that, if the CITIC Parties had paid Royalty Component B in accordance with their obligations, Mineralogy would have provided funds to Palmer Petroleum and Palmer Petroleum would have paid for the services rendered by the contractor, discharged the contractor's statutory demand, and/or had sufficient funding to meet its working capital requirements, operate its business, and engage in the business of owning, exploring, developing and exploiting petroleum prospecting licences in Papua New Guinea. Mineralogy alleges that as a consequence of Palmer Petroleum being wound up, it ceased conducting its business and the relevant petroleum prospecting licences were cancelled.

Mineralogy pleads that Palmer Petroleum, or alternatively Blaxcell Limited, suffered a diminution in value equivalent to the sale value of oil that allegedly would have been recoverable from within the area of the relevant petroleum prospecting licences. Mineralogy claims that it suffered loss equivalent to the diminution in value of its shareholding in Palmer Petroleum, or alternatively Blaxcell Limited, and that the CITIC Parties are liable for that loss pursuant to an indemnity provision in the FCD. Additionally, Mineralogy claims that it lost the opportunity to sell the petroleum prospecting licences between early 2016 and mid-2017.

On 17 May 2024, the CITIC Parties filed their amended substituted defence. It pleads a number of defences, including construction arguments, as well as arguments based on causation, mitigation, quantification of loss, Anshun estoppel and abuse of process.

Mineralogy's amended reply, filed on 1 June 2024, includes the Fulcrum Allegations as described above.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

FCD Indemnity Disputes (continued)

(ii) Palmer Petroleum FCD Indemnity Claim (continued)

A number of interlocutory applications in this proceeding have not yet been determined. These include:

- an application by the CITIC Parties that Mineralogy be ordered to make discovery of new categories of documents; and
- amended applications filed by Mineralogy on 17 June 2024:
 - to be relieved of certain discovery obligations regarding its financial capacity;
 - to strike out certain paragraphs of the CITIC Parties' amended substituted defence; and
 - to obtain discovery from the CITIC Parties of documents relating to the Fulcrum Allegations.

These applications were heard on 6 August 2024. The Court reserved its decision.

Pursuant to orders made by Justice K Martin in September 2020, this proceeding will be heard together with Proceeding CIV 2072/2017 as described above. Orders previously made in this proceeding that damages would be determined separately and subsequently to liability have been vacated. This means that all issues will be heard and determined together in a single trial.

On 12 April 2024, Mineralogy filed an application regarding the sequencing of this and other proceedings. On 19 July 2024, Mineralogy filed an amended version of that application. The amended application seeks orders that this proceeding:

- be heard after the final determination, including any appeals, of Proceeding CIV 2425/2023 as described below;
- alternatively, be heard concurrently with Proceeding CIV 2425/2023; or
- alternatively, be heard concurrently with Proceeding CIV 2425/2023 and Proceeding CIV 2336/2023 as described below.

The CITIC Parties oppose the amended application. The amended application was heard on 5 August 2024. The Court reserved its decision.

No trial date has been set for this proceeding.

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Mine Continuation Proposals Disputes

(i) 2017 Mine Continuation Proposals Proceedings

The continued operation of the Sino Iron Project requires it to extend beyond the footprint it currently occupies. The 2017 mine continuation proposals address that need, and include proposals to extend the constrained mine pit, and increase the storage capacity for waste rock and tailings, which are necessary by-products of the mining process. The mining tenements upon which the Sino Iron Project is currently conducted, and those into which the CITIC Parties wish to extend in order to continue operation, are all held by Mineralogy.

The CITIC Parties commenced a proceeding against Mineralogy and Mr. Palmer in the Federal Court of Australia, which was transferred to the Supreme Court of Western Australia on 10 June 2019 ("Proceeding CIV 1915/2019"). The proceeding related to the failure and refusal of Mineralogy to:

- submit the 2017 mine continuation proposals for the Sino Iron Project to the State of Western Australia under the State Agreement;
- grant further tenure which is reasonably required for the Sino Iron Project;
- take steps to secure the re-purposing of general-purpose leases for the Sino Iron Project; and
- submit a Programme of Works for the Sino Iron Project to the State of Western Australia.

The CITIC Parties brought claims for breach of contract, of unconscionable conduct under the Australian Consumer Law, and in estoppel. Mr. Palmer was sued as an accessory to the unconscionable conduct claim. The CITIC Parties sought orders requiring Mineralogy to take the four steps set out above, and to pay the CITIC Parties damages for its failure and refusal to do those things. Damages were also sought from Mr. Palmer. The State of Western Australia was joined to the proceeding as a necessary party, because it is a party to the State Agreement, but no relief was sought against it.

The CITIC Parties commenced a new proceeding ("Proceeding CIV 2326/2021") on 8 December 2021, in which they sought orders for specific performance in relation to a refined tenure request addressed to Mineralogy on 29 November 2021. That tenure request was in the alternative to the tenure in respect of which relief was sought in Proceeding CIV 1915/2019. On 29 December 2021, Justice K Martin ordered that Proceeding CIV 1915/2019 and Proceeding CIV 2326/2021 be consolidated and proceed as one action ("Consolidated 2017 MCPs Proceedings").

The primary trial in the Consolidated 2017 MCPs Proceedings occurred before Justice K Martin from 21 February 2022 to 29 April 2022. The primary trial was to determine all issues in the Consolidated 2017 MCPs Proceedings other than the quantification of any loss or damage suffered by the CITIC Parties.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Mine Continuation Proposals Disputes (continued)

(i) 2017 Mine Continuation Proposals Proceedings (continued)

On 7 March 2023, Justice K Martin delivered his reasons in the Consolidated 2017 MCPs Proceedings and on 10 March 2023 made orders consequent upon his reasons. His Honour dismissed most of the CITIC Parties' claims. However, Justice K Martin made the following key findings relevant to mine continuation:

- Mineralogy is obliged to either submit, or consent to the CITIC Parties submitting, the Programme of Works;
- Mineralogy is contractually obliged to assist, and cooperate with, the CITIC Parties, including in relation to the submission of project proposals under the State Agreement. However, the Court declined to require Mineralogy to submit the 2017 mine continuation proposals in the form before the Court, for reasons including that those proposals presumed the use of tenure outside areas which Mineralogy had previously agreed to provide;
- Mineralogy is required to honestly consider, and not unreasonably refuse, requests for additional tenure that is reasonably requested and reasonably required. His Honour found that the CITIC Parties' most recent tenure request lacked certain features required to meet that test, and so declined to order Mineralogy to grant the tenure the subject of that request. However, his Honour confirmed that an area outside the site lease areas, to the south of the current tailings storage facility, and that is held by Mineralogy, is necessary for future tailings and waste storage for the Sino Iron Project; and
- Mineralogy is not required to take steps to re-purpose the general purpose leases, for reasons including because Mineralogy had not granted the CITIC Parties tenure over all of those general purpose leases.

On 9 June 2023, after two unsuccessful applications for a stay of the relevant order made by Justice K Martin, Mineralogy submitted the Programme of Works to the State. The Programme of Works was approved on 28 July 2023. That approval allows the CITIC Parties to undertake investigative works necessary for the extension of the mine pit and the establishment of a new tailings storage facility.

At a hearing on 21 April 2023, Justice K Martin made orders deferring the CITIC Parties' Programme of Works damages claim until after the determination of the appeals referred to below. His Honour also ordered the CITIC Parties to pay Mineralogy's and Mr. Palmer's costs of the Consolidated 2017 MCPs Proceedings up to and including the 21 April 2023 hearing, except in relation to Mr. Palmer's unsuccessful application to stay the trial, for which Mr. Palmer must pay the CITIC Parties' costs.

Unless approval can be obtained to allow extension of the mine pit and establishment of additional storage areas for waste rock and tailings, constraints on pit size and waste and tailings storage capacity will ultimately force the suspension of operations. In the short term, these constraints are reflected in reduced concentrate production for calendar year 2024.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Mine Continuation Proposals Disputes (continued)

(ii) 2017 Mine Continuation Proposals Appeals

On 31 March 2023, the CITIC Parties appealed Justice K Martin's decision in the Consolidated 2017 MCPs Proceedings ("Proceeding CACV 35/2023"). The CITIC Parties' grounds of appeal include that Justice K Martin erred for reasons including that:

- there is no requirement in the State Agreement or the project agreements for the CITIC Parties to pay additional monetary consideration for areas reasonably required for the Sino Iron Project, including because Mineralogy has been paid for those areas;
- Mineralogy's failure to submit the 2017 mine continuation proposals was a breach of its obligations under the State Agreement and certain project agreements;
- his Honour applied the wrong contractual standard when evaluating the CITIC Parties' tenure request, as the standard was whether the tenure was 'reasonably required', and not a higher standard;
- the 2017 mine continuation proposals and the CITIC Parties' tenure request were divisible, and not holistic global packages, and their licence request was accompanied by the required level of detail;
- Mineralogy had sufficient technical information and time to consider the CITIC Parties' tenure request, and Mineralogy's refusal to agree to the tenure request constituted a breach of the State Agreement and certain project agreements; and
- injunctive relief compelling Mineralogy to conditionally surrender and apply for the re-grant of certain general purpose leases should have been ordered.

Also on 31 March 2023, Mineralogy separately appealed Justice K Martin's decision ("Proceeding CACV 37/2023") in relation to the order that it must submit the Programme of Works. Mineralogy's grounds of appeal include that his Honour erred in failing to hold that, before Mineralogy had an obligation to submit a proposal, the CITIC Parties had to demonstrate a need to submit the proposal for the purposes of performing the MRSLAs, so that Mineralogy could make an informed assessment of whether to do so having regard to its own commercial interests.

On 1 May 2023, the Court of Appeal ordered that Proceeding CACV 35/2023 and Proceeding CACV 37/2023 be consolidated ("Consolidated 2017 MCPs Appeals").

The appeals were heard before the Court of Appeal from 12 to 15 August 2024 and 19 to 21 August 2024. The Court of Appeal reserved its decision.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Mine Continuation Proposals Disputes (continued)

(iii) 2023 Mine Continuation Proposals Proceedings

On 27 November 2023, the CITIC Parties commenced a proceeding in the Supreme Court of Western Australia seeking to compel Mineralogy to submit the 2023 mine continuation proposals for the Sino Iron Project to the State of Western Australia under the State Agreement ("Proceeding CIV 2336/2023"). The areas over which the activities the subject of the 2023 mine continuation proposals are to be carried out are a subset of the areas which were the subject of the 2017 mine continuation proposals, and are confined to areas over which Mineralogy has already provided access to Sino Iron and Korean Steel. The proceeding alleges that Mineralogy was obliged to consider and approve the 2023 mine continuation proposals. Approval of the 2023 mine continuation proposals will support the continued operation of the Sino Iron Project for an interim period by addressing constraints to the project's mine pit and waste and tailings storage capacity.

In this proceeding, the CITIC Parties seek relief including:

- declarations that Mineralogy's failure and refusal to consider, approve and submit the 2023 mine continuation proposals is in breach of the State Agreement and certain project agreements;
- orders for specific performance or injunctions requiring Mineralogy to join them in submitting the 2023 mine continuation proposals to the State; and
- damages for breach of contract.

The State of Western Australia is a party to the proceeding because it is a party to the State Agreement, but no relief is sought against it.

On 11 March 2024, Mineralogy filed its amended defence. Mineralogy's amended defence includes a pleading that, because Mineralogy asserts the CITIC Parties have breached certain project agreements, they are not entitled to the relief claimed. The alleged breaches include that:

- the conduct of the CITIC Parties as alleged by Mineralogy in Proceeding CIV 2072/2017 (i.e. the Fulcrum Allegations as described above) constituted acts or the contemplation of acts that adversely affected the interests of Mineralogy in the project area and represented a failure to act in good faith towards Mineralogy in relation to the performance of the MRSLAs;
- the CITIC Parties have not paid Mineralogy the amounts claimed in the FCD Indemnity Disputes (referred to above); and
- the CITIC Parties have allegedly failed to permit Mineralogy to observe all measurement, sampling and assaying procedures under the MRSLAs.

On 23 January 2024, Mineralogy applied for a stay of this proceeding pending the outcome of the Consolidated 2017 MCPs Appeals referred to above.

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Mine Continuation Proposals Disputes (continued)

(iii) **2023 Mine Continuation Proposals Proceedings** (continued)

On 14 February 2024, the CITIC Parties applied for orders striking out certain paragraphs of Mineralogy's defence (which was then current but has since been replaced by the amended defence) and on 15 February 2024, applied for orders expediting the hearing of this proceeding.

Mineralogy's stay application and the CITIC Parties' strike out and expedition applications were heard on 20 and 21 March 2024. On 3 July 2024, Justice G Cobby delivered his decision:

- dismissing Mineralogy's stay application;
- dismissing the CITIC Parties' expedition application on the basis that it is unnecessary as the matter is already being actively managed by the Court. His Honour accepted the proceeding should be determined with reasonable urgency and accepted the CITIC Parties' evidence concerning constraints on future mining operations; and
- dismissing the CITIC Parties' strike out application.

His Honour indicated the proceeding should proceed to a hearing as soon as can be accommodated by the Court and said he considered it should be heard concurrently with, or immediately after, the trials in the FCD Indemnity Disputes.

On 13 April 2024, Mineralogy filed an application regarding the sequencing of this and other proceedings. On 19 July 2024, Mineralogy filed an amended version of that application. The amended application seeks orders that this proceeding:

- be heard after the final determination, including any appeals, of Proceeding CIV 2425/2023 as described below and the FCD Indemnity Disputes as described above; or
- alternatively, be heard concurrently with Proceeding CIV 2425/2023 and the FCD Indemnity Disputes.

The CITIC Parties oppose the amended application. The amended application was heard on 5 August 2024. The Court reserved its decision.

On 10 July 2024, the CITIC Parties' filed their reply.

No trial date has been set for this proceeding.

Fulcrum Conspiracy Claim

On 5 October 2023, Mineralogy and Mr. Palmer commenced a proceeding against Helen Dillon, Chen Zeng, Sino Iron, Korean Steel and the Company ("Proceeding CIV 2137/2023") claiming that the defendants engaged in conduct for "Fulcrum Purposes", to apply commercial pressure on Mineralogy and Mr. Palmer to renegotiate certain project agreements, recoup certain additional costs of developing the Sino Iron Project from Mineralogy and seek to sterilise Mineralogy's other valuable mining tenements. On 28 November 2023, Mineralogy and Mr. Palmer filed a notice of discontinuance in Proceeding CIV 2137/2023.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

3 Critical accounting estimates and judgements (continued)

(a) Mineralogy Pty Ltd. ("Mineralogy") disputes (continued)

Fulcrum Conspiracy Claim (continued)

On 15 December 2023, Mineralogy and Mr. Palmer commenced a proceeding against Helen Dillon, Chen Zeng, Sino Iron, Korean Steel and the Company (together, the "CITIC Defendants") as well as Allens, a law firm advising the CITIC Defendants, and FBIS International Issues Management Pty Ltd., a service provider to certain of the CITIC Defendants ("Proceeding CIV 2425/2023"). Mineralogy and Mr. Palmer claim that the defendants engaged in the Fulcrum Purposes to apply commercial pressure on Mineralogy and Mr. Palmer to achieve outcomes similar to those pleaded in Proceeding CIV 2137/2023 (see above).

Mineralogy and Mr. Palmer bring claims including for breach of contract, the torts of inducing a breach of contract, collateral abuse of process, conspiracy to injure by unlawful means and conspiracy to injure by lawful means. Unconscionable conduct under the Australian Consumer Law is also pleaded as conduct alleged to give rise to the unlawful means conspiracy. Mineralogy and Mr. Palmer also claim that, pursuant to the FCD, the Company is obliged to indemnify Mr. Palmer for the alleged loss suffered by Mr. Palmer said to be in relation to the CITIC Parties' failure to perform their obligations under the MRSLAs. Mineralogy and Mr. Palmer claim that as a consequence of the defendants' conduct, they suffered damages which are said to include costs Mineralogy and Mr. Palmer incurred in prosecuting and defending the legal processes and otherwise taking steps in respect of the Fulcrum Purposes, as well as the inability of Mr. Palmer to devote his attention and resources to "other profitable endeavours" and AUD200,000,000 on account of the inability to pursue the "Minimum Royalty Claim". Mineralogy and Mr. Palmer allege that they did not pursue the "Minimum Royalty Claim" in a previous proceeding as a consequence of the pressure exerted on them for the Fulcrum Purposes. The plaintiffs also seek exemplary damages of approximately AUD500,000,000, aggravated damages, disgorgement damages and interest on the amounts claimed.

On 12 April 2024, Mineralogy and Mr. Palmer filed an application regarding the sequencing of this and other proceedings. On 19 July 2024, Mineralogy and Mr. Palmer filed an amended version of that application. The amended application seeks orders that this proceeding:

- be heard and finally determined before the hearing of Proceeding CIV 2336/2023 as described above and the FCD Indemnity Disputes as described above;
- alternatively, be heard concurrently with the FCD Indemnity Disputes; or
- alternatively, be heard concurrently with Proceeding CIV 2336/2023 and the FCD Indemnity Disputes.

The CITIC Parties oppose the amended application. The amended application was heard on 5 August 2024. The Court reserved its decision.

On 28 June 2024, Mineralogy and Mr. Palmer filed their third amended statement of claim.

On 10 July 2024, the CITIC Defendants filed a further amended application for summary judgement in their favour, to strike out Mineralogy's and Mr. Palmer's third amended statement of claim or, alternatively, to temporarily stay this proceeding. That application is listed for a hearing on 15 to 17 October 2024.

No trial date has been set for this proceeding.

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

3 Critical accounting estimates and judgements (continued)

(b) Metallurgical Corporation of China ("MCC") claim

MCC was appointed as the EPC (engineering, procurement and construction) contractor for the processing area and related facilities at the Sino Iron Project. The fixed price contract amount was US\$3.4 billion.

On 30 January 2013, MCC announced that it had incurred costs over the value of the contract and had provided additional funding of US\$858 million to MCC Mining (Western Australia) Pty Ltd. ("MCC WA"), its wholly owned subsidiary company responsible for delivering MCC's obligations under the contract.

As at the date of issuance of these interim financial statements, MCC has not claimed any additional costs from Sino Iron or its subsidiary companies, other than minor contract variations in the normal course of operations, and the Group believes it has satisfied all of its obligations under the contract.

Under the contract, the Group has a right to claim liquidated damages from MCC WA for certain delays in the completion of their project scope at a daily amount of 0.15% of the value of the main contract (approximately US\$5 million per day, with a cap of approximately US\$530 million in total). As at 30 June 2024 the cumulative days of delay that has been incurred has resulted in the contractual cap to the liquidated damages being reached.

As set out in the Company's announcement dated 24 December 2013, Sino Iron and MCC WA entered into a supplemental contract pursuant to which Sino Iron will take over the management of the construction and commissioning of the remaining four production lines of the Sino Iron Project. An independent audit will opine on various matters including the contract price for the hand over pursuant to the supplemental contract and related fees and expenses, the value of the supporting services provided by Sino Iron to MCC WA in carrying out its responsibilities under the contract, the extent of the works completed by MCC WA in respect of the first two production lines, and the liability of MCC WA in respect of the extensive delays on completion of the works under the contract. By reference to such findings of the independent audit, Sino Iron and MCC WA expect to enter into further negotiations to determine the amount of liabilities to be borne between the parties. Outcomes are not yet known as at 30 June 2024.

4 Taxation

The statutory income tax rate of the Company and its subsidiaries located in Hong Kong for the six months ended 30 June 2024 is 16.5% (six months ended 30 June 2023: 16.5%).

Except for the preferential tax treatments, the income tax rate applicable to the Group's other subsidiaries in Chinese mainland for the six months ended 30 June 2024 is 25% (six months ended 30 June 2023: 25%).

Taxation for other overseas subsidiaries is charged at the rates of taxation prevailing in the countries/jurisdiction in which the overseas subsidiaries operate.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

5 Revenue

As a multi-industry conglomerate, the Group is principally engaged in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

For comprehensive financial services segment, revenue mainly comprises net interest income, net fee and commission income, net trading gain and net gain on financial investments (Notes 5(a), 5(b) and 5(d)). For non-comprehensive financial services segment, revenue mainly comprises income from sales of goods and services rendered to customers (Note 5(c)).

The Group's customer base is diversified and there is no single customer with which transactions have exceeded 10% of the Group's revenue.

(a) Net interest income

	Six months ended 30 June	
	2024	2023
Interest income arising from (note):		
Deposits with central banks, banks and non-bank financial institutions	7,960	8,192
Placements with banks and non-bank financial institutions	5,009	3,890
Financial assets held under resale agreements	1,980	1,326
Investments in financial assets		
– Financial assets at amortised cost	15,570	18,607
– Debt investments at fair value through other comprehensive income ("FVOCI")	11,822	10,615
Loans and advances to customers and other parties	121,260	122,502
Margin financing and securities lending	3,444	4,207
Others	292	321
	167,337	169,660
Interest expenses arising from:		
Borrowing from central banks	(3,410)	(1,904)
Deposits from banks and non-bank financial institutions	(9,240)	(11,344)
Placements from banks and non-bank financial institutions	(2,111)	(2,320)
Financial assets sold under repurchase agreements	(6,347)	(4,486)
Deposits from customers	(53,179)	(57,273)
Debt instruments issued	(17,057)	(14,609)
Customer brokerage deposits	(836)	(802)
Lease liabilities	(685)	(728)
Others	(336)	(477)
	(93,201)	(93,943)
Net interest income	74,136	75,717

Note:

Interest income includes interest income accrued on credit-impaired financial assets of RMB378 million for the six months ended 30 June 2024 (six months ended 30 June 2023: RMB291 million).

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

5 Revenue (continued)

(b) Net fee and commission income

	Six months ended 30 June	
	2024	2023
Bank card fees	7,948	8,200
Trustee commission and fees	5,066	6,547
Agency fees and commission	2,545	3,538
Guarantee and advisory fees	2,823	2,751
Commission on securities brokerage	5,607	6,314
Commission on fund management	3,777	3,874
Commission on investment banking	1,818	4,153
Settlement and clearing fees	1,294	1,213
Commission on asset management	1,243	1,224
Commission on futures brokerage	2,527	1,440
Others	449	270
	35,097	39,524
Fee and commission expenses	(6,066)	(5,025)
Net fee and commission income	29,031	34,499

(c) Sales of goods and services

	Six months ended 30 June	
	2024	2023
Sales of goods	221,401	177,501
Services rendered to customers		
– Revenue from construction contracts	6,032	6,143
– Revenue from other services	13,602	13,522
	241,035	197,166

(d) Other revenue

	Six months ended 30 June	
	2024	2023
Net trading gain/(loss) under comprehensive financial services segment (note (i))	4,817	(9,883)
Net gain on financial investments under comprehensive financial services segment	28,431	35,725
Others	197	762
	33,445	26,604

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

5 Revenue (continued)

(d) Other revenue (continued)

(i) Net trading gain/(loss) under comprehensive financial services segment

	Six months ended 30 June	
	2024	2023
Net trading gain/(loss):		
– debt securities and certificates of deposits	6,484	5,739
– foreign currencies	551	(1,136)
– derivatives	(2,218)	(14,486)
	4,817	(9,883)

6 Cost of sales and services

	Six months ended 30 June	
	2024	2023
Cost of goods sold	204,407	162,933
Cost of services rendered		
– Cost of construction contracts	5,690	5,745
– Cost of other services	9,016	8,303
	219,113	176,981

7 Other net income

	Six months ended 30 June	
	2024	2023
Net gain on disposal/deemed disposal of subsidiaries, associates and joint ventures	1,977	63
Net gain on financial investments under non-comprehensive financial services segment	1,044	731
Net foreign exchange (loss)/gain	(572)	268
Others	2,805	1,445
	5,254	2,507

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

8 Net finance charges

	Six months ended 30 June	
	2024	2023
Finance costs		
– Interest on bank and other loans	5,561	4,229
– Interest on debt instruments issued	1,567	1,790
– Interest on lease liabilities	109	133
	7,237	6,152
Less: interest expense capitalised	(452)	(569)
	6,785	5,583
Other finance charges	117	111
	6,902	5,694
Finance income	(1,312)	(739)
	5,590	4,955

9 Profit before taxation

Profit before taxation is mainly arrived at after charging below costs and expenses in cost of sales and services and other operating expenses:

	Six months ended 30 June	
	2024	2023
Salaries and bonuses	29,491	28,796
Including:		
– Salaries and bonuses without taking into account of consolidation scope change	28,116	28,796
– Consolidation scope change (note)	1,375	–
Depreciation	10,910	9,498
Amortisation	2,333	1,658
Tax and surcharges	1,600	1,622

Note:

Consolidation scope change represented including Nanjing Steel Group Co., Ltd. into the consolidated financial statements of the Group.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

10 Income tax expense

	Six months ended 30 June	
	2024	2023
Current tax – Chinese mainland		
Provision for enterprise income tax	11,809	9,958
Land appreciation tax	266	12
	12,075	9,970
Current tax – Hong Kong		
Provision for Hong Kong profits tax	600	285
Current tax – Overseas		
Provision for the period	276	220
	12,951	10,475
Deferred tax		
Origination and reversal of temporary differences	2,047	1,317
	14,998	11,792

The particulars of the applicable income tax rates are disclosed in Note 4.

11 Dividends

	Six months ended 30 June	
	2024	2023
2023 Final dividend paid: RMB0.335 (2022 Final dividend paid: HK\$0.451) per share	9,745	11,608
2024 Interim dividend proposed: RMB0.19 (2023 Interim dividend paid: RMB0.18) per share	5,527	5,236

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

12 Earnings per share

Basic earnings per share for the six months ended 30 June 2024 is calculated by dividing profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares.

Diluted earnings per share for the six months ended 30 June 2024 is calculated by dividing adjusted profit attributable to the ordinary shareholders of the Company based on assuming conversion of all potentially dilutive shares by the adjusted weighted average number of ordinary shares.

In 2019, China CITIC Bank Corporation Limited ("CITIC Bank"), a subsidiary of the Group, issued convertible bonds, the specific terms of which are disclosed in Note 30(f). In 2022, CITIC Pacific Special Steel Group Co., Ltd. ("CITIC Special Steel"), a subsidiary of the Group, issued convertible bonds, the specific terms of which are disclosed in Note 30(f).

The convertible bonds issued by CITIC Bank and CITIC Special Steel has a dilutive effect on profit attributable to ordinary shareholders of the Company, the calculation results of which are listed as below:

	Six months ended 30 June	
	2024	2023
Profit attributable to ordinary shareholders of the Company	32,113	32,092
Less: impact on profit attributable to ordinary shareholders of the Company assuming above convertible bonds converted	(315)	(54)
Profit attributable to ordinary shareholders of the Company (adjusted)	31,798	32,038
Weighted average number of ordinary shares (in million)	29,090	29,090
Basic earnings per share (RMB)	1.10	1.10
Diluted earnings per share (RMB)	1.09	1.10

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

13 Other comprehensive income

Components of other comprehensive income

	Six months ended 30 June	
	2024	2023
Items that may be reclassified subsequently to profit or loss:		
Fair value gains on debt instruments at FVOCI	11,843	5,352
Less: Net amounts previously recognised in other comprehensive income transferred to profit or loss in the current period	(5,022)	(401)
Tax effect	(2,082)	(1,112)
	4,739	3,839
Change of loss allowance on debt investments at FVOCI	129	722
Tax effect	(15)	(136)
	114	586
(Loss)/gain arising from cash flow hedge	(202)	54
Less: net amounts previously recognised in other comprehensive income transferred to profit or loss in the current period	(118)	(14)
Tax effect	35	3
	(285)	43
Share of other comprehensive loss of associates and joint ventures	(4,492)	(1,701)
Exchange differences on translation of financial statements and others	1,444	2,205
Items that will not be reclassified subsequently to profit or loss:		
Reclassification of owner-occupied property as investment property: revaluation loss	–	(10)
Less: Tax effect	–	–
	–	(10)
Fair value changes on investments in equity instruments designated at FVOCI	998	(246)
Less: Tax effect	(403)	(1)
	595	(247)
	2,115	4,715

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(Expressed in millions of Renminbi, unless otherwise stated)*

14 Segment reporting

The Group has presented five reportable operating segments which are comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose financial performance is regularly reviewed by the board of directors to make decisions about resources to be allocated to the segment and assess its performance, and for which financial information regarding financial position, financial performance and cash flows is available. The details of these five reportable segments are as follows:

- Comprehensive financial services: this segment includes banking, securities, trust, insurance and asset management services;
- Advanced intelligent manufacturing: this segment includes manufacturing of heavy machineries, specialised robotics, aluminium wheels, aluminium casting parts and other products;
- Advanced materials: this segment includes exploration, processing and trading of resources and energy products, including iron ore, copper and crude oil, as well as manufacturing of special steels;
- New consumption: this segment includes motor, food and consumer products business, telecommunication services, publication services, modern agriculture and others;
- New-type urbanisation: this segment includes development, sale and holding of properties, contracting and design services, infrastructure services, environmental services, commercial aviation and others.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources among segments, the board of directors monitors the results, assets and liabilities, revenue and expenses attributable to each reportable segment on the following bases:

Segment assets are those assets that are attributable to a segment, and segment liabilities are those liabilities that are attributable to a segment.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments.

Inter-segment pricing is based on similar terms as those available to other external parties.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

14 Segment reporting (continued)

(a) Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the board of directors for the purposes of resources allocation and assessment of segment performance for six months ended 30 June is set out below:

	Six months ended 30 June 2024							
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	Total
Revenue from external customers	139,763	25,461	166,810	24,221	21,361	31	-	377,647
Inter-segment revenue	1,052	84	104	49	422	8	(1,719)	-
Reportable segment revenue	140,815	25,545	166,914	24,270	21,783	39	(1,719)	377,647
Disaggregation of revenue:								
- Net interest income (Note 5(a))	75,094	-	-	-	-	-	(958)	74,136
- Net fee and commission income (Note 5(b))	29,070	-	-	-	-	-	(39)	29,031
- Sales of goods (Note 5(c))	3,119	25,352	166,033	17,357	9,734	-	(194)	221,401
- Services rendered to customers-construction contracts (Note 5(c))	-	138	-	-	5,990	-	(96)	6,032
- Services rendered to customers-others (Note 5(c))	35	55	881	6,913	6,059	32	(373)	13,602
- Other revenue (Note 5(d))	33,497	-	-	-	-	7	(59)	33,445
Share of profits/(losses) of associates, net of tax	1,279	(18)	390	(153)	1,102	6	-	2,606
Share of profits of joint ventures, net of tax	996	5	550	38	73	12	-	1,674
Finance income (Note 8)	-	21	1,038	65	600	330	(742)	1,312
Finance costs (Note 8)	-	(103)	(1,983)	(368)	(970)	(4,868)	1,390	(6,902)
Depreciation and amortisation (Note 9)	(5,104)	(666)	(5,443)	(914)	(1,036)	(80)	-	(13,243)
Expected credit losses	(33,916)	137	(46)	(8)	567	(107)	-	(33,373)
Impairment losses	(47)	(130)	(52)	(72)	-	-	-	(301)
Profit/(loss) before taxation	61,608	1,105	9,653	476	4,209	(4,876)	(428)	71,747
Income tax (Note 10)	(11,628)	(136)	(1,275)	(216)	(1,194)	(544)	(5)	(14,998)
Profit/(loss) for the period	49,980	969	8,378	260	3,015	(5,420)	(433)	56,749
Attributable to:								
- Ordinary shareholders of the Company	27,895	459	6,653	32	2,922	(5,419)	(429)	32,113
- Non-controlling interests	22,085	510	1,725	228	93	(1)	(4)	24,636

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

14 Segment reporting (continued)

(a) Segment results, assets and liabilities (continued)

	As at 30 June 2024							
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	Total
Reportable segment assets	10,708,104	60,592	362,583	55,796	337,469	50,702	(145,982)	11,429,264
Including:								
Interests in associates (Note 22)	25,867	1,109	24,090	9,364	49,193	937	-	110,560
Interests in joint ventures (Note 23)	11,363	496	8,328	1,826	32,623	1,370	-	56,006
Reportable segment liabilities	9,526,866	39,527	185,539	26,385	138,453	236,763	(129,346)	10,024,187
Including:								
Bank and other loans (Note 29) (note)	9,406	9,041	94,448	8,150	56,651	132,588	(56,135)	254,149
Debt instruments issued (Note 30) (note)	1,346,476	-	4,990	3,205	1,000	71,398	(2,354)	1,424,715

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

14 Segment reporting (continued)

(a) Segment results, assets and liabilities (continued)

	Six months ended 30 June 2023							
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	Total
Revenue from external customers	138,277	24,145	130,603	24,870	16,077	14	-	333,986
Inter-segment revenue	1,220	106	137	59	703	93	(2,318)	-
Reportable segment revenue	139,497	24,251	130,740	24,929	16,780	107	(2,318)	333,986
Disaggregation of revenue:								
- Net interest income (Note 5(a))	76,749	-	-	-	-	90	(1,122)	75,717
- Net fee and commission income (Note 5(b))	34,534	-	-	-	-	-	(35)	34,499
- Sales of goods (Note 5(c))	1,461	24,092	129,877	17,943	4,389	-	(261)	177,501
- Services rendered to customers-construction contracts (Note 5(c))	-	99	-	-	6,556	-	(512)	6,143
- Services rendered to customers-others (Note 5(c))	-	60	863	6,986	5,835	11	(233)	13,522
- Other revenue (Note 5(d))	26,753	-	-	-	-	6	(155)	26,604
Share of profits/(losses) of associates, net of tax	751	2	820	(1)	1,299	41	-	2,912
Share of profits of joint ventures, net of tax	659	1	476	25	546	25	-	1,732
Finance income (Note 8)	-	48	515	59	389	361	(633)	739
Finance costs (Note 8)	-	(239)	(1,547)	(295)	(787)	(4,296)	1,470	(5,694)
Depreciation and amortisation (Note 9)	(4,787)	(622)	(3,715)	(1,003)	(994)	(35)	-	(11,156)
Expected credit losses	(33,993)	(218)	60	(3)	941	-	-	(33,213)
Impairment losses	(246)	(288)	(146)	(49)	-	(575)	-	(1,304)
Profit/(loss) before taxation	60,944	1,099	7,741	1,075	3,578	(4,639)	(535)	69,263
Income tax (Note 10)	(9,716)	(196)	(1,146)	(247)	(484)	4	(7)	(11,792)
Profit/(loss) for the period	51,228	903	6,595	828	3,094	(4,635)	(542)	57,471
Attributable to:								
- Ordinary shareholders of the Company	27,529	426	5,789	481	3,042	(4,633)	(542)	32,092
- Non-controlling interests	23,699	477	806	347	52	(2)	-	25,379

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14 Segment reporting (continued)

(a) Segment results, assets and liabilities (continued)

	As at 31 December 2023							Total
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	
Reportable segment assets	10,609,132	60,415	363,781	55,704	338,424	46,281	(142,817)	11,330,920
Including:								
Interests in associates (Note 22)	27,306	1,116	22,950	9,645	47,833	941	-	109,791
Interests in joint ventures (Note 23)	13,412	553	7,732	1,809	31,827	1,454	-	56,787
Reportable segment liabilities	9,503,628	40,137	187,807	25,452	140,810	222,535	(126,231)	9,994,138
Including:								
Bank and other loans (Note 29) (note)	10,344	6,018	90,205	6,608	54,245	125,712	(58,000)	235,132
Debt instruments issued (Note 30) (note)	1,133,946	-	5,259	3,184	-	74,009	(2,818)	1,213,580

Note:

The amount is the principal excluding interest accrued.

(b) Geographical information

An analysis of the Group's revenue and total assets by geographical area are as follows:

	Revenue from external customers		Reportable segment assets	
	Six months ended 30 June			
	2024	2023	30 June 2024	31 December 2023
Chinese mainland	320,465	286,198	10,391,200	10,315,696
Hong Kong, Macau and Taiwan	27,682	21,838	644,081	638,695
Overseas	29,500	25,950	393,983	376,529
	377,647	333,986	11,429,264	11,330,920

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15 Cash and deposits

	30 June 2024	31 December 2023
Cash	4,192	4,504
Bank deposits	96,129	114,860
Balances with central banks (note (i)):		
– Statutory deposit reserve funds (note (ii))	321,238	357,686
– Surplus deposit reserve funds (note (iii))	57,256	52,473
– Fiscal deposits (note (iv))	203	356
– Foreign exchange reserves (note (v))	3,654	2,926
Deposits with banks and non-bank financial institutions	99,412	90,423
	582,084	623,228
Accrued interest	1,455	1,966
	583,539	625,194
Less: allowance for impairment losses on deposits with banks and non-bank financial institutions	(50)	(59)
	583,489	625,135

Notes:

- (i) The balances with central banks represent deposits placed with central banks by CITIC Bank and CITIC Finance Company Limited ("CITIC Finance").
- (ii) CITIC Bank and CITIC Finance place statutory deposit reserve funds with the People's Bank of China and overseas central banks where they have operations. The statutory deposit reserve funds are not available for use in their daily business.

As at 30 June 2024, the statutory deposit reserve funds placed by CITIC Bank with the People's Bank of China was calculated at 6.5% (31 December 2023: 7%) of eligible RMB deposits for domestic branches of CITIC Bank and at 6.5% (31 December 2023: 7%) of eligible RMB deposits from overseas financial institutions, respectively. In addition, CITIC Bank is required to deposit an amount equivalent to 4% (31 December 2023: 4%) of its foreign currency deposits from domestic branch customers as statutory deposit reserve funds as at 30 June 2024.

As at 30 June 2024, the statutory RMB deposit reserve rate applicable to Zhejiang Lin'an CITIC Rural Bank Corporation Limited in Chinese mainland, a subsidiary of CITIC Bank, according to the corresponding regulations of the People's Bank of China, was at 5% (31 December 2023: 5%).

The amounts of statutory deposit reserve funds placed with the central banks of overseas countries are determined by respective jurisdictions. The statutory deposit reserve funds are interest bearing except for the foreign currency reserve funds deposits placed with the People's Bank of China.

As at 30 June 2024, the statutory deposit reserve funds placed by CITIC Finance with the People's Bank of China was calculated at 5% (31 December 2023: 5%) of eligible RMB deposits from the customers of CITIC Finance. CITIC Finance is also required to deposit an amount equivalent to 4% (31 December 2023: 6%) of its foreign currency deposits from the customers as statutory deposit reserve funds.

- (iii) The surplus deposit reserve funds are maintained with the People's Bank of China for the purposes of clearing.

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15 Cash and deposits (continued)

Notes: (continued)

- (iv) Fiscal deposits placed with the People's Bank of China are not available for use in the Group's daily operations, and are non-interest bearing (unless otherwise stipulated by the local People's Bank of China).
- (v) The foreign exchange reserve is a deposit made by CITIC Bank with the People's Bank of China in accordance with the relevant notice issued by the People's Bank of China. The reserve is required to be maintained on a monthly basis at 20% of the total contract amount of customers driven forward transactions in the previous month. Such foreign exchange reserve is non-interest bearing and will be maintained for in 12 months according to the notice.
- (vi) In addition to the statutory deposit reserve funds, fiscal deposits and foreign exchange reserve, RMB13,640 million (31 December 2023: RMB17,357 million) included in cash and deposits as at 30 June 2024 were restricted in use, mainly including guaranteed pledged bank deposits, guaranteed deposits and risk reserve.

16 Cash held on behalf of customers

CITIC Securities Company Limited ("CITIC Securities"), the Group's subsidiary, maintains segregated deposit accounts with banks and authorised institutions to hold cash on behalf of customers arising from its normal course of business. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as customer brokerage deposits (Note 26). In Chinese mainland, the use of cash held on behalf of customers for security and the settlement of their transactions is restricted and governed by relevant third-party deposit regulations issued by the China Securities Regulatory Commission. In Hong Kong, the "Securities and Futures (Client Money) Rules" together with the related provisions of the Securities and Futures Ordinance impose similar restrictions. In other countries and regions, cash held on behalf of customers is supervised by relevant institutions.

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17 Derivative financial instruments

The Group's subsidiaries under the comprehensive financial services segment act as an intermediary to offer derivative products including forwards, swaps and option transactions. These derivative positions are managed through entering back-to-back deals with external parties to ensure the remaining exposures are within acceptable risk levels. Meanwhile, derivatives are also used for proprietary trading purposes to manage its own assets and liabilities and structural positions. Derivatives, except for those which are designated as hedging instruments, are held for trading. Derivatives classified as held for trading are for trading and customer-initiated transactions purpose, and those for risk management purposes but do not meet the criteria for hedge accounting.

Subsidiaries under non-comprehensive financial services segment of the Group enter into forward and swap contracts to hedge their exposure to fluctuations in foreign exchange rates, commodity prices and interest rates.

The following tables and notes provide an analysis of the nominal amounts of derivatives and the corresponding fair values as at the financial position date. The nominal amounts of the derivatives provide a basis for comparison with fair values of derivatives recognised on the consolidated financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair values of the derivatives and, therefore, do not indicate the Group's exposure to credit or market risks.

	30 June 2024			31 December 2023		
	Nominal amount	Assets	Liabilities	Nominal amount	Assets	Liabilities
Hedging instruments						
Fair value hedge						
– Interest rate derivatives	9,652	286	9	5,216	168	–
– Commodity derivatives	5,733	76	–	–	–	–
– Currency derivatives	556	4	52	2,001	179	–
Cash flow hedge						
– Interest rate derivatives	3,012	100	6	4,009	141	34
– Currency derivatives	162	–	10	112	3	13
– Other derivatives	81	81	–	46	46	–
Non-hedging instruments						
– Interest rate derivatives	7,136,395	29,574	29,483	6,882,563	24,618	24,058
– Currency derivatives	4,990,091	45,031	36,141	3,422,469	31,967	29,095
– Equity derivatives	461,596	19,498	20,982	681,454	18,337	16,413
– Precious metals derivatives	147,992	1,861	4,565	79,567	621	1,279
– Credit derivatives	18,921	29	31	14,167	37	47
– Other derivatives	805,791	2,408	3,216	794,594	1,445	2,816
	13,579,982	98,948	94,495	11,886,198	77,562	73,755

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17 Derivative financial instruments (continued)

(a) Credit risk weighted amounts

The credit risk weighted amounts are solely in connection with the derivatives held by CITIC Bank, and have been computed in accordance with "Regulation Governing Capital of Commercial Banks" promulgated by the National Financial Regulatory Administration, and depends on the status of the counterparties and the maturity characteristics of the instruments including those customer-driven back-to-back transactions. As at 30 June 2024, the credit risk weighted amount for counterparty was RMB22,289 million (31 December 2023: RMB28,225 million).

18 Trade and other receivables

	30 June 2024	31 December 2023
Account and bills receivables	92,695	92,408
Advanced payments and settlement accounts	52,311	25,743
Accounts due from brokers	31,327	24,488
Prepayments, deposits and other receivables	135,117	130,432
	311,450	273,071
Less: allowance for impairment losses	(18,380)	(18,619)
	293,070	254,452

As at 30 June 2024, the amount of the Group's prepayments, deposits and other receivables expected to be recovered or recognised as expenses after one year is RMB1,500 million (31 December 2023: RMB2,008 million). The remaining trade and other receivables are expected to be recovered or recognised as expense within one year.

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19 Loans and advances to customers and other parties

(a) Loans and advances to customers and other parties analysed by nature

	30 June 2024	31 December 2023
Loans and advances to customers and other parties at amortised cost		
Corporate loans:		
– Loans	2,783,651	2,578,201
– Discounted bills	2,657	1,784
– Finance lease receivables	46,526	46,818
	2,832,834	2,626,803
Personal loans:		
– Residential mortgages	1,021,958	1,003,320
– Credit cards	504,705	521,260
– Business loans	486,790	459,113
– Personal consumption	322,522	309,256
– Finance lease receivables	4,124	1,591
	2,340,099	2,294,540
	5,172,933	4,921,343
Accrued interest	20,967	20,188
	5,193,900	4,941,531
Less: allowance for impairment losses	(144,041)	(139,679)
Carrying amount of loans and advances to customers and other parties at amortised cost	5,049,859	4,801,852
Loans and advances to customers and other parties at fair value through Profit and loss (“FVPL”)		
– Loans	9,559	5,558
Loans and advances to customers and other parties at FVOCI		
– Loans	70,655	58,064
– Discounted bills	344,183	514,666
Carrying amount of loans and advances to customers and other parties at FVOCI	414,838	572,730
Total carrying amount of loans and advances	5,474,256	5,380,140
Allowance for impairment losses on loans and advances to customers and other parties at FVOCI	(335)	(656)

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

19 Loans and advances to customers and other parties (continued)

(b) Assessment method of allowance for impairment losses

	As at 30 June 2024			
	Stage 1	Stage 2	Stage 3 (note)	Total
Loans and advances at amortised cost	4,993,951	105,047	73,935	5,172,933
Accrued interest	15,866	4,000	1,101	20,967
Less: allowance for impairment losses	(66,589)	(29,567)	(47,885)	(144,041)
Carrying amount of loans and advances at amortised cost	4,943,228	79,480	27,151	5,049,859
Carrying amount of loans and advances at FVOCI	414,556	252	30	414,838
Total carrying amount of loans and advances for which allowance for impairment losses is recognised	5,357,784	79,732	27,181	5,464,697
Allowance for impairment losses of loans and advances at FVOCI	(262)	–	(73)	(335)

	As at 31 December 2023			
	Stage 1	Stage 2	Stage 3 (note)	Total
Loans and advances at amortised cost	4,753,741	96,222	71,380	4,921,343
Accrued interest	19,120	411	657	20,188
Less: allowance for impairment losses	(64,268)	(27,217)	(48,194)	(139,679)
Carrying amount of loans and advances at amortised cost	4,708,593	69,416	23,843	4,801,852
Carrying amount of loans and advances at FVOCI	572,273	345	112	572,730
Total carrying amount of loans and advances for which allowance for impairment losses is recognised	5,280,866	69,761	23,955	5,374,582
Allowance for impairment losses of loans and advances at FVOCI	(586)	–	(70)	(656)

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For the six months ended 30 June 2024

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19 Loans and advances to customers and other parties (continued)

(b) Assessment method of allowance for impairment losses (continued)

Note:

Loans and advances at stage 3 are credit-impaired, details are as follows:

	30 June 2024	31 December 2023
Secured portion	38,111	34,988
Unsecured portion	36,955	37,161
Total loans and advances that are credit-impaired	75,066	72,149
Allowance for impairment losses	(47,958)	(48,264)

As at 30 June 2024, the maximum exposure covered by fair value of pledge and collateral held against these loans and advances amounted to RMB36,886 million (31 December 2023: RMB34,094 million).

(c) Overdue loans by overdue period

	As at 30 June 2024				
	Overdue within 3 months	Overdue between 3 months and 1 year	Overdue between 1 year and 3 years	Overdue over 3 years	Total
Unsecured loans	27,119	12,570	1,663	362	41,714
Guaranteed loans	2,826	3,325	4,163	640	10,954
Secured loans					
– Loans secured by collateral	15,645	14,700	11,592	1,780	43,717
– Pledged loans	5,809	2,434	820	137	9,200
	51,399	33,029	18,238	2,919	105,585

	As at 31 December 2023				
	Overdue within 3 months	Overdue between 3 months and 1 year	Overdue between 1 year and 3 years	Overdue over 3 years	Total
Unsecured loans	20,105	11,922	2,091	246	34,364
Guaranteed loans	1,558	4,243	2,600	1,018	9,419
Secured loans					
– Loans secured by collateral	15,564	12,520	10,618	1,053	39,755
– Pledged loans	3,790	1,084	2,387	137	7,398
	41,017	29,769	17,696	2,454	90,936

Overdue loans represent loans of which the principal or interest are overdue one day or more.

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20 Margin accounts

	30 June 2024	31 December 2023
Margin accounts	115,380	118,137
Less: allowance for impairment losses	(2,021)	609
Total	113,359	118,746

Margin accounts are funds that the Group lends to the customers for margin financing business.

As at 30 June 2024, the Group received collateral with fair value amounted to RMB394,666 million (31 December 2023: RMB444,292 million) in connection with its margin financing business.

21 Investments in financial assets

(a) Analysed by types

	30 June 2024	31 December 2023
Financial assets at amortised cost		
Debt securities	800,515	869,969
Investment management products	22,046	22,908
Trust investment plans	180,200	194,110
Certificates of deposit and certificates of interbank deposit	–	1,064
Investments in creditor's rights on assets	1,900	1,900
Others	2,097	2,087
	1,006,758	1,092,038
Accrued interest	13,148	12,623
	1,019,906	1,104,661
Less: allowance for impairment losses on financial assets at amortised cost	(27,972)	(28,622)
	991,934	1,076,039
Financial assets at FVPL		
Debt securities	374,899	312,247
Investment management products	7,889	12,706
Trust investment plans	8,992	11,432
Certificates of deposit and certificates of interbank deposit	66,158	99,972
Wealth management products	7,645	6,161
Investment funds	591,563	553,540
Equity investment	234,025	258,178
Others	38,389	37,879
	1,329,560	1,292,115

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

21 Investments in financial assets (continued)

(a) Analysed by types (continued)

	30 June 2024	31 December 2023
Debt investments at FVOCI (note (i))		
Debt securities	906,623	934,693
Certificates of deposit and certificates of interbank deposit	20,568	25,872
	927,191	960,565
Accrued interest	7,799	7,238
	934,990	967,803
Equity investments at FVOCI (note (i))	77,108	20,410
	3,333,592	3,356,367
Allowance for impairment losses on debt investments at FVOCI	(3,235)	(3,284)

Note:

(i) Financial assets measured at FVOCI

	As at 30 June 2024		
	Equity instruments	Debt instruments	Total
Cost/amortised cost	76,009	920,600	996,609
Accumulative fair value change in other comprehensive income	1,099	6,591	7,690
Accrued interest	–	7,799	7,799
Carrying amount	77,108	934,990	1,012,098
Allowance for impairment losses	Not applicable	(3,235)	(3,235)

	As at 31 December 2023		
	Equity instruments	Debt instruments	Total
Cost/amortised cost	20,630	960,959	981,589
Accumulative fair value change in other comprehensive income	(220)	(394)	(614)
Accrued interest	–	7,238	7,238
Carrying amount	20,410	967,803	988,213
Allowance for impairment losses	Not applicable	(3,284)	(3,284)

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For the six months ended 30 June 2024
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21 Investments in financial assets (continued)

(b) Analysed by counterparties

	30 June 2024	31 December 2023
Issued by:		
– Government	1,448,339	1,526,497
– Policy banks	74,506	75,992
– Banks and non-bank financial institutions	1,414,677	1,351,070
– Corporates	371,540	380,959
– Public entities	3,648	2,064
	3,312,710	3,336,582
Accrued interest	20,882	19,785
	3,333,592	3,356,367
– Listed in Hong Kong	119,720	91,807
– Listed outside Hong Kong	2,749,896	2,778,478
– Unlisted	443,094	466,297
	3,312,710	3,336,582
Accrued interest	20,882	19,785
	3,333,592	3,356,367

Bonds traded in China's interbank bond market are "listed outside Hong Kong".

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(Expressed in millions of Renminbi, unless otherwise stated)

21 Investments in financial assets (continued)

(c) Analysed by assessment method of allowance for impairment losses

	As at 30 June 2024			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount of investments in financial assets at amortised cost	949,426	9,889	47,443	1,006,758
Accrued interest	12,147	949	52	13,148
Less: allowance for impairment losses	(2,794)	(1,712)	(23,466)	(27,972)
Carrying amount of investments in financial assets at amortised cost	958,779	9,126	24,029	991,934
Gross carrying amount of debt investments in financial assets at FVOCI	925,429	321	1,441	927,191
Accrued interest	7,781	3	15	7,799
Carrying amount of debt investments in financial assets at FVOCI	933,210	324	1,456	934,990
Total carrying amount of investments in financial assets for which allowance for impairment losses is recognised	1,891,989	9,450	25,485	1,926,924
Allowance for impairment losses on debt investments in financial assets at FVOCI	(2,068)	(149)	(1,018)	(3,235)

	As at 31 December 2023			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount of investments in financial assets at amortised cost	1,036,744	6,081	49,213	1,092,038
Accrued interest	12,061	488	74	12,623
Less: allowance for impairment losses	(3,384)	(1,405)	(23,833)	(28,622)
Carrying amount of investments in financial assets at amortised cost	1,045,421	5,164	25,454	1,076,039
Gross carrying amount of debt investments in financial assets at FVOCI	958,971	664	930	960,565
Accrued interest	7,104	4	130	7,238
Carrying amount of debt investments in financial assets at FVOCI	966,075	668	1,060	967,803
Total carrying amount of investments in financial assets for which allowance for impairment losses is recognised	2,011,496	5,832	26,514	2,043,842
Allowance for impairment losses on debt investments in financial assets at FVOCI	(2,221)	(234)	(829)	(3,284)

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22 Interests in associates

	30 June 2024	31 December 2023
Carrying value	118,606	118,049
Less: allowance for impairment losses	(8,046)	(8,258)
	110,560	109,791

23 Interests in joint ventures

	30 June 2024	31 December 2023
Carrying value	57,532	58,305
Less: allowance for impairment losses	(1,526)	(1,518)
	56,006	56,787

24 Deposits from banks and non-bank financial institutions

	30 June 2024	31 December 2023
Banks	190,342	275,313
Non-bank financial institutions	619,306	614,494
	809,648	889,807
Accrued interest	2,118	3,758
	811,766	893,565
Analysed by remaining maturity:		
– On demand	498,490	478,396
– Within 3 months	192,383	273,634
– Between 3 months and 1 year	118,775	137,777
	809,648	889,807
Accrued interest	2,118	3,758
	811,766	893,565

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

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25 Financial liabilities at fair value through profit or loss

	30 June 2024	31 December 2023
Not designated		
Debt instruments	16,383	7,302
Stocks	11,636	10,050
Non-controlling interests in consolidated structured entities and others	586	1,158
	28,605	18,510
Financial liabilities designated as at fair value through profit or loss		
Stocks	6	47
Beneficiary certificates and structured notes	74,455	64,280
Non-controlling interests in consolidated structured entities and others	3,730	5,715
	78,191	70,042
	106,796	88,552

26 Customer brokerage deposits

	30 June 2024	31 December 2023
Customer brokerage deposits	288,072	282,534

Customer brokerage deposits represent the amounts received from and repayable to customers arising from the ordinary course of the Group's securities brokerage activities.

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For the six months ended 30 June 2024
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27 Trade and other payables

	30 June 2024	31 December 2023
Financial liabilities		
Trade and bills payable	106,583	113,124
Settlement accounts	37,469	32,535
Client deposits payables	137,803	134,850
Dividend payables	23,732	1,411
Other payables	97,221	104,119
	402,808	386,039
Non-financial liabilities		
Advances	307	308
Other taxes payables	9,587	5,601
	9,894	5,909
	412,702	391,948

At the financial position date, the ageing analysis of the Group's trade and bills payable based on the invoice date is as follows:

	30 June 2024	31 December 2023
Within 1 year	88,147	93,670
Between 1 and 2 years	5,611	4,997
Between 2 and 3 years	1,557	2,629
Over 3 years	11,268	11,828
	106,583	113,124

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

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28 Deposits from customers

(a) Types of deposits from customers

	30 June 2024	31 December 2023
Demand deposits		
– Corporate customers	2,060,738	2,149,823
– Personal customers	444,924	340,432
	2,505,662	2,490,255
Time and call deposits		
– Corporate customers	1,787,895	1,755,882
– Personal customers	1,121,774	1,125,384
	2,909,669	2,881,266
Outward remittance and remittance payables	84,778	19,022
Accrued interest	77,563	69,450
	5,577,672	5,459,993

(b) Deposits from customers include pledged deposits for the following items:

	30 June 2024	31 December 2023
Bank acceptances	352,873	407,634
Letters of credit	30,560	23,736
Guarantees	19,880	21,005
Others	37,757	38,651
	441,070	491,026

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For the six months ended 30 June 2024
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29 Bank and other loans

(a) Types of loans

	30 June 2024	31 December 2023
Bank loans		
Unsecured loans	192,593	153,804
Loan pledged with assets (note (d))	23,681	42,996
	216,274	196,800
Other loans		
Unsecured loans	36,815	36,091
Loan pledged with assets (note (d))	1,060	2,241
	37,875	38,332
	254,149	235,132
Accrued interest	744	638
	254,893	235,770

(b) Maturity of loans

	30 June 2024	31 December 2023
Bank loans		
– Within 1 year or on demand	92,391	54,033
– Between 1 and 2 years	61,764	60,670
– Between 2 and 5 years	38,048	49,774
– Over 5 years	24,071	32,323
	216,274	196,800
Other loans		
– Within 1 year or on demand	4,509	2,803
– Between 1 and 2 years	28,184	1,373
– Between 2 and 5 years	5,139	34,113
– Over 5 years	43	43
	37,875	38,332
	254,149	235,132
Accrued interest	744	638
	254,893	235,770

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

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29 Bank and other loans (continued)

(c) Bank and other loans are denominated in the following currencies

	30 June 2024	31 December 2023
RMB	114,138	88,766
HK\$	78,292	76,150
US\$	60,070	55,247
Other currencies	1,649	14,969
	254,149	235,132
Accrued interest	744	638
	254,893	235,770

- (d) As at 30 June 2024, the Group's bank and other loans of RMB24,741 million (31 December 2023: RMB45,236 million) are pledged with cash and deposits, trade and other receivables, inventories, financial assets held for trading, fixed assets, right-of-use assets and intangible assets with an aggregate carrying amount of RMB85,901 million (31 December 2023: RMB88,451 million).
- (e) The Group's banking facilities are subject to the fulfilment of covenants relating to balance sheet ratios or ownership of a minimum shareholding in certain entities of the Group, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 34(b). As at 30 June 2024, none of the covenants relating to drawn down facilities have been breached (31 December 2023: Nil).

Notes to the Consolidated Interim Financial Information

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30 Debt instruments issued

	30 June 2024	31 December 2023
Corporate bonds issued (note (a))	226,449	233,290
Notes issued (note (b))	129,451	151,813
Subordinated bonds issued (note (c))	76,116	82,569
Certificates of deposit issued (note (d))	1,017	1,418
Certificates of interbank deposit issued (note (e))	964,044	705,273
Convertible corporate bonds (note (f))	17,247	17,670
Beneficiary certificates (note (g))	10,391	21,547
	1,424,715	1,213,580
Accrued interest	7,022	7,527
	1,431,737	1,221,107
Analysed by remaining maturity:		
– Within 1 year or on demand	1,099,157	828,068
– Between 1 and 2 years	117,619	121,781
– Between 2 and 5 years	74,100	136,498
– Over 5 years	133,839	127,233
	1,424,715	1,213,580
Accrued interest	7,022	7,527
	1,431,737	1,221,107

The Group did not have any default of principal, interest or other breaches with respect to its debt instruments issued for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

Notes:

(a) Corporate bonds issued

	30 June 2024	31 December 2023
The Company (note (ii))	42,090	43,401
CITIC Corporation Limited ("CITIC Corporation") (note (iii))	27,024	27,790
CITIC Securities (note (iii))	152,980	158,415
CITIC Telecom International Holdings Limited ("CITIC Telecom International") (note (iv))	3,205	3,184
CITIC Urban Development & Operation Co., Ltd. ("CITIC Urban Development & Operation") (note (v))	1,000	–
CITIC Pacific Limited's ("CITIC Pacific") subsidiaries (note(vi))	150	500
	226,449	233,290

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For the six months ended 30 June 2024

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30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(i) Details of corporate bonds issued by the Company

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
HK\$ Notes 2	HK\$	420	2014-07-25	2024-07-25	4.35%
US\$ Notes 7	US\$	280	2015-04-14	2035-04-14	4.60%
US\$ Notes 8	US\$	150	2016-02-04	2041-02-04	4.88%
US\$ Notes 9	US\$	350	2016-02-04	2036-02-04	4.75%
US\$ Notes 10	US\$	90	2016-04-25	2036-04-25	4.65%
US\$ Notes 11	US\$	210	2016-04-25	2046-04-25	4.85%
US\$ Notes 13	US\$	750	2016-06-14	2026-06-14	3.70%
US\$ Notes 14	US\$	200	2016-09-07	2031-09-07	3.98%
US\$ Notes 15	US\$	250	2016-09-07	2046-09-07	4.49%
US\$ Notes 16	US\$	750	2017-02-28	2027-02-28	3.88%
US\$ Notes 19	US\$	500	2018-01-11	2028-01-11	4.00%
US\$ Notes 20	US\$	75	2018-03-13	2038-03-13	4.85%
US\$ Notes 21	US\$	200	2018-04-18	2048-04-18	5.07%
US\$ Notes 22	US\$	300	2020-02-25	2025-02-25	2.45%
US\$ Notes 23	US\$	700	2020-02-25	2030-02-25	2.85%
US\$ Notes 24	US\$	700	2022-02-17	2027-02-17	2.88%
US\$ Notes 25	US\$	300	2022-02-17	2032-02-17	3.50%
US\$ Notes 26	US\$	100	2022-08-02	2027-02-17	2.88%

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30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(i) Details of corporate bonds issued by the Company (continued)

	Denominated currency	Face value in denominated currency (million)	As at 31 December 2023		Interest rate per annum
			Issue date	Maturity date	
US\$ Notes 6.1	US\$	110	2014-07-18	2024-01-18	4.70%
HK\$ Notes 2	HK\$	420	2014-07-25	2024-07-25	4.35%
US\$ Notes 6.2	US\$	90	2014-10-29	2024-01-18	4.70%
US\$ Notes 7	US\$	280	2015-04-14	2035-04-14	4.60%
US\$ Notes 8	US\$	150	2016-02-04	2041-02-04	4.88%
US\$ Notes 9	US\$	350	2016-02-04	2036-02-04	4.75%
US\$ Notes 10	US\$	90	2016-04-25	2036-04-25	4.65%
US\$ Notes 11	US\$	210	2016-04-25	2046-04-25	4.85%
US\$ Notes 13	US\$	750	2016-06-14	2026-06-14	3.70%
US\$ Notes 14	US\$	200	2016-09-07	2031-09-07	3.98%
US\$ Notes 15	US\$	250	2016-09-07	2046-09-07	4.49%
US\$ Notes 16	US\$	750	2017-02-28	2027-02-28	3.88%
US\$ Notes 19	US\$	500	2018-01-11	2028-01-11	4.00%
US\$ Notes 20	US\$	75	2018-03-13	2038-03-13	4.85%
US\$ Notes 21	US\$	200	2018-04-18	2048-04-18	5.07%
US\$ Notes 22	US\$	300	2020-02-25	2025-02-25	2.45%
US\$ Notes 23	US\$	700	2020-02-25	2030-02-25	2.85%
US\$ Notes 24	US\$	700	2022-02-17	2027-02-17	2.88%
US\$ Notes 25	US\$	300	2022-02-17	2032-02-17	3.50%
US\$ Notes 26	US\$	100	2022-08-02	2027-02-17	2.88%

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30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(ii) Details of corporate bonds issued by CITIC Corporation

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
05 CITIC bond-2	RMB	4,000	2005-12-07	2025-12-06	4.60%
19 CITIC bond-3	RMB	2,000	2019-03-19	2029-03-19	4.59%
19 CITIC bond-4	RMB	2,000	2019-04-22	2029-04-22	4.71%
19 CITIC bond-5	RMB	1,800	2019-07-17	2034-07-17	4.60%
19 CITIC bond-6	RMB	700	2019-07-17	2029-07-17	4.46%
19 CITIC bond-7	RMB	500	2019-08-14	2029-08-14	4.38%
19 CITIC bond-8	RMB	2,000	2019-08-14	2039-08-14	4.58%
19 CITIC bond-9	RMB	1,000	2019-11-05	2039-11-05	4.65%
20 CITIC bond-2	RMB	2,000	2020-02-26	2030-02-26	3.88%
20 CITIC bond-3	RMB	1,000	2020-03-23	2030-03-23	4.00%
20 CITIC bond-4	RMB	600	2020-03-23	2040-03-23	4.30%
20 CITIC bond-5	RMB	1,000	2020-04-21	2030-04-21	3.87%
20 CITIC bond-6	RMB	1,500	2020-04-21	2040-04-21	4.16%
20 CITIC bond-8	RMB	1,900	2020-05-11	2040-05-11	4.20%
21 CITIC bond-1	RMB	1,000	2021-11-02	2026-11-02	3.49%
21 CITIC bond-2	RMB	2,000	2021-11-02	2031-11-02	3.79%
23 CITIC bond-1	RMB	1,200	2023-10-23	2028-10-23	3.16%
23 CITIC bond-2	RMB	800	2023-10-23	2043-10-23	3.35%
23 CITIC bond-3	RMB	2,000	2023-11-02	2028-11-02	3.19%

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30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(ii) Details of corporate bonds issued by CITIC Corporation (continued)

	Denominated currency	Face value in denominated currency (million)	As at 31 December 2023		Interest rate per annum
			Issue date	Maturity date	
05 CITIC bond-2	RMB	4,000	2005-12-07	2025-12-06	4.60%
19 CITIC bond-2	RMB	1,500	2019-02-25	2024-02-25	3.85%
19 CITIC bond-3	RMB	2,000	2019-03-19	2029-03-19	4.59%
19 CITIC bond-4	RMB	2,000	2019-04-22	2029-04-22	4.71%
19 CITIC bond-5	RMB	1,800	2019-07-17	2034-07-17	4.60%
19 CITIC bond-6	RMB	700	2019-07-17	2029-07-17	4.46%
19 CITIC bond-7	RMB	500	2019-08-14	2029-08-14	4.38%
19 CITIC bond-8	RMB	2,000	2019-08-14	2039-08-14	4.58%
19 CITIC bond-9	RMB	1,000	2019-11-05	2039-11-05	4.65%
20 CITIC bond-2	RMB	2,000	2020-02-26	2030-02-26	3.88%
20 CITIC bond-3	RMB	1,000	2020-03-23	2030-03-23	4.00%
20 CITIC bond-4	RMB	600	2020-03-23	2040-03-23	4.30%
20 CITIC bond-5	RMB	1,000	2020-04-21	2030-04-21	3.87%
20 CITIC bond-6	RMB	1,500	2020-04-21	2040-04-21	4.16%
20 CITIC bond-8	RMB	1,900	2020-05-11	2040-05-11	4.20%
21 CITIC bond-1	RMB	1,000	2021-11-02	2026-11-02	3.49%
21 CITIC bond-2	RMB	2,000	2021-11-02	2031-11-02	3.79%
23 CITIC bond-1	RMB	1,200	2023-10-23	2028-10-23	3.16%
23 CITIC bond-2	RMB	800	2023-10-23	2043-10-23	3.35%
23 CITIC bond-3	RMB	2,000	2023-11-02	2028-11-02	3.19%

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(iii) Details of corporate bonds issued by CITIC Securities

	Denominated currency	Face value in denominated currency (million)	As at 30 June 2024		Interest rate per annum
			Issue date	Maturity date	
15 CITIC 02	RMB	2,500	2015-06-24	2025-06-25	5.10%
19 CS G2	RMB	1,000	2019-09-05	2024-09-10	3.78%
20 CS G2	RMB	2,000	2020-02-19	2025-02-21	3.31%
20 CS G4	RMB	2,000	2020-03-06	2025-03-10	3.20%
20 CS G7	RMB	1,000	2020-04-09	2025-04-14	3.10%
20 CS 20	RMB	800	2020-09-08	2030-09-11	4.20%
20 CS 24	RMB	900	2020-10-23	2030-10-28	4.27%
21 CS 03	RMB	3,200	2021-01-20	2031-01-25	4.10%
21 CS 05	RMB	3,000	2021-02-24	2031-03-01	4.10%
21 CS 06	RMB	2,500	2021-03-16	2031-03-19	4.10%
21 CS 07	RMB	1,400	2021-04-08	2031-04-13	4.04%
21 CS 08	RMB	1,000	2021-06-08	2026-06-11	3.70%
21 CS 09	RMB	2,500	2021-06-08	2031-06-11	4.03%
21 CS 10	RMB	1,500	2021-07-06	2026-07-09	3.62%
21 CS 11	RMB	1,500	2021-07-06	2031-07-09	3.92%
21 CS 12	RMB	3,000	2021-08-18	2024-08-23	3.01%
21 CS 13	RMB	1,000	2021-08-18	2026-08-23	3.34%
21 CS 14	RMB	4,500	2021-09-13	2024-09-16	3.08%
21 CS 16	RMB	2,200	2021-09-23	2024-09-27	3.09%
21 CS 17	RMB	1,800	2021-09-23	2026-09-28	3.47%
21 CS 18	RMB	2,500	2021-10-14	2024-10-19	3.25%
21 CS 19	RMB	2,000	2021-10-14	2026-10-19	3.59%
21 CS 20	RMB	3,000	2021-11-19	2024-11-24	3.07%
21 CS 21	RMB	3,000	2021-12-09	2024-12-14	2.97%
22 CS 01	RMB	500	2022-02-11	2027-01-29	3.20%
22 CS 02	RMB	1,000	2022-02-11	2032-02-06	3.69%
22 CS 03	RMB	1,000	2022-03-08	2025-03-11	3.03%
22 CS 04	RMB	500	2022-03-08	2027-03-11	3.40%
22 CS 05	RMB	3,000	2022-08-19	2025-08-24	2.50%
23 CS 10	RMB	2,000	2023-05-25	2026-05-30	2.89%
23 CS 11	RMB	500	2023-06-08	2025-06-13	2.64%
23 CS 12	RMB	2,500	2023-06-08	2026-06-13	2.80%
23 CS G1	RMB	3,000	2023-02-03	2025-02-08	2.95%
23 CS G2	RMB	1,500	2023-02-16	2025-02-21	2.89%
23 CS G3	RMB	3,000	2023-02-16	2026-02-21	3.06%
23 CS G4	RMB	2,000	2023-03-08	2025-03-13	3.01%
23 CS G5	RMB	2,000	2023-03-08	2028-03-13	3.32%
23 CS G6	RMB	2,000	2023-04-14	2025-04-19	2.87%
23 CS G7	RMB	2,500	2023-04-14	2028-04-19	3.17%
23 CS G9	RMB	3,500	2023-05-10	2026-05-15	2.90%
23 CS 13	RMB	2,000	2023-07-04	2025-07-07	2.64%
23 CS 14	RMB	500	2023-07-04	2026-07-07	2.75%
23 CS 15	RMB	2,500	2023-08-09	2025-08-14	2.54%
23 CS 16	RMB	2,000	2023-08-09	2026-08-14	2.72%
23 CS 17	RMB	1,000	2023-08-25	2025-08-30	2.53%
23 CS 18	RMB	2,000	2023-08-25	2026-08-30	2.70%

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(iii) Details of corporate bonds issued by CITIC Securities (continued)

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
23 CS 20	RMB	2,500	2023-09-07	2026-09-12	2.93%
23 CS 21	RMB	1,800	2023-09-15	2026-09-20	2.86%
23 CS 22	RMB	2,200	2023-09-15	2028-09-20	3.10%
23 CS 23	RMB	1,300	2023-10-16	2025-10-19	2.80%
23 CS 24	RMB	2,700	2023-10-16	2026-10-19	2.90%
23 CS 25	RMB	2,500	2023-11-02	2025-11-07	2.78%
23 CS 26	RMB	3,500	2023-11-02	2028-11-07	3.10%
23 CS 28	RMB	2,500	2023-11-16	2026-11-21	2.87%
23 CS 29	RMB	1,000	2023-12-15	2025-12-20	2.80%
23 CS 30	RMB	4,000	2023-12-15	2026-12-20	2.90%
23 CS S9	RMB	5,000	2023-09-06	2024-09-11	2.45%
23 CS S10	RMB	4,000	2023-09-13	2024-09-18	2.52%
23 CS S12	RMB	6,000	2023-10-26	2024-10-31	2.72%
23 CS S13	RMB	3,000	2023-11-08	2024-11-13	2.70%
24 CS S1	RMB	3,000	2024-01-10	2025-01-15	2.53%
24 CS G1	RMB	1,500	2024-01-16	2026-01-19	2.68%
24 CS G2	RMB	2,300	2024-01-16	2027-01-19	2.74%
24 CS G3	RMB	3,000	2024-02-23	2034-02-17	2.75%
24 CS G4	RMB	4,000	2024-03-07	2034-03-12	2.69%
24 CS G5	RMB	3,600	2024-03-22	2027-03-27	2.54%
CITICSCSI16	US\$	7	2023-07-25	2024-07-24	5.40%
CITICSCSI31	US\$	21	2023-12-22	2024-12-20	5.62%
CITICSCSI33	US\$	5	2023-12-29	2024-12-27	0.00%
CITICSCSI34	US\$	8	2024-01-12	2025-01-10	5.00%
CITICSCSI38	US\$	11	2024-02-20	2025-02-19	5.00%
CITICSCSI41	US\$	10	2024-03-18	2024-09-19	0.00%
CITICSCSI43	US\$	5	2024-04-02	2024-07-02	5.28%
CITICSCSI44	US\$	15	2024-04-09	2024-07-09	4.25%
CITICSCSI46	RMB	36	2024-04-26	2024-07-26	3.90%
CITICSCSI47	US\$	5	2024-05-03	2024-11-01	5.49%
CITICSCSI48	HK\$	700	2024-05-14	2025-05-13	0.00%
CITICSCSI50	US\$	10	2024-05-29	2024-11-29	5.60%
CITICSCSI51	HK\$	300	2024-05-30	2025-05-29	0.00%
CITICSCSI53	US\$	5	2024-06-17	2024-12-17	5.54%
CITICSCSI54	RMB	44	2024-06-19	2024-09-19	2.71%
CITICSCSI55	US\$	11	2024-06-25	2024-09-25	5.53%
CITICSCSI56	US\$	16	2024-06-25	2024-12-24	5.52%
CITICSMTNECP62	US\$	20	2024-01-18	2024-07-18	0.00%
CITICSMTNECP63	RMB	684	2024-03-13	2025-03-12	0.00%
CITICSMTNECP64	RMB	488	2024-03-22	2025-03-21	0.00%
CITICSMTNECP65	RMB	488	2024-03-28	2025-03-27	0.00%

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(iii) Details of corporate bonds issued by CITIC Securities

	Denominated currency	As at 31 December 2023		Issue date	Maturity date	Interest rate per annum
		Face value in	denominated			
		currency	(million)			
15 CITIC 02	RMB	2,500		2015-06-24	2025-06-25	5.10%
19 CS G2	RMB	1,000		2019-09-05	2024-09-10	3.78%
20 CS G2	RMB	2,000		2020-02-19	2025-02-21	3.31%
20 CS G4	RMB	2,000		2020-03-06	2025-03-10	3.20%
20 CS G7	RMB	1,000		2020-04-09	2025-04-14	3.10%
20 CS 20	RMB	800		2020-09-08	2030-09-11	4.20%
20 CS 24	RMB	900		2020-10-23	2030-10-28	4.27%
21 CS 02	RMB	4,600		2021-01-20	2024-01-25	3.56%
21 CS 03	RMB	3,200		2021-01-20	2031-01-25	4.10%
21 CS 04	RMB	1,500		2021-02-24	2024-03-01	3.60%
21 CS 05	RMB	3,000		2021-02-24	2031-03-01	4.10%
21 CS 06	RMB	2,500		2021-03-16	2031-03-19	4.10%
21 CS 07	RMB	1,400		2021-04-08	2031-04-13	4.04%
21 CS 08	RMB	1,000		2021-06-08	2026-06-11	3.70%
21 CS 09	RMB	2,500		2021-06-08	2031-06-11	4.03%
21 CS 10	RMB	1,500		2021-07-06	2026-07-09	3.62%
21 CS 11	RMB	1,500		2021-07-06	2031-07-09	3.92%
21 CS 12	RMB	3,000		2021-08-18	2024-08-23	3.01%
21 CS 13	RMB	1,000		2021-08-18	2026-08-23	3.34%
21 CS 14	RMB	4,500		2021-09-13	2024-09-16	3.08%
21 CS 16	RMB	2,200		2021-09-23	2024-09-27	3.09%
21 CS 17	RMB	1,800		2021-09-23	2026-09-28	3.47%
21 CS 18	RMB	2,500		2021-10-14	2024-10-19	3.25%
21 CS 19	RMB	2,000		2021-10-14	2026-10-19	3.59%
21 CS 20	RMB	3,000		2021-11-19	2024-11-24	3.07%
21 CS 21	RMB	3,000		2021-12-09	2024-12-14	2.97%
22 CS 01	RMB	500		2022-02-11	2027-01-29	3.20%
22 CS 02	RMB	1,000		2022-02-11	2032-02-06	3.69%
22 CS 03	RMB	1,000		2022-03-08	2025-03-11	3.03%
22 CS 04	RMB	500		2022-03-08	2027-03-11	3.40%
22 CS 05	RMB	3,000		2022-08-19	2025-08-24	2.50%
23 CS 10	RMB	2,000		2023-05-25	2026-05-30	2.89%
23 CS 11	RMB	500		2023-06-08	2025-06-13	2.64%
23 CS 12	RMB	2,500		2023-06-08	2026-06-13	2.80%
23 CS G1	RMB	3,000		2023-02-03	2025-02-08	2.95%
23 CS G2	RMB	1,500		2023-02-16	2025-02-21	2.89%
23 CS G3	RMB	3,000		2023-02-16	2026-02-21	3.06%
23 CS G4	RMB	2,000		2023-03-08	2025-03-13	3.01%
23 CS G5	RMB	2,000		2023-03-08	2028-03-13	3.32%
23 CS G6	RMB	2,000		2023-04-14	2025-04-19	2.87%
23 CS G7	RMB	2,500		2023-04-14	2028-04-19	3.17%
23 CS G8	RMB	3,500		2023-05-10	2024-05-15	2.53%
23 CS G9	RMB	3,500		2023-05-10	2026-05-15	2.90%

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(iii) Details of corporate bonds issued by CITIC Securities (continued)

	Denominated currency	Face value in denominated currency (million)	As at 31 December 2023		Interest rate per annum
			Issue date	Maturity date	
23 CS 13	RMB	2,000	2023-07-04	2025-07-07	2.64%
23 CS 14	RMB	500	2023-07-04	2026-07-07	2.75%
23 CS 15	RMB	2,500	2023-08-09	2025-08-14	2.54%
23 CS 16	RMB	2,000	2023-08-09	2026-08-14	2.72%
23 CS 17	RMB	1,000	2023-08-25	2025-08-30	2.53%
23 CS 18	RMB	2,000	2023-08-25	2026-08-30	2.70%
23 CS 20	RMB	2,500	2023-09-07	2026-09-12	2.93%
23 CS 21	RMB	1,800	2023-09-15	2026-09-20	2.86%
23 CS 22	RMB	2,200	2023-09-15	2028-09-20	3.10%
23 CS 23	RMB	1,300	2023-10-16	2025-10-19	2.80%
23 CS 24	RMB	2,700	2023-10-16	2026-10-19	2.90%
23 CS 25	RMB	2,500	2023-11-02	2025-11-07	2.78%
23 CS 26	RMB	3,500	2023-11-02	2028-11-07	3.10%
23 CS 28	RMB	2,500	2023-11-16	2026-11-21	2.87%
23 CS 29	RMB	1,000	2023-12-15	2025-12-20	2.80%
23 CS 30	RMB	4,000	2023-12-15	2026-12-20	2.90%
23 CS S7	RMB	3,000	2023-05-25	2024-05-24	2.47%
23 CS S8	RMB	4,000	2023-08-16	2024-02-21	2.12%
23 CS S9	RMB	5,000	2023-09-06	2024-09-11	2.45%
23 CS S10	RMB	4,000	2023-09-13	2024-09-18	2.52%
23 CS S11	RMB	4,000	2023-09-22	2024-06-27	2.53%
23 CS S12	RMB	6,000	2023-10-26	2024-10-31	2.72%
23 CS S13	RMB	3,000	2023-11-08	2024-11-13	2.70%
23 CS S14	RMB	4,000	2023-11-22	2024-05-29	2.64%
CITICSCSI16	US\$	7	2023-07-25	2024-07-24	5.40%
CITICSCSI17	US\$	44	2023-07-27	2024-01-29	0.00%
CITICSCSI20	US\$	10	2023-08-16	2024-02-16	0.00%
CITICSCSI24	US\$	6	2023-09-13	2024-03-13	0.00%
CITICSCSI25	US\$	15	2023-10-31	2024-01-31	0.00%
CITICSCSI26	US\$	5	2023-11-20	2024-02-20	0.00%
CITICSCSI27	RMB	20	2023-11-07	2024-02-07	0.00%
CITICSCSI28	US\$	6	2023-12-08	2024-06-07	0.00%
CITICSCSI29	US\$	6	2023-12-12	2024-03-12	0.00%
CITICSCSI30	US\$	5	2023-12-21	2024-03-21	5.75%
CITICSCSI31	US\$	21	2023-12-22	2024-12-20	5.62%
CITICSCSI32	US\$	5	2023-12-29	2024-06-28	0.00%
CITICSCSI33	US\$	5	2023-12-29	2024-12-27	0.00%
CITICSMTNECP59	US\$	20	2023-10-19	2024-01-24	0.00%
CITICSMTNECP60	US\$	100	2023-12-20	2024-03-13	0.00%

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(a) Corporate bonds issued (continued)

(iv) Details of corporate bonds issued by CITIC Telecom International

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Guaranteed bonds	US\$	450	2013-03-05	2025-03-05	6.10%

	As at 31 December 2023				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Guaranteed bonds	US\$	450	2013-03-05	2025-03-05	6.10%

(v) Details of corporate bonds issued by CITIC Urban Development & Operation

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
24 Urban Development 01	RMB	1,000	2024-03-18	2027-03-18	3.45%

(vi) Details of corporate bonds issued by CITIC Pacific's subsidiaries

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
24 LG SCP001	RMB	164	2024-06-13	2024-08-02	1.95%

	As at 31 December 2023				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
22 NNISUC 01	RMB	200	2022-03-14	2025-03-14 (Redeemed in advance on 14 March 2024)	5.20%
23 NNISUC SCP001	RMB	300	2023-08-28	2024-05-24	2.90%

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(b) Notes issued

	30 June 2024	31 December 2023
CITIC Bank (note (i))	116,523	138,311
CITIC Securities (note (ii))	12,307	12,886
CITIC Trust Co., Ltd. (note (iii))	621	616
	129,451	151,813

(i) Details of notes issued by CITIC Bank

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Financial bonds	US\$	350	2021-02-02	2026-02-02	1.25%
Financial bonds	US\$	500	2021-11-17	2024-11-17	1.75%
Financial bonds	RMB	30,000	2022-04-28	2025-04-28	2.80%
Financial bonds	RMB	30,000	2022-08-05	2025-08-05	2.50%
Financial bonds	RMB	30,000	2023-04-13	2026-04-13	2.77%
Financial bonds	RMB	10,000	2023-03-27	2026-03-27	2.79%
Financial bonds	RMB	10,000	2023-05-16	2026-05-16	2.68%
Financial bonds	US\$	187	2024-04-22	2025-04-17	3.40%

As at 31 December 2023					
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Financial bonds	US\$	200	2021-02-02	2024-02-02	0.88%
Financial bonds	US\$	350	2021-02-02	2026-02-02	1.25%
Financial bonds	RMB	20,000	2021-06-10	2024-06-10	3.19%
Financial bonds	US\$	500	2021-11-17	2024-11-17	1.75%
Financial bonds	RMB	30,000	2022-04-28	2025-04-28	2.80%
Financial bonds	RMB	30,000	2022-08-05	2025-08-05	2.50%
Financial bonds	RMB	30,000	2023-04-13	2026-04-13	2.77%
Financial bonds	RMB	10,000	2023-03-27	2026-03-27	2.79%
Financial bonds	RMB	10,000	2023-05-16	2026-05-16	2.68%
Financial bonds	RMB	1,800	2023-04-26	2024-04-26	3.90%

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(b) Notes issued (continued)

(ii) Details of notes issued by CITIC Securities

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
CITIC SEC N2410	US\$	200	2019-10-17	2024-10-24	2.88%
CITIC SEC N2506	US\$	500	2020-05-27	2025-06-03	2.00%
CITIC SEC N2504	US\$	300	2022-04-21	2025-04-21	3.38%
CITIC SEC N2701	JPY	14,580	2024-01-25	2027-01-25	1.00%
CITICSIN2502	US\$	200	2023-02-14	2025-02-21	5.00%
CITICSIN2606	RMB	700	2023-06-14	2026-06-23	2.90%
CITICSIN2607	RMB	2,500	2023-07-13	2026-07-13	3.10%

	As at 31 December 2023				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
CITIC SEC N2410	US\$	200	2019-10-17	2024-10-24	2.88%
CITIC SEC N2506	US\$	500	2020-05-27	2025-06-03	2.00%
CITIC SEC N2504	US\$	300	2022-04-21	2025-04-21	3.38%
CITIC SEC N2405	US\$	175	2022-12-07	2024-05-14	5.15%
CITICSIN2502	US\$	200	2023-02-14	2025-02-21	5.00%
CITICSIN2606	RMB	700	2023-06-14	2026-06-23	2.90%
CITICSIN2607	RMB	2,500	2023-07-13	2026-07-13	3.10%

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(b) Notes issued (continued)

(iii) Details of notes issued by CITIC Trust Co., Ltd.

	As at 30 June 2024				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Participation notes (note (i))	US\$	5	2018-01-22	2025-01-22	Non fixed interest rate
Participation notes	US\$	1.54	2021-06-25	No fixed maturity date	Non fixed interest rate
Participation notes (note (ii))	US\$	270	2022-03-30	2025-03-30	Fixed interest rate

	As at 31 December 2022				
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
Participation notes (note (i))	US\$	5	2018-01-22	2025-01-22	Non fixed interest rate
Participation notes	US\$	1.54	2021-06-25	No fixed maturity date	Non fixed interest rate
Participation notes (note (ii))	US\$	270	2022-03-30	2025-03-30	Fixed interest rate

Notes:

- (i) As at 30 June 2024, the portion held within the Group amounted to US\$4.90 million (As at 31 December 2023: US\$4.92 million).
- (ii) As at 30 June 2024, the portion held within the Group amounted to US\$95 million (As at 31 December 2023: US\$95 million).

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(c) Subordinated bonds issued

The balance represents the subordinated debts issued by CITIC Bank, CITIC Bank International Limited ("CBI"), a subsidiary of CITIC Bank, and CITIC Securities. The carrying amount of subordinated bonds issued is as follows:

	30 June 2024	31 December 2023
Fixed rate notes maturing		
– In February 2029 (i)	–	3,543
– In December 2033 (ii)	3,625	3,543
Fixed rate bonds maturing		
– In February 2024 (iii)	–	3,000
– In November 2024 (iv)	1,000	998
– In July 2025 (v)	500	492
– In November 2026 (vi)	1,000	998
– In August 2030 (vii)	39,995	39,995
– In December 2033 (viii)	21,496	21,500
– In December 2038 (ix)	8,500	8,500
	76,116	82,569

As at 30 June 2024					
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
(ii) Subordinated Notes	US\$	500	2023-12-05	2033-12-05	6.00%
(v) 22 CS C1	RMB	500	2022-07-22	2025-07-22	3.00%
(iv) 23 CS C1	RMB	1,000	2023-11-09	2024-11-14	2.75%
(vi) 23 CS C2	RMB	1,000	2023-11-09	2026-11-14	3.10%
(vii) Subordinated Fixed Rate Bonds	RMB	40,000	2020-08-14	2030-08-14	3.87%
(viii) Subordinated Fixed Rate Bonds	RMB	21,500	2023-12-19	2033-12-19	3.19%
(ix) Subordinated Fixed Rate Bonds	RMB	8,500	2023-12-19	2038-12-19	3.25%

As at 31 December 2023					
	Denominated currency	Face value in denominated currency (million)	Issue date	Maturity date	Interest rate per annum
(i) Subordinated Notes	US\$	500	2019-02-28	2029-02-28 (Redeemed in advance on 28 February 2024)	4.63%
(ii) Subordinated Notes	US\$	500	2023-12-05	2033-12-05	6.00%
(iii) 21 CS C1	RMB	3,000	2021-02-03	2024-02-08	3.97%
(v) 22 CS C1	RMB	500	2022-07-22	2025-07-22	3.00%
(iv) 23 CS C1	RMB	1,000	2023-11-09	2024-11-14	2.75%
(vi) 23 CS C2	RMB	1,000	2023-11-09	2026-11-14	3.10%
(vii) Subordinated Fixed Rate Bonds	RMB	40,000	2020-08-14	2030-08-14	3.87%
(viii) Subordinated Fixed Rate Bonds	RMB	21,500	2023-12-19	2033-12-19	3.19%
(ix) Subordinated Fixed Rate Bonds	RMB	8,500	2023-12-19	2038-12-19	3.25%

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

30 Debt instruments issued (continued)

Notes: (continued)

(d) Certificates of deposit issued

These certificates of deposit were issued by CBI with interest rate ranging from 5.63% to 5.70% per annum (31 December 2023: 5.85% – 5.90% per annum).

(e) Certificates of interbank deposit issued

As at 30 June 2024, CITIC Bank issued certain certificates of interbank deposit with a total value of RMB964,044 million (31 December 2023: RMB705,273 million). The yield ranges from 1.88% to 2.66% per annum (31 December 2023: 2.16% to 2.75% per annum). The original maturity terms are between 1 month to 1 year (31 December 2023: between 1 months to 1 year).

(f) Convertible corporate bonds

As approved by the relevant regulatory authorities in China, CITIC Bank made a public offering of RMB40,000 million A-share convertible corporate bonds (the “convertible bonds”) on 4 March 2019. CITIC Corporation, as its parent company, has subscribed RMB26,388 million, 65.97% of the total corporate bonds, which is the same percentage of the Group’s interest in CITIC Bank’s common shares, and it was transferred to CITIC Financial Holdings Co., Ltd. (“CITIC Financial Holdings”) at nil consideration on 22 June 2022. As at 29 March 2024, the convertible bonds held by CITIC Financial Holdings was converted to CITIC Bank’s A-share common stock. The convertible bonds of CITIC Bank have a term of six years from 4 March 2019 to 3 March 2025, at coupon rates of 0.3% for the first year, 0.8% for the second year, 1.5% for the third year, 2.3% for the fourth year, 3.2% for the fifth year and 4.0% for the sixth year. The conversion of these convertible bonds begins on the first trading day (8 March 2019) after six months upon the completion date of the offering until the maturity date (from 11 September 2019 to 3 March 2025). As at 30 June 2024, convertible bonds (including accrued interest) were recorded as debt instruments issued of RMB12,407 million and non-controlling interests of RMB972 million, respectively.

As approved by the relevant regulatory authorities in China, CITIC Pacific Special Steel, the Group’s subsidiary, made a public offering of RMB5,000 million A-share convertible corporate bonds (the “convertible bonds”) on 25 February 2022. The convertible bonds of CITIC Pacific Special Steel have a term of 6 years from 25 February 2022 to 24 February 2028, at coupon rates of 0.2% for the first year, 0.4% for the second year, 0.9% for the third year, 1.3% for the fourth year, 1.6% for the fifth year and 2.0% for the sixth year. The conversion of these convertible bonds begins on the first trading day (3 March 2022) after six months upon the completion date of the offering until the maturity date (from 3 September 2022 to 24 February 2028). As at 30 June 2024, convertible bonds (including accrued interest) were recorded as debt instruments issued of RMB4,840 million and non-controlling interests of RMB693 million, respectively.

(g) Beneficiary certificates

The beneficiary certificates are issued by CITIC Securities. As at 30 June 2024, the balance of the outstanding beneficiary certificates issued by CITIC Securities with original maturity within one year (including accrued interest) amounted to RMB10,398 million (31 December 2023: RMB21,425 million), with coupon rates ranging from 1.80% to 4.00% per annum (31 December 2023: 1.99% to 4.00%), and the balance of the outstanding beneficiary certificates issued by CITIC Securities with original maturity greater than one year (including accrued interest) amounted to RMB50 million (31 December 2023: RMB250 million), with coupon rates ranging from 2.05% to 2.80% per annum (31 December 2023: 2.50% to 2.80%).

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

31 Share capital and capital management

(a) Share capital

As at 30 June 2024, the number of ordinary shares in issue of the Company was 29,090,262,630 (31 December 2023: 29,090,262,630).

(b) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's stability and growth, so that it can continue to provide returns for shareholders.

The Group actively and regularly reviews and manages its capital structure, with reference to such financial ratios like debt (total of debt instruments issued and bank and other loans) to total equity ratio, to maintain a balance between the higher shareholders' returns that might be possible with of borrowings obtained and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Certain subsidiaries under the comprehensive financial services segment are subject to capital adequacy requirements imposed by the external regulators. There was no non-compliance of capital requirements as at 30 June 2024 (31 December 2023: Nil).

32 Issue of other equity instruments by subsidiaries

For the six months ended 30 June 2024, CITIC Bank, a subsidiary of the Group, issued RMB30,000 million of capital debentures without fixed terms (six months ended 30 June 2023: Nil).

For the six months ended 30 June 2024, CITIC Securities, a subsidiary of the Group, issued RMB7,000 million of capital debentures without fixed terms (six months ended 30 June 2023: Nil).

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

33 Commitments and contingent liabilities

(a) Credit commitments

Credit commitments take the form of loan commitments, credit card commitments, financial guarantees, letters of credit and acceptances.

Loan commitments and credit card commitments represent the undrawn amount of approved loans with signed contracts and credit card limits. Financial guarantees and letters of credit represent guarantees provided by the Group to guarantee the performance of customers to third parties. Bank acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects the majority acceptances to be settled simultaneously with the reimbursement from the customers.

The contractual amounts of credit commitments by category as at the financial position date are set out below. The amounts disclosed in respect of loan commitments and credit card commitments assume that amounts are fully drawn down. The amounts of guarantees, letters of credit and acceptances represent the maximum potential loss that would be recognised at the financial position date if counterparties failed to perform as contracted.

	30 June 2024	31 December 2023
Contractual amount		
Loan commitments		
With an original maturity of within 1 year	12,488	13,995
With an original maturity of 1 year or above	33,829	32,773
	46,317	46,768
Credit card commitments	826,374	779,947
Acceptances	747,680	866,662
Letters of credit	280,159	256,241
Guarantees	258,134	237,037
	2,158,664	2,186,655

(b) Credit commitments analysed by credit risk weighted amount

	30 June 2024	31 December 2023
Credit risk weighted amount on credit commitments	651,580	602,231

Notes:

- The above credit risk weighted amount is solely in connection with the credit commitments held by CITIC Bank under the comprehensive financial services segment of the Group.
- The credit risk weighted amount refers to the amount as computed in accordance with the rules set out by the former China Banking and Insurance Regulatory Commission and depends on the status of counterparties and the maturity characteristics. The risk weighting used is ranging from 0% to 150%.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

33 Commitments and contingent liabilities (continued)

(c) Redemption commitment for treasury bonds

As an underwriting agent of PRC treasury bonds, CITIC Bank has the responsibility to buy back those bonds sold by it, should the holders decide to early redeem the bonds held. The redemption price for the bonds at any time before their maturity dates is based on the nominal value plus any interest unpaid and accrued up to the redemption date. Accrued interest payables to the treasury bond holders are calculated in accordance with relevant rules of the Ministry of Finance ("MOF") and the People's Bank of China. The redemption price may be different from the fair value of similar instruments traded at the redemption date.

The redemption obligations below represent the nominal value of treasury bonds underwritten and sold by CITIC Bank, but not yet matured at the financial position date:

	30 June 2024	31 December 2023
Redemption commitment for treasury bonds	2,656	2,735

The original maturities of the above treasury bonds range from 1 to 5 years. The Group believes that the amount of treasury bonds accepted in advance before the maturity date is insignificant. The MOF will not timely pay the treasury bonds which are accepted in advance, but will pay the principal and interest according to the issuance agreement when the treasury bonds mature.

(d) Guarantees provided

In addition to guarantees that have been recognised as liabilities, the guarantees issued by the Group at the financial position date are as follows:

	30 June 2024	31 December 2023
Related parties (note)	8,019	7,344
Third parties	2,996	3,600
	11,015	10,944

As at the financial position date, the counter guarantees issued to the Group by related parties and third parties mentioned above are as follows:

	30 June 2024	31 December 2023
Related parties (note)	1,710	1,114
Third parties	–	155
	1,710	1,269

Note:

As at 30 June 2024, the guarantees provided to related parties by the Group include guarantees provided to former subsidiaries of the Group that were disposed to China Overseas Land & Investment Limited ("China Overseas") in 2016, amounting to RMB1,000 million (31 December 2023: RMB1,000 million). China Overseas has provided counter guarantees to the Group.

The relationship and transaction with related parties are disclosed in Note 35.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

33 Commitments and contingent liabilities (continued)

(e) Outstanding litigation and disputes

The Group is involved in a number of current and pending legal proceedings. The Group provided for liabilities arising from those legal proceedings in which the outflow of economic benefit is probable and can be reliably estimated in the consolidated statement of financial position. The Group believes that these accruals are reasonable and adequate.

(i) There are a number of disputes with Mineralogy, and their details are disclosed in Note 3(a).

(ii) There are some issues in dispute with MCC, and their details are disclosed in Note 3(b).

(f) Capital commitments

As at the financial position date, the Group had the following capital commitments in these consolidated financial statements:

	30 June 2024	31 December 2023
Contracted for	14,316	15,201

34 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the business of the Group. The Group has established policies and procedures to identify and analyse these risks, to set appropriate risk limits and controls, and to constantly monitor the risks and limits by means of reliable and up-to-date management information systems. The Group regularly updates and enhances its risk management policies and systems to reflect changes in markets, products and best practice risk management processes. Internal auditors also perform regular audits to ensure compliance with policies and procedures.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk management

Credit risk refers to the risk of loss caused by default of debtor or counterparty. Credit risk also occurs when the Group makes unauthorised or inappropriate loans and advances to customers, financial commitments or investments. The credit risk exposure of the Group mainly arises from the Group's loans and advances to customers, bonds, interbank business, receivables, lease receivables, other debt investments, off-balance sheet items such as credit commitments financing businesses including margin financing and securities lending, and also stock-pledged repo.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

Credit risk management (continued)

The Group has standardised management on the entire credit business process including loan application, and its investigation approval and granting of loan, and monitoring of non-performing loans. Through strictly standardising the credit business process, strengthening the whole process management of pre-loan investigation, credit rating and credit granting, examination and approval, loan review and post-loan monitoring, improving the risk of slow-release of collateral, accelerating the liquidation and disposal of non-performing loans, and promoting the upgrading and transformation of credit management system, the credit risk management level of the Group has been comprehensively improved.

In addition to the credit risk to the Group caused by credit assets, for treasury business, the Group manages the credit risk for treasury business through prudently selecting peers and other financial institutions with comparable credit levels as counterparties, balancing credit risk with returns on investment, comprehensively considering internal and external credit rating information, granting credit hierarchy, and using credit management system to review and adjust credit commitments on a timely basis, etc. In addition, the Group provides off-balance sheet commitment and guarantee business to customers, so it is possible for the Group to make payment on behalf of the customer in case of customer's default and bear risks similar to the loan. Therefore, the Group applies similar risk control procedures and policies to such business to reduce the credit risk.

The Group's credit risk of securities financing transactions mainly arises from the provision of false information provided by customers, failure to repay liabilities at required time limit, violation of contractual agreements on size and structure of positions, violation of regulatory requirements on transactions and involvement of legal disputes on assets provided as collateral. The Company primarily adopts the risk education, credit collection, credit granting, daily marking-to-market, customer risk alert, mandatory liquidation, judicial recourse and other methods to control those credit risks.

The Group is also confronted with credit risk resulting from receivables that arising from sales of goods and rendering of services within the non-comprehensive financial services segments. The relevant subsidiaries have established a credit policy under which individual credit evaluations are performed on all customers to determine the credit limit and terms applicable to the customers. These evaluations focus on the customers' financial position, the external ratings of the customers and their bank credit records where available.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
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34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECL")

The Group adopts the ECL model on its debt instruments which are classified as financial assets measured at amortised cost and at FVOCI, margin accounts, credit commitments and financial guarantees in accordance with the provisions of HKFRS 9.

The Group mainly applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade and other receivables and contract assets, regardless of whether there is significant financing component or not. For other financial assets that are included in the measurement of ECL, the Group evaluates whether the credit risks of related financial assets have increased significantly since initial recognition, and uses the impairment model to measure their loss allowances respectively to recognise ECL and their movements:

Stage 1: Financial instruments with no significant increase in credit risk since its initial recognition will be classified as "stage 1" and the Group continuously monitors their credit risk. The loss allowances of financial instruments in stage 1 are measured based on the ECL in the next 12 months, which represents the proportion of the ECL in the lifetime due to possible default events in the next 12 months.

Stage 2: If there is a significant increase in credit risk since initial recognition, the Group transfers the related financial instruments to stage 2, but it will not be considered as credit-impaired instruments. The ECL of financial instruments in stage 2 is measured based on the lifetime ECL.

Stage 3: If a financial asset has shown signs of credit impairment from initial recognition, it will be moved to Stage 3. The expected credit losses of financial assets in Stage 3 are measured based on the lifetime ECL.

Purchased or originated credit-impaired financial assets refers to financial assets that are credit-impaired at the initial recognition. Loss allowances on these assets are the lifetime ECL.

The Group estimates the ECL in accordance with HKFRS 9, and the key judgements and assumptions adopted by the Group are as follows:

(1) Significant increase in credit risk

On each financial position date, the Group evaluates whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition. When one or more quantitative or qualitative threshold, or upper limit are triggered, the credit risk of financial instruments would be considered as increased significantly.

By setting quantitative and qualitative threshold, and upper limit, the Group determines whether the credit risk of financial instruments has increased significantly since initial recognition. The judgement mainly includes the number of overdue days, the absolute level and relative level of the change of default probability, the change of credit risk classification and other conditions indicating significant changes in credit risk.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECL") (continued)

(2) Definition of default and credit-impaired assets

When credit impairment occurred, the Group defines that the financial asset is in default. In general, a financial asset that is overdue for more than 90 days is considered to be in default.

When one or more events that adversely affect the expected future cash flow of a financial asset occurs, the financial asset becomes a credit-impaired financial asset. Evidence of credit-impaired financial assets includes the following observable information:

- The issuer or borrower/debtor is in significant financial difficulties;
- The borrower/debtor is in breach of financial covenant(s) such as default or overdue in repayment of interests or principal etc.;
- The creditor gives the debtor concession that would not be offered otherwise, considering economic or contractual factors relating to the debtor's financial difficulties;
- It is becoming probably that the borrower/debtor will enter bankruptcy or other debt restructuring;
- An active market for that financial asset has disappeared because of financial difficulties from issuer or borrower/debtor;
- Financing financial assets are subject to mandatory liquidation measures and the collateral value is no longer sufficient for financing amounts;
- Violation grade for bond issuers or bonds in the latest external rating;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The Group's default definition has been consistently applied to the modelling of default probability, default risk exposure and default loss rate in the Group's expected credit loss calculation process.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECL") (continued)

(3) Inputs for measurement of ECL

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred or whether an asset is considered to be credit-impaired. Related definitions are as follows:

- The probability of default ("PD") represents the likelihood of a borrower/debtor defaulting on its financial obligations, either over the next 12 months or over the remaining lifetime of the obligation.
- Loss given default ("LGD") represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim, and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default and is calculated on a 12-month or lifetime basis.
- Exposure at default ("EAD") is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime of the obligation.

The Group regularly monitors and reviews the assumptions related to the calculation of expected credit losses, including the PD and the change in the value of collateral over time.

The Group classifies exposures with similar risk characteristics and estimates the PD, LGD, EAD by the exposures respectively. During the six months ended 30 June 2024, based on data accumulation, the Group optimised and updated relevant models and parameters. The Group has acquired sufficient information to assure the reliability of the statistics. The Group makes allowances for its expected credit losses based on on-going assessment of and follow-up on changes in its customers and their financial assets on an individual basis.

(4) Forward-looking information

The assessment of significant increase in credit risk and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each asset portfolio.

These economic variables have different impacts on the PD and LGD of different risk groups. Expert judgement has also been applied in this process, forecasts of these economic variables are estimated by the experts of the Group on a semi-annually basis, and the impact of these economic variables on the PD and the LGD was determined by the results of expert judgement.

In addition to the base economic scenario, the Group determines the possible scenarios and their weighting by a combination of statistical analysis and expert judgement. The Group measures ECL as either a probability weighted 12 months ECL (stage 1) or a probability weighted lifetime ECL (stage 2 and stage 3). These probability-weighted ECL are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

Measurement of expected credit losses ("ECL") (continued)

(4) Forward-looking information (continued)

Macroeconomic scenario and weighting information

The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio, which mainly include GDP, producer price index, the total retail sales of consumer goods, consumer price index, broad money supply and per capita disposable income of urban residents, etc. Based on comprehensive considerations of internal and external data, expert forecasts, and the best estimate of future outcomes, the Group makes regular forecasts of the macro indicators in three macro-economic scenarios, i.e., the positive, neutral and negative scenarios, to determine the coefficients for forward-looking adjustments. Neutral is defined as the most likely to happen in the future, as compared to other scenarios. Positive scenario and negative scenario represent the likely scenario that is better off or worse off as compared to the neutral scenario.

(i) Maximum credit risk exposure

The maximum exposure to credit risk as at the financial position date without taking into consideration of any collateral held or other credit enhancement is represented by the net balance of each type of financial assets in the consolidated statement of financial position after deducting any impairment allowance. A summary of the maximum credit risk exposure of financial instruments for which allowance for impairment losses is recognised is as follows:

	30 June 2024	31 December 2023
Deposits with central banks, banks and non-bank financial institutions	579,297	620,631
Placements with banks and non-bank financial institutions	277,751	237,742
Trade and other receivables	267,317	231,150
Financial assets held under resale agreements	125,450	164,983
Loans and advances to customers and other parties	5,464,697	5,374,582
Refundable deposits	62,099	62,182
Margin accounts	113,359	118,746
Investments in financial assets		
– Amortised cost	991,934	1,076,039
– Debt investments at FVOCI	934,990	967,803
Cash held on behalf of customers	235,875	239,019
Contract assets	25,108	24,312
Other financial assets	7,196	5,986
	9,085,073	9,123,175
Credit commitments and guarantees provided	2,169,679	2,197,389
Maximum credit risk exposure	11,254,752	11,320,564

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For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(i) Maximum credit risk exposure (continued)

The maximum credit risk exposure for debt instruments at the financial position without taking into consideration of any collateral held or other credit enhancement is represented by the balance of each type of debt instruments in the consolidated statement of financial position. A summary of the maximum credit risk exposure for which allowance for impairment losses is not recognised is as follows:

	30 June 2024	31 December 2023
Derivative financial instruments	98,948	77,562
Loans and advances to customers and other parties at FVPL	9,559	5,558
Investments in financial assets		
– Financial assets at FVPL (debt instruments)	955,781	924,942
Maximum credit risk exposure	1,064,288	1,008,062

(ii) Expected credit losses

The following table explains the changes in the gross carrying amount for loans and advances to customers and other parties using ECL model to assess allowance for impairment loss for the period:

	Six months ended 30 June 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	5,345,134	96,978	72,149	5,514,261
Movements:				
Net transfers out from stage 1	(92,629)	–	–	(92,629)
Net transfers into stage 2	–	35,655	–	35,655
Net transfers into stage 3	–	–	56,974	56,974
Net increase/(decrease) (note (i))	166,073	(23,202)	(21,553)	121,318
Write-offs	–	–	(33,079)	(33,079)
Others (note (ii))	5,795	(132)	575	6,238
Balance at 30 June 2024	5,424,373	109,299	75,066	5,608,738

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(ii) Expected credit losses (continued)

	Six months ended 30 June 2023			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January 2023	5,003,058	92,278	81,012	5,176,348
Movements:				
Net transfers out from stage 1	(65,847)	–	–	(65,847)
Net transfers into stage 2	–	5,256	–	5,256
Net transfers into stage 3	–	–	60,591	60,591
Net increase/(decrease) (note (ii))	261,791	(4,060)	(33,293)	224,438
Write-offs	–	–	(31,936)	(31,936)
Others (note (ii))	21,501	(1,476)	561	20,586
Balance at 30 June 2023	5,220,503	91,998	76,935	5,389,436

The following table explains the changes in the gross carrying amount for investments in financial assets using ECL model to assess allowance for impairment loss for the period:

	Six months ended 30 June 2024			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January 2024	2,014,880	7,237	50,347	2,072,464
Movements:				
Net transfers out from stage 1	(3,129)	–	–	(3,129)
Net transfers into stage 2	–	3,129	–	3,129
Net (decrease)/increase (note (ii))	(120,949)	322	118	(120,509)
Write-offs	–	–	(1,633)	(1,633)
Others (note (ii))	3,981	474	119	4,574
Balance at 30 June 2024	1,894,783	11,162	48,951	1,954,896

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(ii) Expected credit losses (continued)

	Six months ended 30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2023	1,965,750	5,433	58,350	2,029,533
Movements:				
Net transfers out from stage 1	(2,606)	–	–	(2,606)
Net transfers into stage 2	–	1,581	–	1,581
Net transfers into stage 3	–	–	1,024	1,024
Net (decrease)/increase (note (i))	(49,550)	58	(1,682)	(51,174)
Write-offs	(35,542)	–	–	(35,542)
Others (note (ii))	104	–	9	113
Balance at 30 June 2023	1,878,156	7,072	57,701	1,942,929

Notes:

- (i) Net increase/(decrease) mainly includes changes in carrying amount due to newly purchased or originated credit-impaired financial assets or de-recognition excluding write-offs.
- (ii) Others includes net changes in accrued interest and effect of exchange differences during the period.

Movements of the loss allowances for loans and advances to customers and other parties using ECL model to assess allowance for impairment loss for the period is as follows:

	Six months ended 30 June 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	64,854	27,217	48,264	140,335
Movements (note (iii)):				
Net transfers out from stage 1	(5,230)	–	–	(5,230)
Net transfers into stage 2	–	7,101	–	7,101
Net transfers into stage 3	–	–	17,960	17,960
Net increase/(decrease) (note (iv))	7,248	(4,007)	(14,174)	(10,933)
Write-offs	–	–	(33,079)	(33,079)
Parameters change (note (v))	(98)	(1,482)	22,973	21,393
Others (note (vi))	77	738	6,014	6,829
Balance at 30 June 2024	66,851	29,567	47,958	144,376

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(ii) Expected credit losses (continued)

	Six months ended 30 June 2023			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January 2023	62,125	22,675	53,324	138,124
Movements (note (iii)):				
Net transfers out from stage 1	(2,517)	–	–	(2,517)
Net transfers into stage 2	–	2,620	–	2,620
Net transfers into stage 3	–	–	18,901	18,901
Net increase/(decrease) (note (iv))	5,015	(289)	2,250	6,976
Write-offs	–	–	(31,969)	(31,969)
Parameters change (note (v))	(1,107)	688	(1,764)	(2,183)
Others (note (vi))	98	(177)	7,684	7,605
Balance at 30 June 2023	63,614	25,517	48,426	137,557

Movements of the loss allowances for investments in financial assets using ECL model to assess allowance for impairment loss for the period is as follows:

	Six months ended 30 June 2024			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January 2024	5,605	1,639	24,662	31,906
Movements (note (iii)):				
Net transfers out from stage 1	(120)	–	–	(120)
Net transfers into stage 2	–	120	–	120
Net decrease (note (iv))	(585)	(1)	(32)	(618)
Write-offs	–	–	(1,633)	(1,633)
Parameters change (note (v))	(44)	98	1,431	1,485
Others (note (vi))	6	5	56	67
Balance at 30 June 2024	4,862	1,861	24,484	31,207

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(ii) Expected credit losses (continued)

	Six months ended 30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2023	5,072	1,532	28,035	34,639
Movements (note (iii)):				
Net transfers out from stage 1	(180)	–	–	(180)
Net transfers into stage 2	–	213	–	213
Net transfers into stage 3	–	–	624	624
Net increase (note (iv))	1,040	218	2,219	3,477
Write-offs	–	–	(616)	(616)
Parameters change (note (v))	–	–	116	116
Others (note (vi))	85	(191)	(597)	(703)
Balance at 30 June 2023	6,017	1,772	29,781	37,570

Notes:

- (iii) Movements mainly include the impacts on ECL due to changes in stages.
- (iv) Net increase/(decrease) mainly includes changes in allowance for impairment due to newly purchased or originated credit-impaired financial assets or de-recognition excluding write-offs.
- (v) Parameters change mainly includes the impacts on ECL due to unwinding of discount, regular update on modelling parameters resulting from changes in PD or LGD excluding changes in stages.
- (vi) Others include changes of impairment losses of accrued interest, recovery of loans written off and effect of exchange differences.

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(iii) Loans and advances to customers and other parties analysed by industry sector:

	30 June 2024			31 December 2023		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Corporate loans						
– Real estate	282,122	5%	189,631	264,352	5%	170,149
– Rental and business services	588,728	10%	157,482	532,395	10%	148,751
– Manufacturing	505,828	9%	190,101	477,610	9%	179,327
– Watering, environment and public utility management	465,010	8%	103,233	432,724	8%	104,234
– Wholesale and retail	228,835	4%	103,847	215,348	4%	100,650
– Transportation, storage and postal services	147,194	3%	63,400	139,241	3%	63,159
– Construction	127,328	2%	41,153	123,776	2%	45,390
– Production and supply of electric power, gas and water	113,303	2%	41,020	98,121	1%	39,809
– Others	452,043	8%	113,484	405,074	8%	108,597
	2,910,391	51%	1,003,351	2,688,641	50%	960,066
Personal loans	2,340,099	42%	1,545,294	2,294,540	40%	1,510,757
Discounted bills	346,840	6%	–	516,450	9%	–
	5,597,330	99%	2,548,645	5,499,631	99%	2,470,823
Accrued interest	20,967	1%	–	20,188	1%	–
	5,618,297	100%	2,548,645	5,519,819	100%	2,470,823

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(iv) Loans and advances to customers and other parties analysed by geographical sector:

	30 June 2024			31 December 2023		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Chinese mainland	5,379,126	95%	2,449,256	5,290,715	95%	2,374,969
Excluding Chinese mainland	218,204	4%	99,389	208,916	4%	95,854
	5,597,330	99%	2,548,645	5,499,631	99%	2,470,823
Accrued interest	20,967	1%	–	20,188	1%	–
	5,618,297	100%	2,548,645	5,519,819	100%	2,470,823

(v) Loans and advances to customers and other parties analysed by type of security:

	30 June 2024	31 December 2023
Unsecured loans	1,657,500	1,543,908
Guaranteed loans	1,044,393	968,338
Secured loans		
– Loans secured by collateral	2,131,397	2,057,745
– Pledged loans	417,200	413,190
	5,250,490	4,983,181
Discounted bills	346,840	516,450
	5,597,330	5,499,631
Accrued interest	20,967	20,188
Gross loans and advances	5,618,297	5,519,819

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(vi) Rescheduled loans and advances to customers and other parties

Rescheduled loans and advances are those loans and advances which have been restructured or renegotiated because of deterioration in the financial position of the borrower/debtor, or of the inability of the borrower/debtor to meet the original repayment schedule and for which the revised repayment terms are a concession that the Group would not otherwise consider.

	30 June 2024		31 December 2023	
	Gross balance	% of total loans and advances	Gross balance	% of total loans and advances
Rescheduled loans and advances	22,379	0.40%	17,742	0.32%
– Rescheduled loans and advances overdue more than 3 months	1,174	0.02%	3,412	0.06%

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

As at 30 June 2024, the Group did not enter into significant enforceable master netting arrangements with counterparties and therefore there were no significant offsetting of any financial assets and financial liabilities in the consolidated statement of financial position (31 December 2023: Nil).

(b) Liquidity risk

Liquidity risk arises when there is mismatch between amounts and maturity dates of financial assets and financial liabilities.

Each of the Group's operating entity formulates liquidity risk management policies and procedures within the Group's overall liquidity risk management framework and takes into consideration of the business and regulatory requirements applicable to individual entity.

The Group manages liquidity risk by holding liquid assets (including deposits, other short term funds and securities) of appropriate quality and quantity to ensure that short term funding requirements are covered within prudent limits. Adequate standby facilities are maintained to provide strategic liquidity to meet unexpected and material demand for payments in the ordinary course of business.

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For the six months ended 30 June 2024
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34 Financial risk management and fair values (continued)

(b) Liquidity risk (continued)

The following tables indicate the analysis by remaining maturities of the Group's financial assets and financial liabilities at the financial position date:

	As at 30 June 2024					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	668,973	3,667,200	2,919,133	2,200,322	1,144,583	10,600,211
Total financial liabilities	(3,893,226)	(4,313,996)	(1,480,662)	(164,891)	(18,245)	(9,871,020)
Financial asset-liability (gap)/surplus	(3,224,253)	(646,796)	1,438,471	2,035,431	1,126,338	729,191

	As at 31 December 2023					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	633,887	3,787,860	2,683,132	2,218,185	1,175,944	10,499,008
Total financial liabilities	(3,757,854)	(4,326,465)	(1,574,515)	(150,666)	(20,488)	(9,829,988)
Financial asset-liability (gap)/surplus	(3,123,967)	(538,605)	1,108,617	2,067,519	1,155,456	669,020

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(b) Liquidity risk (continued)

The table below presents the undiscounted cash flows of the Group's financial assets and financial liabilities by remaining maturities at the financial position date:

	As at 30 June 2024					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	668,973	3,914,081	3,394,188	2,672,572	1,145,163	11,794,977
Total financial liabilities	(3,893,226)	(4,450,266)	(1,601,612)	(184,260)	(18,245)	(10,147,609)
Financial asset-liability (gap)/surplus	(3,224,253)	(536,185)	1,792,576	2,488,312	1,126,918	1,647,368

	As at 31 December 2023					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	633,887	4,012,527	3,200,400	2,634,813	1,178,943	11,660,570
Total financial liabilities	(3,757,854)	(4,474,085)	(1,709,326)	(178,990)	(20,613)	(10,140,868)
Financial asset-liability (gap)/surplus	(3,123,967)	(461,558)	1,491,074	2,455,823	1,158,330	1,519,702

Note:

- (i) For loans and advances to customers which are overdue within one month yet are not impaired, the balances are reported under repayable on demand.
- (ii) The undated maturity date amount include statutory deposit reserve funds and fiscal deposits maintained with the People's Bank of China, loans and advances to customers and other parties and investments in financial assets that have been credit impaired or overdue for more than one month, equity investments and investment funds, etc.

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For the six months ended 30 June 2024
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34 Financial risk management and fair values (continued)

(b) Liquidity risk (continued)

Credit Commitments include bank acceptances, credit card commitments, letters of guarantee issued, loan commitments and letters of credit issued. The tables below summarise the amounts of credit commitments by remaining contractual maturity.

	As at 30 June 2024			Total
	Within 1 year	Between 1 and 5 years	More than 5 years	
Loan commitments	13,179	15,422	17,716	46,317
Guarantees	161,569	95,362	1,203	258,134
Letters of credit	279,319	840	–	280,159
Acceptances	747,680	–	–	747,680
Credit card commitments	826,374	–	–	826,374
Total	2,028,121	111,624	18,919	2,158,664

	As at 31 December 2023			Total
	Within 1 year	Between 1 and 5 years	More than 5 years	
Loan commitments	4,288	11,889	30,591	46,768
Guarantees	154,761	81,650	626	237,037
Letters of credit	255,368	873	–	256,241
Acceptances	866,662	–	–	866,662
Credit card commitments	779,947	–	–	779,947
Total	2,061,026	94,412	31,217	2,186,655

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For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(c) Interest rate risk

Each of the Group's operating entities has formulated its own interest risk management policies and procedures covering identification, measurement, monitoring and control of risks. The Group manages interest rate risk to control potential loss from interest rate risk at an acceptable level by taking into account market conditions.

(i) Financial asset-liability gap

Interest rate risk arises from mismatch between repricing dates of financial assets and financial liabilities, and is affected by market interest rate volatility.

	As at 30 June 2024				Total
	Non-interest bearing	Within 1 year	Between 1 and 5 years	More than 5 years	
Total financial assets	1,104,452	7,050,493	1,635,156	810,110	10,600,211
Total financial liabilities	(684,138)	(7,660,635)	(1,348,773)	(177,474)	(9,871,020)
Financial asset-liability surplus/(gap)	420,314	(610,142)	286,383	632,636	729,191

	As at 31 December 2023				Total
	Non-interest bearing	Within 1 year	Between 1 and 5 years	More than 5 years	
Total financial assets	1,090,623	7,076,058	1,543,608	788,719	10,499,008
Total financial liabilities	(659,532)	(7,604,083)	(1,421,357)	(145,016)	(9,829,988)
Financial asset-liability surplus/(gap)	431,091	(528,025)	122,251	643,703	669,020

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For the six months ended 30 June 2024
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34 Financial risk management and fair values (continued)

(c) Interest rate risk (continued)

(ii) Effective interest rate

	30 June 2024		31 December 2023	
	Effective interest rate	RMB million	Effective interest rate	RMB million
Assets				
Cash and deposits	0.35% ~ 2.11%	583,489	0.35% ~ 2.07%	625,135
Placements with banks and non-bank financial institutions	3.40%	298,629	3.18%	237,742
Financial assets held under resale agreements	1.94%	125,450	1.61%	164,983
Loans and advances to customers and other parties	4.35%	5,474,256	4.56%	5,380,140
Investments in financial assets	2.82% ~ 3.01%	3,333,592	2.73% ~ 3.16%	3,356,367
Others		1,613,848		1,566,553
		11,429,264		11,330,920
Liabilities				
Borrowing from central banks	2.50%	275,603	2.61%	273,226
Deposits from banks and non-bank financial institutions	2.15%	811,766	2.12%	893,565
Placements from banks and non-bank financial institutions	3.28%	126,087	3.00%	150,493
Financial assets sold under repurchase agreements	2.13%	481,719	2.13%	744,571
Deposits from customers	1.98%	5,577,672	2.12%	5,459,993
Bank and other loans	0.20% ~ 10.00%	254,893	0.13% ~ 10.00%	235,770
Debt instruments issued	0.00% ~ 6.10%	1,431,737	0.88% ~ 6.10%	1,221,107
Others		1,064,710		1,015,413
		10,024,187		9,994,138

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34 Financial risk management and fair values (continued)

(c) Interest rate risk (continued)

(iii) Sensitivity analysis

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on the Group's profit before taxation. As at 30 June 2024, it is estimated that a general increase or decrease of 100 basis points in interest rates, with all other variables held constant, the Group's profit before taxation would decrease or increase by RMB9,015 million (31 December 2023: decrease or increase by RMB6,967 million).

This sensitivity analysis is based on a static interest rate risk profile of the Group's financial assets and financial liabilities and certain simplified assumptions. The analysis only measures the impact of changes in the interest rates within one year, showing how annualised interest income would have been affected by repricing of the Group's financial assets and financial liabilities within the one-year period. The analysis is based on the following assumptions: (1) all assets and liabilities that reprice or mature within three months and after three months but within one year reprice or mature at the beginning of the respective periods; (2) there is a parallel shift in the yield curve and in interest rates; and (3) there are no other changes to the portfolio, all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Because of its hypothetical nature with the assumptions adopted, actual changes in the Group's profit before taxation resulting from increases or decreases in interest rates may differ from the results of this sensitivity analysis.

(d) Currency risk

Currency risk arises from the changes in exchange rates on the Group's foreign currency denominated assets and liabilities. The Group measures its currency risk with foreign currency exposures, and manages currency risk by entering into spot foreign exchange transactions, use of derivatives (mainly foreign forwards and swaps), and matching its foreign currency denominated assets with corresponding liabilities in the same currency.

The revenue from the Group's Sino Iron Project is denominated in US\$, which is the functional currency for this entity. A substantial portion of its development and operating expenditure are denominated in Australian Dollars. The Group entered into plain vanilla forward contracts to manage the foreign currency risks.

The Group funded the Sino Iron Project and the acquisition of bulk cargo vessels by borrowing US\$ loans to match the future cash outflows of these assets. The Group's investments in the Sino Iron Project and bulk cargo vessels (whose functional currency is US\$) have been designated as an accounting hedge against other US\$ loans.

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34 Financial risk management and fair values (continued)

(d) Currency risk (continued)

The exposure to currency risk arising from the financial assets and financial liabilities at the financial position dates is as follows (expressed in equivalent amount of RMB million):

	As at 30 June 2024				
	RMB	HK\$	US\$	Others	Total
Total financial assets	9,685,116	242,641	578,287	94,167	10,600,211
Total financial liabilities	(8,874,196)	(322,060)	(601,413)	(73,351)	(9,871,020)
Financial asset-liability surplus/(gap)	810,920	(79,419)	(23,126)	20,816	729,191

	As at 31 December 2023				
	RMB	HK\$	US\$	Others	Total
Total financial assets	9,629,011	271,879	521,594	76,524	10,499,008
Total financial liabilities	(8,878,778)	(281,967)	(611,230)	(58,013)	(9,829,988)
Financial asset-liability surplus/(gap)	750,233	(10,088)	(89,636)	18,511	669,020

The Group uses sensitivity analysis to measure the potential effect of changes in foreign currency exchange rates on the Group's total comprehensive income.

Assuming all other risk variables remained constant, 100 basis points strengthening or weakening of RMB against HK\$, US\$ and other currencies as at 30 June 2024 would decrease or increase the Group's total comprehensive income by RMB399 million (31 December 2023: decrease or increase by RMB1,492 million).

This sensitivity analysis is based on a static foreign exchange exposure profile of financial assets and financial liabilities and certain simplified assumptions. The analysis is based on the following assumptions: (i) the foreign exchange sensitivity is the total comprehensive income changes recognised as a result of 100 basis points fluctuation in the absolute value of the closing (middle) of each foreign currency against RMB; (ii) the exchange rates against RMB for all foreign currencies change in the same direction simultaneously and do not take into account the correlation effect of changes in different foreign currencies; and (iii) the foreign exchange exposures calculated include both spot foreign exchange exposures, forward foreign exchange exposures and options, and all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Because of its hypothetical nature with the assumptions adopted, actual changes in the total Group's comprehensive income resulting from increases or decreases in foreign exchange rates may differ from the results of this sensitivity analysis.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying amounts of financial instruments measured at fair value as at the financial position date across the three levels of the fair value hierarchy defined in HKFRS 13, Fair value measurement, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1: fair values measured using quoted market for similar active markets for identical financial instruments;
- Level 2: fair values measured using quoted prices in active market for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data;
- Level 3: fair values measured using valuation techniques in which any significant input is not based on observable market data.

The fair value of the Group's financial assets and financial liabilities are determined as follows:

- If traded in active markets, fair values of financial assets and financial liabilities with standard terms and conditions are determined with reference to quoted market bid prices and ask prices, respectively;
- If not traded in active markets, fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models or discounted cash flow analysis using prices from observable current market transactions for similar instruments. If there were no available observable current market transactions prices for similar instruments, quoted prices from counterparty is used for the valuation, and management performs analysis on these prices. Discounted cash flow analysis using the applicable yield curve for the duration of the instruments is used for derivatives other than options, and option pricing models are used for option derivatives.

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For the six months ended 30 June 2024
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34 Financial risk management and fair values (continued)

(e) Fair values (continued)

(i) Financial instruments carried at fair value (continued)

	As at 30 June 2024			Total
	Level 1	Level 2	Level 3	
Assets				
Bills receivables at FVOCI	–	13,241	–	13,241
Loans and advances to customers and other parties at FVOCI	–	414,838	–	414,838
Loans and advances to customers and other parties at FVPL	–	–	9,559	9,559
Derivative financial assets	1,626	88,454	8,868	98,948
Investments in financial assets	546,797	1,677,777	117,084	2,341,658
	548,423	2,194,310	135,511	2,878,244
Liabilities				
Financial liabilities at FVPL	(12,953)	(74,480)	(19,363)	(106,796)
Derivative financial liabilities	(665)	(88,349)	(5,481)	(94,495)
	(13,618)	(162,829)	(24,844)	(201,291)

	As at 31 December 2023			Total
	Level 1	Level 2	Level 3	
Assets				
Bills receivables at FVOCI	–	12,804	–	12,804
Loans and advances to customers and other parties at FVOCI	–	572,730	–	572,730
Loans and advances to customers and other parties at FVPL	–	–	5,558	5,558
Derivative financial assets	1,464	69,761	6,337	77,562
Investments in financial assets	555,487	1,560,215	164,626	2,280,328
	556,951	2,215,510	176,521	2,948,982
Liabilities				
Financial liabilities at FVPL	(11,616)	(56,308)	(20,628)	(88,552)
Derivative financial liabilities	(1,003)	(67,524)	(5,228)	(73,755)
	(12,619)	(123,832)	(25,856)	(162,307)

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(e) Fair values (continued)

(i) Financial instruments carried at fair value (continued)

For the six months ended 30 June 2024, there were no significant transfers between instruments in different levels (six months ended 30 June 2023: Nil) and no significant changes in valuation techniques for determining the fair values of the instruments (six months ended 30 June 2023: Nil).

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Six months ended 30 June 2024						
	Assets				Liabilities		
	Loans and advances to customers and other parties at FVPL	Derivative financial assets	Investments in financial assets	Total	Financial liabilities at fair value through profit or loss	Derivative financial liabilities	Total
At 1 January 2024	5,558	6,337	164,626	176,521	(20,628)	(5,228)	(25,856)
Total gain:	25	3,409	1,427	4,861	3,185	2,824	6,009
– in profit or loss	25	3,409	1,570	5,004	3,185	2,824	6,009
– in other comprehensive loss	–	–	(143)	(143)	–	–	–
Net settlements	3,976	(878)	(48,969)	(45,871)	(1,920)	(3,077)	(4,997)
At 30 June 2024	9,559	8,868	117,084	135,511	(19,363)	(5,481)	(24,844)

	Six months ended 30 June 2023						
	Assets				Liabilities		
	Loans and advances to customers and other parties at FVPL	Derivative financial assets	Investments in financial assets	Total	Financial liabilities at fair value through profit or loss	Derivative financial liabilities	Total
At 1 January 2023	3,881	6,541	139,023	149,445	(31,475)	(4,414)	(35,889)
Total gain/(loss):	–	2,219	(1,282)	937	1,214	(5,329)	(4,115)
– in profit or loss	–	2,219	(1,197)	1,022	1,214	(5,329)	(4,115)
– in other comprehensive loss	–	–	(85)	(85)	–	–	–
Net settlements	1,502	(1,663)	(488)	(649)	2,607	2,641	5,248
At 30 June 2023	5,383	7,097	137,253	149,733	(27,654)	(7,102)	(34,756)

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(e) Fair values (continued)

(ii) Fair value of other financial instruments carried at other than fair value

The carrying amounts and fair values of the Group's financial assets and financial liabilities, other than those with carrying amounts that reasonably approximate to their fair values, are as follows:

	As at 30 June 2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Investments in financial assets					
– Financial assets at amortised cost	991,934	1,009,566	2,334	799,755	207,477
Financial liabilities					
Debt instruments issued					
– Corporate bonds issued	229,887	240,462	236,313	4,149	–
– Notes issued	130,796	124,994	–	120,678	4,316
– Subordinated bonds issued	78,056	80,405	3,769	76,636	–
– Certificates of deposit issued (non-trading)	1,022	1,022	–	–	1,022
– Certificates of interbank deposit issued	964,116	967,800	–	967,800	–
– Convertible corporate bonds issued	17,412	19,662	–	–	19,662
– Beneficiary certificates	10,448	10,448	–	–	10,448
	1,431,737	1,444,793	240,082	1,169,263	35,448

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

34 Financial risk management and fair values (continued)

(e) Fair values (continued)

(ii) Fair value of other financial instruments (carried at other than fair value) (continued)

As at 31 December 2023					
	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Investments in financial assets					
– Financial assets at amortised cost	1,076,039	1,082,341	8,885	854,990	218,466
Financial liabilities					
Debt instruments issued					
– Corporate bonds issued	236,477	237,942	206,139	31,803	–
– Notes issued	154,307	154,833	4,671	150,162	–
– Subordinated bonds issued	83,397	84,351	7,255	77,096	–
– Certificates of deposit issued (non-trading)	1,430	1,430	–	–	1,430
– Certificates of interbank deposit issued	705,317	694,130	–	694,130	–
– Convertible corporate bonds issued	18,504	22,315	–	–	22,315
– Beneficiary certificates	21,675	21,675	–	–	21,675
	1,221,107	1,216,676	218,065	953,191	45,420

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

34 Financial risk management and fair values (continued)

(e) Fair values (continued)

(iii) Methods and assumptions in estimating fair values

As at the financial position date, the Group adopted the following major methods and assumptions in estimating the fair value of financial instruments.

Investments in financial assets and financial liabilities

Fair value is based on quoted market prices as at the financial position date for trading financial assets and financial liabilities (excluding derivatives), financial assets held for investment if there is an active market. If an active market does not exist for financial assets held for investment, the fair value is determined using valuation techniques.

Derivatives

The fair values of foreign currency and interest rate contracts are either based on their listed market prices or by discount cash flow model at the measurement date.

Financial guarantees

The fair values of financial guarantees are determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that the lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made.

35 Material related parties

(a) Relationship of related parties

- (i) In addition to subsidiaries, related parties include parent company, ultimate controlling shareholder's fellow entities, associates and joint ventures of the Group.
- (ii) CITIC Group, the parent and ultimate controlling shareholder of the Group, is a state-owned company established in Beijing in 1979.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

35 Material related parties (continued)

(b) Related party transactions

(i) Transaction with related parties

	Six months ended 30 June 2024			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Sales of goods	–	77	769	846
Purchase of goods	–	420	10,224	10,644
Interest income (note (2))	39	55	1,303	1,397
Interest expenses	28	980	338	1,346
Fee and commission income	1	2	35	38
Fee and commission expenses	–	14	1	15
Income from other services	1	101	2,772	2,874
Expenses for other services	–	31	66	97
Interest income from deposits and receivables	–	–	355	355
Other operating expenses	–	751	859	1,610

	Six months ended 30 June 2023			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Sales of goods	–	75	935	1,010
Purchase of goods	–	588	10,223	10,811
Interest income (note (2))	–	58	1,377	1,435
Interest expenses	55	902	286	1,243
Fee and commission income	38	–	8	46
Fee and commission expenses	–	–	6	6
Income from other services	18	70	3,182	3,270
Expenses for other services	–	44	6	50
Interest income from deposits and receivables	–	–	221	221
Other operating expenses	–	26	876	902

Notes:

- (1) These above transactions with related parties were conducted under the normal commercial terms.
- (2) Interest rates of loans and advances to the related parties were determined at rates negotiated among the Group and the corresponding related parties on a case by case basis.
- (3) During the relevant periods, CITIC Bank, a subsidiary of the Group, entered into transactions with related parties in the ordinary course of its banking businesses including lending, assets transfer (i.e. issuance of asset-backed securities in the form of public placement), wealth management, investment, deposit, settlement and clearing, off-balance sheet transactions, and purchase, sale and leases of property. These banking transactions were conducted under normal commercial terms and conditions and priced at the relevant market rates prevailing at the time of each transaction.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

35 Material related parties (continued)

(b) Related party transactions (continued)

(ii) Outstanding balances with related parties

	As at 30 June 2024			
	Parent	Ultimate	Associates	
	company	controlling	and joint	Total
		shareholder's	ventures	
		fellow entities		
Trade and other receivables	62	1,082	10,032	11,176
Loans and advances to customers and other parties (note (2))	–	4,686	13,037	17,723
Cash and deposits	–	–	24,950	24,950
Derivative financial instruments	–	–	258	258
Placements with banks and non-bank financial institutions	–	–	56,851	56,851
Investments in financial assets				
– Financial assets at FVPL	–	–	4,359	4,359
– Debt instruments at FVOCI	948	–	659	1,607
– Equity investments at FVOCI	–	–	450	450
– Financial assets at amortised cost	985	–	557	1,542
Contract assets	–	1	2,312	2,313
Financial assets held under resale agreements	–	1,389	551	1,940
Other assets	–	33	10,454	10,487
Trade and other payables	482	6,387	6,284	13,153
Deposits from customers	14,009	8,141	13,414	35,564
Deposits from bank and non-bank financial institutions	–	–	13,951	13,951
Contract liabilities	127	93	1,362	1,582
Lease liabilities	–	187	57	244
Derivative financial instruments	–	–	321	321
Bank and other loans	1,227	31,722	–	32,949
Other liabilities	–	10,678	24	10,702
Off-balance sheet items				
Guarantees provided (note (3))	–	–	8,019	8,019

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

35 Material related parties (continued)

(b) Related party transactions (continued)

(ii) Outstanding balances with related parties (continued)

	As at 31 December 2023			
	Parent	Ultimate	Associates and	Total
	company	shareholder's	joint ventures	
		fellow entities		
Trade and other receivables	64	1,017	10,863	11,944
Loans and advances to customers and other parties (note (2))	–	5,285	11,443	16,728
Cash and deposits	–	–	31,170	31,170
Derivative financial assets	–	–	169	169
Placements with banks and non-bank financial institutions	–	–	33,881	33,881
Investments in financial assets				
– Financial assets at FVPL	–	–	4,900	4,900
– Debt instruments at FVOCI	1,023	–	1,366	2,389
– Equity investments at FVOCI	–	–	460	460
– Financial assets at amortised cost	985	–	–	985
Contract assets	–	5	918	923
Financial assets held under resale agreements	–	1,182	–	1,182
Other assets	–	2	9,868	9,870
Trade and other payables	481	11,410	5,953	17,844
Deposits from customers	19,139	9,761	19,585	48,485
Deposits from bank and non-bank financial institutions	–	–	19,310	19,310
Contract liabilities	135	10	1,474	1,619
Lease liabilities	–	191	20	211
Derivative financial liabilities	–	–	204	204
Bank and other loans	254	33,136	–	33,390
Other liabilities	–	6	37	43
Off-balance sheet items				
Guarantees provided (note (3))	–	–	7,344	7,344

Notes:

- (1) The above transactions with related party transactions were conducted under the normal commercial terms.
- (2) Interest rates of loans and advances to the related parties were determined at rates negotiated between the Group and the corresponding related parties on a case by case basis.
- (3) The guarantees provided by the Group to the related parties were based on the terms agreed between the Group and the related parties on a case by case basis.

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

35 Material related parties (continued)

(c) Transactions with other state-owned entities in the PRC

In addition to these related party transactions disclosed in Note 35 (b), transactions with other state-owned entities include but are not limited to the following:

- sales and purchases of goods and provision of services;
- purchase, sale and leases of property and other assets;
- lending and deposit taking;
- taking and placing of interbank balances;
- derivative transactions;
- entrusted lending and other custody services;
- insurance and securities agency, and other intermediary services;
- sale, purchase, underwriting and redemption of bonds issued by other state-owned entities; and
- rendering and receiving of utilities and other services.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

36 Interests in structured entities

(a) Structured entities in which the Group holds an interest

The Group holds an interest in some structured entities through investments in debt securities issued by these structured entities. Such structured entities include wealth management products, investment management products, trust plans, asset-backed securities and investment funds and the Group does not consolidate these structured entities.

The following table sets out an analysis of the carrying amounts of interests held by the Group as at the financial position date in the structured entities, as well as an analysis of the line items in the consolidated statement of financial position in which the relevant assets are recognised:

	As at 30 June 2024				
	Investments in financial assets				
	Financial assets at amortised cost	Financial assets at FVPL	Debt investments at FVOCI	Total	Maximum loss exposure
Gross amount					
Wealth management products	–	7,645	–	7,645	7,645
Investment management products	22,046	7,889	–	29,935	29,935
Trust investment plans	180,200	8,992	–	189,192	189,192
Asset-backed securities	75,799	704	32,372	108,875	108,875
Investment funds	–	591,563	–	591,563	591,563
Total	278,045	616,793	32,372	927,210	927,210

	As at 31 December 2023				
	Investments in financial assets				
	Financial assets at amortised cost	Financial assets at FVPL	Debt investments at FVOCI	Total	Maximum loss exposure
Gross amount					
Wealth management products	–	6,161	–	6,161	6,161
Investment management products	22,908	12,706	–	35,614	35,614
Trust investment plans	194,110	11,432	–	205,542	205,542
Asset-backed securities	123,158	912	19,666	143,736	143,736
Investment funds	–	553,540	–	553,540	553,540
Total	340,176	584,751	19,666	944,593	944,593

Notes to the Consolidated Interim Financial Information

*For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)*

36 Interests in structured entities (continued)

- (b) Structured entities sponsored by the Group which the Group does not consolidate but holds an interest

The investments issued by unconsolidated structured entities sponsored by the Group are primarily wealth management products, trust plans, investment funds and investment management. The nature and purpose of these structured entities are for the Group to generate fees from managing assets on behalf of investors. These structured entities are financed through the issuance of products to investors. The interests in unconsolidated structured entities held by the Group mainly includes fees charged by providing management services.

Wealth management products, trust plans, investment funds and investment management products

As at 30 June 2024, the aggregate amount of assets held by the unconsolidated wealth management products, trust plans, investment funds and investment management products which are sponsored by the Group was RMB7,699,175 million (31 December 2023: RMB6,859,588 million).

During the six months ended 30 June 2024, the amount of fee and commission income and net interest income recognised from the above-mentioned structured entities sponsored by the Group was RMB7,303 million (six months ended 30 June 2023: RMB8,539 million) and RMB163 million (six months ended 30 June 2023: RMB25 million).

In order to achieve a smooth transition and steady development of the wealth management business, during the six months ended 30 June 2024, in accordance with the requirements of the “Guiding Opinions on Regulating the Asset Management Business of Financial Institutions”, the Group continues to promote net-value-based reporting of its asset management products and dispose of existing portfolios.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024

(Expressed in millions of Renminbi, unless otherwise stated)

36 Interests in structured entities (continued)

(c) Transfers of financial assets

The Group entered into transactions which involved securitisation transactions and transfers of non-performing financial assets.

These transactions were entered into in the normal course of business by which recognised financial assets were transferred to third parties or structured entities. Transfers of assets may give rise to full or partial de-recognition of the financial assets concerned. On the other hand, where transferred assets do not qualify for de-recognition as the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets.

Details of securitisation transactions and non-performing financial assets transfer transactions conducted by the Group for the six months ended 30 June 2024 totalled RMB10,300 million (six months ended 30 June 2023: RMB18,987 million) are set forth below.

Securitisation transactions

During the six months ended 30 June 2024, the original book value of financial assets transferred by the Group through asset securitisation transactions was RMB9,113 million (six months ended 30 June 2023: RMB7,548 million), which qualified for full de-recognition.

Transfer of loans and other financial assets

During the six months ended 30 June 2024, the Group transferred loans and other financial assets by other means with the original book value of RMB1,187 million (six months ended 30 June 2023: RMB11,439 million), including RMB1,187 million (six months ended 30 June 2023: RMB7,991 million) of non-performing loans, nil (six months ended 30 June 2023: RMB2,810 million) of non-performing structured investments and nil (six months ended 30 June 2023: RMB638 million) of other financial assets. The Group carried out assessment based on the transfer of risks and rewards of ownership and concluded that these transferred assets qualified for full de-recognition.

Notes to the Consolidated Interim Financial Information

For the six months ended 30 June 2024
(Expressed in millions of Renminbi, unless otherwise stated)

37 Major transactions with non-controlling interests

(a) Acquisition of additional interest in an indirectly hold subsidiary

During the six months ended 30 June 2024, CITIC Financial Holding acquired 0.60% of the issued shares of CITIC Securities for a purchase consideration of RMB1,293 million. The Group recognised a decrease in non-controlling interests of RMB1,527 million, and an increase in the equity attributable to shareholders of the Company of RMB234 million. The effect of changes in the ownership interest of CITIC Securities on the equity attributable to shareholders of the Company during the six months ended 30 June 2024 is summarised as follows:

	Six months ended 30 June 2024
Carrying amount of non-controlling interests acquired	1,527
Consideration paid to non-controlling interests	(1,293)
Purchase gains recognised within equity	234

(b) Acquisition of additional interest in an indirectly hold subsidiary

During the six months ended 30 June 2024, Hubei Xinyegang Steel Co., Ltd. acquired 3.66% of the issued shares of Nanjing Iron and Steel Co., Ltd. ("Nanjing Iron and Steel") for a purchase consideration of RMB832 million. The Group recognised a decrease in non-controlling interests of RMB1,036 million, and an increase in the equity attributable to shareholders of the Company of RMB204 million. The effect of changes in the ownership interest of Nanjing Iron and Steel on the equity attributable to shareholders of the Company during the six months ended 30 June 2024 is summarised as follows:

	Six months ended 30 June 2024
Carrying amount of non-controlling interests acquired	1,036
Consideration paid to non-controlling interests	(832)
Purchase gains recognised within equity	204

38 Post balance sheet events

The Group does not have any significant events after the financial position date that need to be disclosed.

39 Comparative figures

Restatements have been made on comparative amounts to ensure the comparability with current period's financial statements.

Report on Review of Interim Financial Information

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF CITIC LIMITED

(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 33 to 135, which comprises the consolidated statement of financial position of CITIC Limited (the “Company”) and its subsidiaries (collectively the “Group”) as of 30 June 2024 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of the interim financial information in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial information and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim Financial Reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

30 August 2024

Statutory Disclosure

Interim Dividend and Closure of Register of Members

The board of directors of CITIC Limited has resolved to declare an interim dividend ("2024 Interim Dividend") of RMB0.19 per share (equivalent to HK\$0.2079455 per share at the exchange rate of RMB1.0: HK\$1.09445, being the average benchmark exchange rate of RMB to HK\$ as published by the People's Bank of China during the five business days immediately before 30 August 2024) for the year ending 31 December 2024 (2023 interim dividend: RMB0.18 per share, equivalent to HK\$0.1964844 per share), payable on Friday, 15 November 2024 to shareholders whose names appear on CITIC Limited's register of members on Monday, 30 September 2024. The register of members of CITIC Limited will be closed from Wednesday, 25 September 2024 to Monday, 30 September 2024, both days inclusive, during which period no transfer of shares will be effected. To qualify for the 2024 Interim Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with CITIC Limited's Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 24 September 2024.

The 2024 Interim Dividend will be payable in cash to each shareholder in HK Dollars ("HK\$") unless an election is made to receive the same in Renminbi ("RMB").

Shareholders will be given the option to elect to receive all (but not part) of the 2024 Interim Dividend in RMB, such dividend will be paid at RMB0.19 per share. To make such election, shareholders should complete the Dividend Currency Election Form, which is expected to be despatched to shareholders in early October 2024 as soon as practicable after the record date of Monday, 30 September 2024 to determine shareholders' entitlement to the 2024 Interim Dividend, and return it to CITIC Limited's Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 18 October 2024.

Shareholders who are minded to elect to receive all (but not part) of their dividends in RMB by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honoured for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant shareholders by ordinary post on Friday, 15 November 2024 at the shareholders' own risk.

If no election is made by a shareholder or no duly completed Dividend Currency Election Form in respect of that shareholder is received by CITIC Limited's Share Registrar, Tricor Tengis Limited, by 4:30 p.m. on Friday, 18 October 2024, such shareholder will automatically receive the 2024 Interim Dividend in HK\$. All dividend payments in HK\$ will be made in the usual way on Friday, 15 November 2024.

If shareholders wish to receive the 2024 Interim Dividend in HK\$ in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

Share Option Plan Adopted by Subsidiaries of CITIC Limited

CITIC Telecom International Holdings Limited ("CITIC Telecom")

CITIC Telecom adopted a share option plan ("CITIC Telecom Share Option Plan") on 17 May 2007, which was valid and effective till 16 May 2017. As approved at the annual general meeting of CITIC Telecom held on 25 April 2014, the mandate limit is refreshed so that taking into account the overriding limit of the CITIC Telecom Share Option Plan, the total number of shares of CITIC Telecom ("CITIC Telecom Shares") which may be issued upon the exercise of all options to be granted under the CITIC Telecom Share Option Plan, together with all outstanding options granted and yet to be exercised as at 25 April 2014, shall not exceed 333,505,276 CITIC Telecom Shares, being 10% of the number of CITIC Telecom Shares in issue as at the date of approval of the refreshment of the mandate limit.

Particulars of the outstanding share options granted under the CITIC Telecom Share Option Plan and their movements during the six months ended 30 June 2024 are as follows:

Date of grant	Number of share options	Exercise price per share HK\$	Exercise period
24.03.2017	45,339,500	2.45	24.03.2019 – 23.03.2024

The grantees were directors, officers or employees of CITIC Telecom. None of these options were granted to the directors, chief executives or substantial shareholders of CITIC Limited.

The above share options have expired at the close of business on 23 March 2024. The above outstanding options granted and accepted under the CITIC Telecom Share Option Plan can be exercised in whole or in part within 5 years from the date of commencement of the exercise period. No options were granted nor cancelled during the six months ended 30 June 2024.

As at 1 January 2024, options for 3,799,500 CITIC Telecom Shares were outstanding under the CITIC Telecom Share Option Plan. During the six months ended 30 June 2024, options for 856,000 CITIC Telecom Shares were exercised, options for 2,943,500 CITIC Telecom Shares have lapsed but no option has been cancelled. As at 30 June 2024, no CITIC Telecom Shares under the CITIC Telecom Share Option Plan were exercisable.

A summary of the movements of the share options during the six months ended 30 June 2024 is as follows:

Employees of CITIC Limited/CITIC Telecom under continuous contracts (as defined in the Employment Ordinance)

Date of grant	Exercise period	Balance as at 01.01.2024	Number of share options		Balance as at 30.06.2024
			Exercised during the six months ended 30.06.2024 (Note 1)	Lapsed during the six months ended 30.06.2024 (Note 2)	
24.03.2017	24.03.2019 – 23.03.2024	3,799,500	856,000	2,943,500	–

Notes:

1. The weighted average closing price of CITIC Telecom Shares immediately before the dates on which the options were exercised was HK\$2.86.
2. These are in respect of options i) granted to some employees under continuous contracts who have subsequently resigned; or ii) lapsed upon the expiry of the relevant share options.

CITIC Resources Holdings Limited (“CITIC Resources”)

The share option scheme adopted by CITIC Resources on 30 June 2004 (the “Old Scheme”) for a term of 10 years expired on 29 June 2014. The share options granted under the Old Scheme have lapsed.

To enable CITIC Resources to continue to grant share options as an incentive or reward to eligible persons, a new share option scheme was adopted by CITIC Resources on 27 June 2014 (the “New Scheme”). The total number of shares of CITIC Resources which may be issued upon the exercise of all options granted under the New Scheme and any other share schemes of CITIC Resources remains the same, i.e. not exceeding 786,852,714 shares of CITIC Resources (representing 10% of the total number of shares of CITIC Resources in issue as at the date of adoption of the New Scheme). During the six months ended 30 June 2024, no share options were granted under the New Scheme.

Disclosure of Interests

Directors’ Interests in Shares

As at 30 June 2024, the interests and short positions of the directors of CITIC Limited in the shares, underlying shares and debentures of CITIC Limited or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to CITIC Limited and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by CITIC Limited pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”) as adopted by CITIC Limited, to be notified to CITIC Limited and the Hong Kong Stock Exchange, were as follows:

Statutory Disclosure

Long positions in shares

(a) CITIC Limited

Name of Directors	Number of ordinary shares held	Approximate percentage of shareholding
	Personal interests (held as beneficial owner)	
Xi Guohua	130,000	0.0004%
Zhang Wenwu	112,000	0.0004%
Liu Zhengjun	29,000	0.0000%
Wang Guoquan	39,000	0.0001%

(b) Associated Corporation of CITIC Limited

Name of Director	Name of associated corporation	Number of shares held	Approximate percentage of shareholding (A Shares)
		Family interests (interest of spouse)	
Yue Xuekun	CITIC Securities Company Limited	181,435 A Shares	0.0015%

Saved as disclosed above, as at 30 June 2024, none of the directors of CITIC Limited were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in the shares, underlying shares and debentures of CITIC Limited and its associated corporations (within the meaning of Part XV of the SFO) that were required to be entered in the register kept by CITIC Limited pursuant to section 352 of the SFO, or that were required to be notified to CITIC Limited and the Hong Kong Stock Exchange pursuant to the Model Code.

Interests of Substantial Shareholders

As at 30 June 2024, substantial shareholders of CITIC Limited (other than directors of CITIC Limited) who had interests or short positions in the shares or underlying shares of CITIC Limited which would fall to be disclosed to CITIC Limited under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by CITIC Limited under section 336 of the SFO, or which were notified to CITIC Limited and the Hong Kong Stock Exchange, were as follows:

Name	Nature of interest/capacity	Number of ordinary shares held	Approximate percentage to the total number of issued shares
CITIC Group Corporation ("CITIC Group") (Note 1)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
CITIC Glory Limited ("CITIC Glory") (Note 2)	Beneficial owner	7,446,906,755 (Long position)	25.60% (Long position)
CITIC Polaris Limited ("CITIC Polaris") (Note 3)	Beneficial owner and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
Chia Tai Bright Investment Company Limited ("CT Bright") (Note 4)	Beneficial owner and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
CT Brilliant Investment Holdings Limited ("CT Brilliant") (Note 5)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
Charoen Pokphand Group Company Limited ("CPG") (Note 6)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
ITOCHU Corporation ("ITOCHU") (Note 7)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
China CITIC Financial Asset Management Co., Ltd. ("CITIC FAMC") (Note 8)	Beneficial owner	1,457,422,158 (Long position)	5.01% (Long position)

Statutory Disclosure

Notes:

- (1) CITIC Group is deemed to be interested in 21,270,800,597 shares: (i) by attribution of the interests of its two wholly-owned subsidiaries, CITIC Polaris (8,005,840,479 shares) and CITIC Glory (7,446,906,755 shares); and (ii) because CITIC Group is a party to the Share Purchase Agreement and the Preferred Shares Subscription Agreement which, reading together, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CITIC Group has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement.
- (2) CITIC Glory is beneficially interested in 7,446,906,755 shares of CITIC Limited.
- (3) CITIC Polaris is deemed to be interested in 21,270,800,597 shares: (i) by including 8,005,840,479 shares it holds as beneficial owner; and (ii) because CITIC Polaris is a party to the Share Purchase Agreement which, reading together with the Preferred Shares Subscription Agreement, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CITIC Polaris has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement.
- (4) CT Bright is deemed to be interested in 21,270,800,597 shares: (i) by including 5,818,053,363 shares it holds as beneficial owner; and (ii) because CT Bright is a party to the Share Purchase Agreement and the Preferred Shares Subscription Agreement which, reading together, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CT Bright has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement. CT Bright has a short position of 5,818,053,363 shares because it is under an obligation to deliver a maximum of 5,818,053,363 shares to CITIC Polaris if CITIC Polaris' right of first refusal under the Share Purchase Agreement is exercised in full.
- (5) CT Brilliant is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright directly holding 50% equity interest in CT Bright.
- (6) CPG is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright indirectly holding 50% equity interest in CT Bright through CT Brilliant, its wholly-owned subsidiary.
- (7) ITOCHU is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright directly holding 50% equity interest in CT Bright.
- (8) CITIC FAMC is beneficially interested in 1,457,422,158 shares of CITIC Limited.

Purchase, Sale or Redemption of Listed Securities

On 18 January 2024 (maturity date), CITIC Limited fully redeemed the USD200 million 4.7% notes under the Medium Term Note Programme upon maturity. These notes were issued in two tranches, namely, (i) USD110 million issued on 18 July 2014 and (ii) USD90 million issued on 29 October 2014. The notes issued as mentioned above were listed on the Hong Kong Stock Exchange.

Save as disclosed above, neither CITIC Limited nor any of its subsidiary companies has purchased, sold or redeemed any of CITIC Limited's listed securities during the six months ended 30 June 2024.

Corporate Governance

CITIC Limited is committed to maintaining high standards of corporate governance. The board of directors believes that good corporate governance practices are important to promote investor confidence and protect the interests of our shareholders. Looking ahead, we will keep our governance practices under continual review to ensure their consistent application and will continue to improve our practices having regard to the latest developments. Details of CITIC Limited's corporate governance practices can be found in CITIC Limited's Annual Report 2023 and on CITIC Limited's website at www.citic.com.

Board Composition and Changes

On 29 January 2024, Mr Xi Guohua was appointed as chairman of the board, chairman of nomination committee, chairman of strategic committee and chairman of executive committee of CITIC Limited and ceased to be vice chairman and president of CITIC Limited.

On 28 March 2024, Mr Zhang Wenwu was appointed as executive director, vice chairman and president, a member of the nomination committee, a member of strategic committee and vice chairman of executive committee of CITIC Limited. The number of independent non-executive directors falls below at least one-third of the board as required under Rule 3.10A of the Listing Rules.

On 29 August 2024, Mr Chen Yuyu was appointed as independent non-executive director and a member of the strategic committee of CITIC Limited.

As disclosed in the announcement of CITIC Limited dated 28 June 2024, the board has been identifying an appropriate person to fill the vacancy of independent non-executive director since 28 March 2024, and has shortlisted a candidate. However, additional time was required for CITIC Limited to complete the selection and nomination procedures and for the candidate to accept the appointment of the independent non-executive director. CITIC Limited has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to CITIC Limited, a waiver from strict compliance with Rules 3.10A and 3.11 of the Listing Rules to extend the time in respect of compliance with Rules 3.10A and 3.11 of the Listing Rules up to 28 September 2024. Following the appointment of Mr Chen Yuyu as an independent non-executive director of CITIC Limited on 29 August 2024, the board has a total of 17 members, comprising 4 executive directors, 7 non-executive directors and 6 independent non-executive directors. Accordingly, CITIC Limited has complied with the requirement of having at least one-third of the board members as independent non-executive directors under Rule 3.10A of the Listing Rules.

Board Committees

Currently the board has the following committees to discharge its functions:

- Audit and Risk Management Committee oversees the relationship with the external auditor, and reviews CITIC Limited's financial reporting, annual audit and half-year report. The committee acts on behalf of the board in providing oversight of CITIC Limited's financial reporting system, risk management and internal control systems, and environmental, social, and governance practices, reviews and monitors the effectiveness of the internal audit function, and reviews CITIC Limited's policies and practices on corporate governance. The committee consists of three independent non-executive directors, Mr Francis Siu Wai Keung (who serves as the chairman of the committee), Dr Xu Jinwu and Mr Anthony Francis Neoh, and two non-executive directors, Mr Zhang Lin and Mr Yang Xiaoping.
- Nomination Committee reviews the structure, size, composition and diversity of the board at least annually and makes recommendations on any proposed changes to the board; identifies and nominates qualified candidates to become board members and/or fills casual vacancies for the approval of the board; assesses the independence of independent non-executive directors; makes recommendations to the board on the appointment or re-appointment of directors and succession planning for directors; and reviews the board diversity policy and the director nomination policy on an annual basis, and makes recommendation on any required changes to the board. The committee is chaired by Mr Xi Guohua, the chairman of the board and other members include an executive director, Mr Zhang Wenwu (being vice chairman and president of CITIC Limited), a non-executive director, Ms Yu Yang, and four independent non-executive directors, Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh and Mr Gregory Lynn Curl.
- Remuneration Committee determines the remuneration packages of individual executive directors and senior management including salaries, bonuses, benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of office or appointment). The committee consists of three independent non-executive directors, Mr Anthony Francis Neoh (who serves as the chairman of the committee), Mr Francis Siu Wai Keung, Dr Xu Jinwu, and a non-executive director, Mr Zhang Lin.
- Strategic Committee accommodates the strategic development of CITIC Limited and enhances its core competitiveness, makes and implements the development plan of CITIC Limited, improves the investment-related decision making procedures and procures well-advised and efficient decision making. The committee is chaired by Mr Xi Guohua, the chairman of the board and other members include an executive director, Mr Zhang Wenwu (being the vice chairman and president of CITIC Limited), three non-executive directors, Ms Yu Yang, Ms Li Yi and Mr Yang Xiaoping, and three independent non-executive directors, Mr Anthony Francis Neoh, Mr Toshikazu Tagawa and Mr Chen Yuyu. Mr Li Rucheng (being a former non-executive director of CITIC Limited) serves as the consultant to the committee.

Management Committees

- Executive Committee is the highest authority of the management of CITIC Limited accountable to the board. The functions and powers of the executive committee are:
 - to formulate CITIC Limited’s material strategic plans;
 - to formulate CITIC Limited’s annual material investment and financing plans (including reviewing material investment plans, feasibility studies, proposed disposals/divestments, mergers and acquisitions and other significant transactions of CITIC Limited);
 - to review CITIC Limited’s annual business plan and finance plans;
 - to review monthly reports of CITIC Limited, and to submit to the board before each month-end the monthly report for the previous month;
 - to manage and monitor CITIC Limited’s core activities;
 - to appoint and remove mid-level and above key personnel (other than personnel above the rank of assistant to general manager, and those appointed and removed by the board);
 - to approve internal rules on day-to-day operations of CITIC Limited;
 - to review and approve proposals to establish and adjust CITIC Limited’s management and organisational structure; and
 - to discharge other powers and functions conferred on it by the board.

The first three items and other matters within the authority of the board should be submitted for approval by the board, and thereafter implemented by the executive committee. The committee is chaired by Mr Xi Guohua, the chairman of the board, and other members are Mr Zhang Wenwu (being executive director, vice chairman and president of CITIC Limited, and serves as vice chairman of the committee), Mr Liu Zhengjun (being executive director and vice president of CITIC Limited), Mr Wang Guoquan (being executive director and vice president of CITIC Limited), Mr Cui Jun, Mr Fang Heying (being vice president of CITIC Limited) and Ms Zeng Qi (being vice president of CITIC Limited).

Statutory Disclosure

- Strategy and Investment Management Committee has been established as a sub-committee under the executive committee to enhance strategy management, to prevent investment risks and to promote high quality development. The principal responsibilities of the strategy and investment management committee are to
 - improve and perfect the investment management system, responsible for the establishment and implementation of investment authorization management system;
 - based on the approved subsidiary development strategy, main business list, and negative list of investment by the CITIC group, review the investment and matters reported by the subsidiary, and provide decision-making recommendations to the CITIC group's general office, party committee, and board of directors;
 - review other major matters.

The committee is led by the chairman of the committee, Mr Liang Huijiang (being Chief Investment Officer of CITIC Limited), and other members of the committee include responsible persons of the strategic development department, financial control department, legal and compliance functions and treasury department and expert members.

- Asset and Liability Management Committee (the "ALCO") has been established as a sub-committee under the executive committee to be in charge of monitoring and controlling the financial risks of CITIC Limited. The principal responsibilities of the ALCO are to
 - monitor and control the asset and liability financial position of CITIC Limited on a regular basis;
 - monitor and control the asset and liability structure, counterparties, currencies, interest rates, commodities, and commitments and contingent liabilities of CITIC Limited;
 - review financing plans and manage the cash flow of CITIC Limited on the basis of the annual budget; and
 - establish hedging policies and approve the use of new financial instruments for hedging.

The acting chairman of the committee is Mr Cao Guoqiang, and other members of the ALCO include responsible persons of the financial control department, treasury department, strategic development department, the office of the board of directors and legal and compliance functions.

Compliance with Corporate Governance Code

CITIC Limited has applied the principles and complied during six months ended 30 June 2024 with all applicable code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules, other than code provision C.2.1 with respect to the separate roles of the chairman and the president, as the position of president was vacant. Effective from 28 March 2024, Mr Zhang Wenwu is the president of CITIC Limited. Since then, the chairman and the president of CITIC Limited have separate defined responsibilities, details of which can be found in the Corporate Governance Report contained in CITIC Limited's Annual Report 2023, and CITIC Limited is in full compliance with the code provisions of the CG Code.

Review of Half-Year Report

The audit and risk management committee of the board reviewed the Half-Year Report in conjunction with the management and CITIC Limited's external auditor and recommended its adoption by the board.

The interim financial information is prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". It has been reviewed by CITIC Limited's independent auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

Compliance with the Model Code for Securities Transactions by Directors

CITIC Limited has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules as the code for dealing in securities of CITIC Limited by the directors (the "Model Code"). Having made specific enquiry by CITIC Limited, all directors have confirmed that they complied with the required standard set out in the Model Code throughout the six months ended 30 June 2024.

Update on Directors' Information

The following disclosure is made pursuant to Rule 13.51B(1) of the Listing Rules.

Change in other directorship

Independent Non-executive Directors

Mr Gregory Lynn Curl has been appointed as Advisory Senior Director of Temasek Advisors Pte Ltd, effective 1 April 2024. He was Vice Chairman – Asia of Temasek International Pte Ltd from 1 January 2023 to 31 March 2024.

Mr Toshikazu Tagawa resigned as a member of the Audit & Supervisory Board of Sumitomo Mitsui DS Asset Management Co., Ltd., effective 26 June 2024.

Corporate Information

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Beijing 100020, China

Website

www.citic.com contains a description of CITIC Limited's business, copies of half-year and annual reports to shareholders, announcements, press releases and other information.

Stock Codes

The Stock Exchange of Hong Kong Limited:	00267
Bloomberg:	267:HK
Reuters:	0267.HK
American Depositary Receipts:	CTPCY
CUSIP Reference No:	17304K102

Share Registrar

Shareholders should contact CITIC Limited's Share Registrar, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at +852 2980 1333, or by fax at +852 2810 8185, on matters such as transfer of shares, change of name or address, or loss of share certificates.

Investor Relations

Investors, shareholders and research analysts may contact CITIC Limited by telephone at +852 2820 2205, or by fax at +852 2522 5259 or by email at ir@citic.com.

Financial Calendar

Closure of Register:	25 September 2024 to 30 September 2024 (both days inclusive)
Interim Dividend payable:	15 November 2024

Half-Year Report 2024

The Half-Year Report is printed in English and Chinese and is also available on CITIC Limited's website at www.citic.com under the 'Investor Relations' section.

Shareholders may choose to receive the Half-Year Report in printed form in either English or Chinese or both or in electronic form. Shareholders having difficulty in gaining access to the Half-Year Report will promptly be sent a printed copy free of charge upon request to CITIC Limited's Share Registrar.

Non-registered shareholders who wish to receive a printed copy of the Half-Year Report are requested to write to CITIC Limited's Share Registrar.

Shareholders and non-registered shareholders may at any time change their choice of the language or means of receipt of the Half-Year Report in writing to CITIC Limited's Share Registrar. Details please refer to "Corporate Communication Requests" under the 'Investor Relations' section in CITIC Limited's website at www.citic.com.

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