CITIC Limited
中國中信股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00267)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear shareholders,

In 2023, amidst a complex and challenging external environment, CITIC Limited steadfastly followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and implemented thematic education initiatives. We advanced in several key areas, including Party building, reform and development, operation management and risk resolution, achieving commendable results. CITIC Limited's operating performance continued to outpace the broader market, with a profit attributable to ordinary shareholders of RMB57.594 billion for the year. This marks an increase of 5.4% on a comparable basis against 2022, after excluding a one-off revaluation gain of RMB10.3 billion from the consolidation of CITIC Securities. In 2023, for the first time, CITIC Group ranked in the top 100 of the Fortune Global 500, achieving three of our development goals ahead of schedule – one trillion in assets, top 100 in the Fortune Global 500, and one hundred billion in net profit. These achievements reflect our progress in building a world-class enterprise.

During the reporting period, CITIC Limited demonstrated strong tenacity and risk resilience in the face of significant market volatility. The company's stock price continued to outperform the Hang Seng Index, increasing by a dividend-adjusted 1.96% for the year, while the Hang Seng Index fell by 13.82%. In addition to our commitment to improving business fundamentals, we focused on market value management and strived to enhance shareholder returns. The Board recommends a final dividend of RMB0.335 per share, bringing the total dividend for 2023 to RMB0.515 per share. The total dividend payout ratio for the year is 26%, up by 0.9 percentage points from 2022.

1. SHOULDERING THE MISSION TO SERVE THE GREATER GOOD AND RESOLUTELY ACTING ON NATIONAL STRATEGIC PRIORITIES

Coordinating subsidiaries to serve the real economy: By faithfully embracing the guiding principles set forth by the Central Financial Work Conference, we harnessed the strengths and capabilities of CITIC Financial Holdings and strictly complied with financial regulatory requirements. This enabled us to effectively prevent and defuse financial risks, and thereby contribute our unique strengths to the country's path of financial development with Chinese characteristics. The comprehensive financial services segment, as a "CITIC United Fleet", strived to deliver best-in-class services in major strategies, key areas and weak links. CITIC Financial Holdings improved its holistic management mechanism and optimised its integrated service models for strategic customers and "entrepreneur offices", offering more comprehensive solutions better tailored to the real economy. CITIC Bank steadily improved its credit structure and increased financing support, leading to double-digit full-year growth in medium- and long-term loans for the manufacturing sector, loans for strategic emerging industries, inclusive finance and green finance. As leading brokerages, CITIC Securities and CSC Financial increased their proportion of direct financing. They completed equity and bond financing of RMB4 trillion during the year and supported the listing of 67 companies, retaining leading market shares in onshore equity and bond underwriting. CITIC Trust grew in scale, with expansion in low-risk segments including trust service and asset management trusts. CITIC-Prudential Life leveraged its unique advantages to provide long-term financial support in areas including infrastructure construction, development of small and medium-sized enterprises, and technological innovation.

Enhancing efficiency to ensure resource supply: The successful listing of CITIC Metal effectively facilitated the release of CITIC Limited's intrinsic value. During the year, we leveraged the company's strategic network of overseas resources. The KK Copper Mine in the Democratic Republic of the Congo produced a record high volume of over 390,000 tonnes. The Las Bambas Copper Mine in Peru successfully fulfilled its operational objectives by stabilising production and prioritising transport logistics. The Sino Iron project overcame challenges including labour shortages to produce over 20 million tonnes of concentrate for the fifth consecutive year.

Reinforcing industrial value chains to bolster resilience: CITIC Dicastal increased its global automotive parts manufacturing capacity with production bases in Morocco and Mexico operating at full capacity. It remained the global leader in aluminium wheel sales, embracing its brand aspiration of "Global Manufacturing, Global Service". CITIC Heavy Industries provided key advanced equipment components for the country. It supported 17 consecutive launches of the Shenzhou spacecraft. It also provided critical forgings for nuclear power steam generators, which contributed to the commercial operation of the world's first fourth-generation nuclear power plant. CITIC Pacific Special Steel, through its control of Tianjin Pipe, greatly increased the competitiveness of its product range of bars, wires, tubes and plates. The acquisition of a controlling stake in Nanjing Iron & Steel further consolidated CITIC's leading position in the special steel industry. With a total annual production capacity of more than 30 million tonnes, this global specialty steel "aircraft carrier" continued its development voyage. CITIC Agriculture undertook major national projects and successfully passed its mid-term evaluation. Its research and development capabilities for high-quality crop varieties continued to improve. CITIC Agriculture also worked with Huawei to launch an open-source HarmonyOS for the agricultural industry, improving the quality and efficiency of the value chain.

Fostering open cooperation through the Belt and Road Initiative: CITIC Construction's major projects, including the Belarusian agro-industrial complex project, progressed steadily while the East-West Highway in Algeria was fully commissioned. Apart from undertaking high-quality landmark projects, CITIC also focused on other fields such as education and training, agricultural cooperation, environmental protection, and health and sanitation. During the year, we rolled out a series of "small and beautiful" projects, including CITIC Dicastal's High-tech Talent Special Training Camp in Morocco, CITIC Agriculture's assistance to the seed industry and CITIC Environment's water plants in Indonesia. These initiatives successfully reinforced a positive image for Chinese enterprises overseas.

2. BENCHMARKING AGAINST THE BEST-IN-CLASS TO DRIVE REFORM AND UNLEASH CORPORATE VITALITY

Improved quality and quantity of R&D: In 2023, the company established a science and technology association to further improve the scientific and technological innovation work system. Key progress has been made in many areas, such as tackling "bottleneck" technologies and exploring an enterprise-led, collaborative innovation consortium between industries, universities and research institutes. CITIC Holdings formed a partnership with Pengcheng Laboratory and was incorporated into its "network nodes", with the objective of addressing technological issues with the intelligent control of large equipment. We also participated in the development and manufacturing of bearings for high-speed rail bogies, which achieved positive results during rigorous track testing. We also realised groundbreaking achievements in integrated die-casting technology, which has had a deep impact on manufacturing processes within the automotive industry. As of the end of 2023, CITIC owned 9,972 valid patents and 3,040 invention patents, showcasing our enhanced capacity for independent innovation.

Achieving multiple breakthroughs in digital transformation: CITIC Limited formulated a digital transformation action plan, advanced cloud-based management and launched five flagship projects such as Finance Digitalisation 2.0. We also implemented several initiatives, including organising the first "Blooming Cup", a digital application contest to stimulate innovation and potential within our subsidiaries. Our digital innovations won 54 provincial and ministerial-level awards in 2023 and many were showcased at the World Artificial Intelligence Conference in Shanghai. Xingcheng Special Steel, a member of CITIC Pacific Special Steel, was also recognised as the first "Factory Lighthouse" in the global special steel industry. This is the second CITIC manufacturing plant to receive this significant honour.

Driving synergy within our organisation: In 2023, the scale of synergy and collaboration amongst our financial subsidiaries continued to increase with the total value of cross-selling exceeding RMB2.1 trillion. The account opening rate at CITIC Bank for IPO clients of CITIC Securities and CSC Financial increased by 10% to 75%. We have also advanced the synergy between our industry and financial businesses and are exploring the integration of pension and insurance services, as well as further cooperation between CITIC Bank and other subsidiaries. Currently, 96% of our subsidiaries pay employee salaries through CITIC Bank which also covers 99% of individual pension accounts in regional pilot subsidiaries. Further increasing our "circle of friends", we have expanded our network of partners, supporting subsidiaries in their market expansion efforts and have signed 13 new strategic customers, including a joint innovation centre with Huawei to explore new avenues of mutually beneficial cooperation.

Enhancing and upgrading the quality of special projects: We have advanced our efforts in "Creating New Revenue Streams and Tightening Expenses" as well as "Optimising Cost and Boosting Efficiency" and adopted a five-dimensional mechanism to increase the efficiency of synergy, innovation, technology, lean practices and shared development. To refine our management across employees, businesses and processes, our financial subsidiaries are actively reducing capital consumption. On the back of our successful completion of Fund Concentration 3.0, we advanced our treasury management by implementing reform plans in areas including fund budgeting, accounts receivable management and controls, and the next level of progress, Fund Concentration 3.0+.

Delivering strong results in ESG management: In 2023, CITIC made progress in working towards our dual carbon goals. We validated our carbon emission data and prepared a carbon profit and loss statement. Our total carbon emission intensity has dropped significantly and accelerated our green transformation. Moreover, we strengthened our ESG management system and formulated guidelines for ESG initiatives. CITIC Limited's MSCI ESG rating has returned to the BBB level, with the highest score to date.

3. OVERCOMING DIFFICULTIES, MITIGATING RISKS AND BUILDING A SOLID LINE OF DEFENCE FOR SAFE DEVELOPMENT

Coordinating and promoting collaborative risk management: We adhere to bottom-line thinking, effectively containing incremental risks to protect the company's stability and longevity. We have improved our collaborative risk management mechanisms and created innovative methods for risk management between industrial and financial subsidiaries, as well as among financial subsidiaries. CITIC Bank, CITIC Financial Asset Management, CITIC Trust, CITIC Urban Development & Operation, and other subsidiaries have jointly resolved a number of higher-risk projects, resulting in an overall decline in the non-performing ratio of financial subsidiaries and effective conservation of core Tier 1 capital. We also actively supported local governments to ensure the delivery of housing projects, safeguarding public welfare and supporting the resumption of key projects. These efforts have strengthened our reputation and were well received by our communities.

The year 2024 marks the 75th anniversary of the founding of the People's Republic of China. CITIC Group will also be celebrating its 45th anniversary. It is a critical year for achieving the goals and tasks outlined in our 14th Five-Year Plan, and therefore of great importance to excel in every reform and development initiative. We will remain fully committed to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and thoroughly implement the guiding principles set forth by the 20th National Congress of the Communist Party of China, the Central Financial Work Conference and the Central Economic Work Conference. With CITIC's "one deepening, three promotions and five breakthroughs" strategic direction for reform and development, we will focus on promoting operational excellence in our financial business, industrial transformation and upgrading, and effective risk resolution, striving to achieve new breakthroughs in organisational structure, strengthening team building, improving incentive mechanisms, deepening scientific and technological innovation, and coordinating overseas development, which will contribute to our development into a first-class enterprise and help us break new ground. Capitalising on the voluntary purchase of CITIC shares by our directors and middle and senior management, we will continue to harness our "CITIC strengths", instill unwavering confidence, and stimulate endogenous power and vitality. We aim to drive the recovery of our market valuation through solid value creation. We will continue to sing to the world that the Chinese economy is strong and endeavour to make greater contribution towards building China into a great country and advancing national rejuvenation.

Xi Guohua
Chairman
28 March 2024

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	For the year ended 31 December 2023 RMB million	2022 RMB million (Restated)
Interest income		**338,914**	330,378
Interest expenses		**(190,395)**	(172,809)
Net interest income	*4(a)*	**148,519**	157,569
Fee and commission income		**73,046**	73,910
Fee and commission expenses		**(11,456)**	(8,656)
Net fee and commission income	*4(b)*	**61,590**	65,254
Sales of goods and services	*4(c)*	**417,580**	401,842
Other revenue	*4(d)*	**53,143**	38,773
		470,723	440,615
Total revenue		**680,832**	663,438
Cost of sales and services		**(372,807)**	(355,878)
Other net income		**8,657**	16,343
Expected credit losses		**(65,615)**	(79,005)
Impairment losses		**(4,595)**	(7,584)
Other operating expenses		**(122,071)**	(113,471)
Net valuation loss on investment properties		**(177)**	(652)
Share of profits of associates, net of tax		**5,695**	6,494
Share of profits of joint ventures, net of tax		**3,708**	4,672
Profit before net finance charges and taxation		**133,627**	134,357
Finance income		**1,832**	1,407
Finance costs		**(12,172)**	(8,472)
Net finance charges	*5*	**(10,340)**	(7,065)
Profit before taxation	*6*	**123,287**	127,292
Income tax	*7*	**(18,013)**	(21,469)
Profit for the year		**105,274**	105,823

CONSOLIDATED INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

		For the year ended 31 December	
		2023	2022
	Note	***RMB million***	*RMB million*
			(Restated)
Attributable to:			
– Ordinary shareholders of the Company		**57,594**	64,931
– Non-controlling interests		**47,680**	40,892
Profit for the year		**105,274**	105,823
Earnings per share for profit attributable to ordinary shareholders of the Company during the year:	*9*		
Basic earnings per share (RMB)		**1.98**	2.23
Diluted earnings per share (RMB)		**1.98**	2.23

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Profit for the year	**105,274**	105,823
Other comprehensive income/(loss) for the year		
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on debt investments at fair value through other comprehensive income	**5,143**	(8,411)
Allowance changes on debt investments at fair value through other comprehensive income	**(60)**	413
Cash flow hedge: net movement in the hedging reserve	**(211)**	1,093
Share of other comprehensive loss of associates and joint ventures	**(2,776)**	(2,854)
Exchange differences on translation of financial statements and others	**1,132**	4,267
Items that will not be reclassified subsequently to profit or loss:		
Revaluation (loss)/gain on owner-occupied property reclassified as investment property	**(2)**	23
Fair value changes on investments in equity instruments designated at fair value through other comprehensive income	**(138)**	220
Other comprehensive income/(loss) for the year	**3,088**	(5,249)
Total comprehensive income for the year	**108,362**	100,574
Attributable to:		
– Ordinary shareholders of the Company	**58,388**	59,427
– Non-controlling interests	**49,974**	41,147
Total comprehensive income for the year	**108,362**	100,574

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	**31 December 2023** ***RMB million***	31 December 2022 *RMB million* (Restated)	1 January 2022 *RMB million* (Restated)
Assets				
Cash and deposits		**625,135**	677,327	589,570
Cash held on behalf of customers		**239,019**	245,723	–
Placements with banks and non-bank financial institutions		**237,742**	217,354	142,061
Derivative financial instruments		**77,562**	80,867	22,858
Trade and other receivables		**254,452**	211,392	141,482
Contract assets		**24,312**	20,728	11,474
Inventories		**135,142**	109,050	92,718
Financial assets held under resale agreements		**164,983**	45,713	91,757
Loans and advances to customers and other parties	*10*	**5,380,140**	5,042,734	4,749,680
Margin accounts		**118,746**	106,976	–
Investments in financial assets	*11*	**3,356,367**	3,143,196	2,376,651
– Financial assets at amortised cost		**1,076,039**	1,124,596	1,173,929
– Financial assets at fair value through profit or loss		**1,292,115**	1,135,886	545,508
– Debt investments at fair value through other comprehensive income		**967,803**	873,367	648,511
– Equity investments at fair value through other comprehensive income		**20,410**	9,347	8,703
Refundable deposits		**62,182**	69,158	–
Interests in associates		**109,791**	104,464	126,140
Interests in joint ventures		**56,787**	60,464	52,189
Fixed assets		**210,719**	159,803	144,965
Investment properties		**38,153**	35,407	32,709
Right-of-use assets		**51,424**	41,220	31,480
Intangible assets		**22,537**	16,718	15,047
Goodwill		**26,076**	25,623	17,652
Deferred tax assets		**83,327**	88,830	67,560
Other assets		**56,324**	39,296	38,173
Total assets		**11,330,920**	10,542,043	8,744,166

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023

	Note	**31 December 2023** **RMB million**	31 December 2022 *RMB million* (Restated)	1 January 2022 *RMB million* (Restated)
Liabilities				
Borrowing from central banks		**273,226**	119,421	189,257
Deposits from banks and non-bank financial institutions		**893,565**	1,103,099	1,162,895
Placements from banks and non-bank financial institutions		**150,493**	108,736	88,136
Financial liabilities at fair value through profit or loss		**88,552**	94,845	4,648
Customer brokerage deposits		**282,534**	279,001	–
Funds payable to securities issuers		**35**	15,254	–
Derivative financial instruments		**73,755**	72,393	24,563
Trade and other payables		**391,948**	379,948	153,083
Contract liabilities		**31,482**	29,596	27,380
Financial assets sold under repurchase agreements		**744,571**	470,477	100,117
Deposits from customers	*12*	**5,459,993**	5,150,772	4,785,168
Employee benefits payables		**56,933**	54,998	31,574
Income tax payable		**9,234**	15,727	13,232
Bank and other loans	*13*	**235,770**	156,709	121,014
Debt instruments issued	*14*	**1,221,107**	1,182,140	1,022,266
Lease liabilities		**20,348**	19,528	16,975
Provisions		**16,130**	17,410	20,361
Deferred tax liabilities		**16,747**	18,153	11,839
Other liabilities		**27,715**	19,159	15,462
Total liabilities		**9,994,138**	9,307,366	7,787,970
Equity				
Share capital		**307,576**	307,576	307,576
Reserves		**395,602**	352,533	309,674
Total ordinary shareholders' funds		**703,178**	660,109	617,250
Non-controlling interests		**633,604**	574,568	338,946
Total equity		**1,336,782**	1,234,677	956,196
Total liabilities and equity		**11,330,920**	10,542,043	8,744,166

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 address of its registered office is 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central Hong Kong.

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, new-type urbanisation.

The parent and the ultimate holding company of the Company is CITIC Group Corporation ("CITIC Group"). In 2023, CITIC Group transferred 5.01% of the issued shares of the Company to China CITIC Financial Asset Management Co., Ltd. (formerly known as "China Huarong Asset Management Co., Ltd."). As at 31 December 2023, the equity interests held by CITIC Group in the Company through its overseas wholly-owned subsidiaries was 53.12% (31 December 2022: 58.13%).

2 BASIS OF PREPARATION AND CHANGES IN MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS"), which in collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The comparative disclosures have been presented consistently with current year's financial statement.

(b) Changes in material accounting policies

(i) Changes in presentation currency

The Group has changed its presentation currency from Hong Kong dollars ("HK$") to Renminbi ("RMB") for the preparation of the financial statements for the year ended 31 December 2023. Since the Group mainly operates its business in the People's Republic of China ("PRC") and most of the Group's transactions are denominated and settled in RMB, the Board believes it is more appropriate to adopt RMB as its presentation currency for the Group's financial statements. Furthermore, the Board considers that the change of presentation currency enables the shareholders and potential investors of the Company to have a more accurate picture of the Group's financial performance. The change in presentation currency has been applied retrospectively.

(ii) New and amended HKFRSs

The Group has applied the following new and amended HKFRSs issued by the HKICPA to these financial statements for the year ended 31 December 2023:

– HKFRS 17, Insurance contracts

– Amendments to HKAS 8, Definition of accounting estimates

– Amendments to HKAS 1 and HKFRS Practice Statement 2, Disclosure of accounting policies

– Amendments to HKAS 12, Deferred tax related to assets and liabilities arising from a single transaction

– Amendments to HKAS 12, International tax reform – Pillar Two model rules

HKFRS 17, Insurance Contracts

The Group has adopted HKFRS 17 Insurance Contracts ("HKFRS 17") replacing HKFRS 4 Insurance Contract with a date of initial application as 1 January 2023, which resulted in changes in accounting policies. The Group has adjusted the consolidated financial statements retrospectively in accordance with HKFRS 17.

Amendments to HKAS 8, Definition of accounting estimates

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates. The amendments do not have a material impact on these financial statements as the Group's approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

Amendments to HKAS 1 and HKFRS Practice Statement 2, Disclosure of accounting policies

The amendments require entities to disclose material accounting policy information and provide guidance on applying the concept of materiality to accounting policy disclosure. The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

Amendments to HKAS 12, Deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented.

Prior to the amendments, the Group did not apply the initial recognition exemption to lease transactions and had recognised the related deferred tax, except that the Group previously determined the temporary difference arising from a right-of-use asset and the related lease liability on a net basis on the basis they arise from a single transaction. Following the amendments, the Group has determined the temporary differences in relation to right-of-use assets and lease liabilities separately. The change primarily impacts disclosures of components of deferred tax assets and liabilities, but does not impact the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualify for offsetting under HKAS 12.

Amendments to HKAS 12, International tax reform – Pillar Two model rules

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD") (income tax arising from such tax laws is hereafter referred to as "Pillar Two income taxes"), including tax laws that implement qualified domestic minimum top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax. They are immediately effective upon issuance and require retrospective application.

The Group has applied the temporary mandatory exception to the recognition and disclosure of deferred income tax assets and liabilities related to the Pillar Two income tax.

3 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 resource 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 services and others.

(a) Segment results, assets and liabilities

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 the years ended 31 December 2023 and 2022 is set out below:

	For the year ended 31 December 2023							
	Comprehensive financial services *RMB million*	Advanced intelligent manufacturing *RMB million*	Advanced materials *RMB million*	New consumption *RMB million*	New-type urbanisation *RMB million*	Operation management *RMB million*	Elimination *RMB million*	Total *RMB million*
Revenue from external customers	268,048	50,434	267,513	51,422	43,367	48	–	680,832
Inter-segment revenue	2,200	218	187	122	914	94	(3,735)	–
Reportable segment revenue	270,248	50,652	267,700	51,544	44,281	142	(3,735)	680,832
Disaggregation of revenue:								
– Net interest income *(Note 4(a))*	150,583	–	–	–	–	91	(2,155)	148,519
– Net fee and commission income *(Note 4(b))*	61,700	–	–	–	–	4	(114)	61,590
– Sales of goods *(Note 4(c))*	4,740	49,794	266,087	37,751	14,100	–	(400)	372,072
– Services rendered to customers-construction contracts *(Note 4(c))*	–	797	–	–	16,053	–	(494)	16,356
– Services rendered to customers-others *(Note 4(c))*	–	61	1,613	13,793	14,128	47	(490)	29,152
– Other revenue *(Note 4(d))*	53,225	–	–	–	–	–	(82)	53,143
Share of profits/(losses) of associates, net of tax	1,561	61	1,213	368	2,606	(114)	–	5,695
Share of profits of joint ventures, net of tax	1,372	27	855	36	1,377	41	–	3,708
Finance income *(Note 5)*	–	58	1,274	105	1,156	700	(1,461)	1,832
Finance costs *(Note 5)*	–	(304)	(3,198)	(636)	(1,840)	(9,205)	3,011	(12,172)
Depreciation and amortisation *(Note 6(b))*	(9,900)	(1,270)	(7,969)	(1,931)	(1,914)	(75)	–	(23,059)
Expected credit losses	(61,135)	(469)	(98)	12	(4,073)	148	–	(65,615)
Impairment losses	(286)	(456)	776	(216)	(3,803)	(610)	–	(4,595)
Profit/(loss) before taxation	108,186	1,903	17,035	2,012	2,471	(7,548)	(772)	123,287
Income tax *(Note 7)*	(13,757)	(169)	(2,163)	(374)	(451)	(1,071)	(28)	(18,013)
Profit/(loss) for the year	94,429	1,734	14,872	1,638	2,020	(8,619)	(800)	105,274
Attributable to:								
– Ordinary shareholders of the Company	50,496	827	12,731	1,032	2,163	(8,618)	(1,037)	57,594
– Non-controlling interests	43,933	907	2,141	606	(143)	(1)	237	47,680

	As at 31 December 2023							
	Comprehensive financial services *RMB million*	Advanced intelligent manufacturing *RMB million*	Advanced materials *RMB million*	New consumption *RMB million*	New-type urbanisation *RMB million*	Operation management *RMB million*	Elimination *RMB million*	Total *RMB million*
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	27,306	1,116	22,950	9,645	47,833	941	–	109,791
Interests in joint ventures	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 13) (note)*	10,344	6,018	90,205	6,608	54,245	125,712	(58,000)	235,132
Debt instruments issued *(Note 14) (note)*	1,133,946	–	5,259	3,184	–	74,009	(2,818)	1,213,580

Note: The amount is the principal excluding interest accrued.

	For the year ended 31 December 2022 (Restated)							
	Comprehensive financial services *RMB million*	Advanced intelligent manufacturing *RMB million*	Advanced materials *RMB million*	New consumption *RMB million*	New-type urbanisation *RMB million*	Operation management *RMB million*	Elimination *RMB million*	Total *RMB million*
Revenue from external customers	266,604	51,599	242,577	53,037	49,593	28	–	663,438
Inter-segment revenue	1,853	217	585	113	1,338	121	(4,227)	–
Reportable segment revenue	268,457	51,816	243,162	53,150	50,931	149	(4,227)	663,438
Disaggregation of revenue:								
– Net interest income *(Note 4(a))*	159,304	–	–	–	–	115	(1,850)	157,569
– Net fee and commission income *(Note 4(b))*	65,300	–	–	–	–	4	(50)	65,254
– Sales of goods *(Note 4(c))*	5,010	50,609	241,493	40,089	14,953	–	(857)	351,297
– Services rendered to customers-construction contracts *(Note 4(c))*	–	444	–	–	21,388	–	(743)	21,089
– Services rendered to customers-others *(Note 4(c))*	–	763	1,669	13,061	14,590	27	(654)	29,456
– Other revenue *(Note 4(d))*	38,843	–	–	–	–	3	(73)	38,773
Share of profits/(losses) of associates, net of tax	2,708	(6)	1,338	(93)	2,514	33	–	6,494
Share of profits/(losses) of joint ventures, net of tax	1,257	52	911	(9)	2,415	46	–	4,672
Finance income *(Note 5)*	–	199	528	70	1,096	266	(752)	1,407
Finance costs *(Note 5)*	–	(367)	(1,906)	(467)	(1,465)	(6,114)	1,847	(8,472)
Depreciation and amortisation *(Note 6(b))*	(8,633)	(1,326)	(6,555)	(1,997)	(1,649)	(80)	–	(20,240)
Expected credit losses	(72,974)	(136)	(100)	(20)	(5,804)	29	–	(79,005)
Impairment losses	(255)	(203)	(371)	(584)	(6,132)	(39)	–	(7,584)
Profit before taxation	104,119	1,340	17,291	1,668	1,290	2,460	(876)	127,292
Income tax *(Note 7)*	(16,855)	(158)	(2,827)	(554)	(437)	(524)	(114)	(21,469)
Profit for the year	87,264	1,182	14,464	1,114	853	1,936	(990)	105,823
Attributable to:								
– Ordinary shareholders of the Company	48,068	531	13,004	533	1,846	1,939	(990)	64,931
– Non-controlling interests	39,196	651	1,460	581	(993)	(3)	–	40,892

	As at 31 December 2022 (Restated)							
	Comprehensive financial services *RMB million*	Advanced intelligent manufacturing *RMB million*	Advanced materials *RMB million*	New consumption *RMB million*	New-type urbanisation *RMB million*	Operation management *RMB million*	Elimination *RMB million*	Total *RMB million*
Reportable segment assets	9,969,800	58,955	234,215	55,397	336,976	51,174	(164,474)	10,542,043
Including:								
Interests in associates	26,798	846	22,895	6,899	46,007	1,019	–	104,464
Interests in joint ventures	15,316	526	7,236	1,745	34,155	1,486	–	60,464
Reportable segment liabilities	8,924,511	39,907	105,363	24,715	157,427	203,277	(147,834)	9,307,366
Including:								
Bank and other loans *(Note 13) (note)*	12,716	12,840	41,813	5,670	50,270	94,793	(62,014)	156,088
Debt instruments issued *(Note 14) (note)*	1,081,892	–	5,011	3,129	–	86,878	(1,831)	1,175,079

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 For the year ended 31 December		Reportable segment assets As at 31 December	
	2023	2022	**2023**	2022
	RMB million	*RMB million*	***RMB million***	*RMB million*
		(Restated)		(Restated)
Chinese mainland	**587,536**	576,850	**10,315,696**	9,636,931
Hong Kong, Macau and Taiwan	**44,246**	39,874	**638,695**	591,800
Overseas	**49,050**	46,714	**376,529**	313,312
	680,832	663,438	**11,330,920**	10,542,043

4 REVENUE

As a multi-industry conglomerate, the Group is principally engaging in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption, 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 4(a), 4(b) and 4(d)). For non-comprehensive financial services segment, revenue mainly comprises total invoiced value of sales of goods and services rendered to customers (Note 4(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

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Interest income arising from *(note)*:		
Deposits with central banks, banks and non-bank financial institutions	**16,719**	14,302
Placements with banks and non-bank financial institutions	**8,089**	6,346
Financial assets held under resale agreements	**2,799**	2,285
Investments in financial assets		
– Financial assets at amortised cost	**36,073**	40,018
– Debt investments at fair value through other comprehensive income ("FVOCI")	**22,153**	19,598
Loans and advances to customers and other parties	**244,128**	241,057
Margin financing and securities lending	**8,343**	6,484
Others	**610**	288
	338,914	330,378

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Interest expenses arising from:		
Borrowing from central banks	**(4,282)**	(4,974)
Deposits from banks and non-bank financial institutions	**(21,687)**	(23,099)
Placements from banks and non-bank financial institutions	**(4,717)**	(3,369)
Financial assets sold under repurchase agreements	**(10,625)**	(5,007)
Deposits from customers	**(115,452)**	(102,754)
Debt instruments issued	**(29,753)**	(30,430)
Customer brokerage deposits	**(1,675)**	(1,303)
Lease liabilities	**(553)**	(523)
Others	**(1,651)**	(1,350)
	(190,395)	(172,809)
Net interest income	**148,519**	157,569

Note:

Interest income includes interest income accrued on credit-impaired financial assets of RMB715 million for the year ended 31 December 2023 (2022: RMB462 million).

(b) Net fee and commission income

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Bank card fees	**16,799**	16,480
Trustee commission and fees	**8,857**	16,057
Agency fees and commission	**5,897**	5,582
Guarantee and advisory fees	**5,686**	5,768
Commission on securities brokerage	**12,163**	9,819
Commission on fund management	**7,642**	6,137
Commission on investment banking	**6,750**	7,130
Settlement and clearing fees	**2,251**	2,136
Commission on asset management	**2,340**	2,203
Commission on futures brokerage	**3,594**	2,114
Others	**1,067**	484
	73,046	73,910
Fee and commission expenses	**(11,456)**	(8,656)
Net fee and commission income	**61,590**	65,254

(c) Sales of goods and services

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Sales of goods	**372,072**	351,297
Services rendered to customers		
– Revenue from construction contracts	**16,356**	21,089
– Revenue from other services	**29,152**	29,456
	417,580	401,842

(d) Other revenue

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Net trading (loss)/gain under comprehensive financial services segment *(note (i))*	**(8,109)**	20,434
Net gain on financial investments under comprehensive financial services segment	**58,018**	17,320
Others	**3,234**	1,019
	53,143	38,773

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

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Trading (loss)/gain:		
– debt securities and certificates of deposits	**844**	(756)
– foreign currencies	**2,981**	(977)
– derivatives	**(11,934)**	22,167
	(8,109)	20,434

5 NET FINANCE CHARGES

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Finance costs		
– Interest on bank and other loans	**8,969**	4,590
– Interest on debt instruments issued	**3,570**	4,184
– Interest and finance charges paid for lease liabilities	**241**	206
	12,780	8,980
Less: interest expense capitalised	**(926)**	(727)
	11,854	8,253
Other finance charges	**318**	219
	12,172	8,472
Finance income	**(1,832)**	(1,407)
	10,340	7,065

6 PROFIT BEFORE TAXATION

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

(a) Staff costs

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Salaries and bonuses	**63,770**	59,288
Contributions to defined contribution retirement schemes	**8,780**	7,046
Others	**13,101**	12,302
	85,651	78,636

The increase in salaries and bonuses mainly comes from the impact of the change of consolidation scope including CITIC Securities Company Limited, Shanghai Zhongte Pacific Steel Co., Ltd. and Nanjing Steel Group Co., Ltd.

(b) Other items

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Amortisation	**4,097**	2,961
Depreciation	**18,962**	17,279
Lease charges	**894**	676
Tax and surcharges	**3,481**	3,377
Property management fees	**1,031**	908
Non-operating expenses	**710**	473
Professional fees (other than auditors' remuneration)	**1,758**	1,342
Auditors' remuneration		
– Audit services	**187**	181
– Non-audit services	**58**	81
	31,178	27,278

7 INCOME TAX EXPENSE

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Current tax – Chinese mainland		
Provision for enterprise income tax	**15,103**	29,654
Land appreciation tax	**267**	323
	15,370	29,977
Current tax – Hong Kong		
Provision for Hong Kong profits tax	**490**	169
Current tax – Overseas		
Provision for the year	**408**	493
	16,268	30,639
Deferred tax		
Origination and reversal of temporary differences	**1,745**	(9,170)
	18,013	21,469

The statutory income tax rate of the Company and its subsidiaries located in Hong Kong for the year ended 31 December 2023 is 16.5% (2022: 16.5%).

Except for the preferential tax treatments, the income tax rate applicable to the Group's other subsidiaries in Chinese mainland for the year ended 31 December 2023 is 25% (2022: 25%).

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

8 DIVIDENDS

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
2022 Final dividend paid: HK$0.451 (2021 Final: HK$0.456) per share	**11,988**	11,328
2023 Interim dividend paid: RMB0.18 (2022 Interim: HK$0.20) per share	**5,236**	5,082
2023 Final dividend proposed: RMB0.335 (2022 Final: HK$0.451) per share	**9,745**	11,988

9 EARNINGS PER SHARE

Basic earnings per share for the year ended 31 December 2023 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 year ended 31 December 2023 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 Group has subscribed 65.97% of the convertible bonds, the convertible bonds issued by CITIC Bank has no dilutive effect on earnings per share of the Company.

In 2022, CITIC Pacific Special Steel Group Co., Ltd. ("CITIC Special Steel"), a subsidiary of the Group, issued convertible bonds. The convertible bonds issued by 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:

	For the year ended 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Profit attributable to ordinary shareholders of the Company	**57,594**	64,931
Less: impact on profit attributable to ordinary shareholders of the Company assuming above convertible bonds converted	**(95)**	(115)
Profit attributable to ordinary shareholders of the Company (adjusted)	**57,499**	64,816
Weighted average number of ordinary shares *(in million)*	**29,090**	29,090
Basic earnings per share *(RMB)*	**1.98**	2.23
Diluted earnings per share *(RMB)*	**1.98**	2.23

10 LOANS AND ADVANCES TO CUSTOMERS AND OTHER PARTIES

Loans and advances to customers and other parties analysed by nature

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Loans and advances to customers and other parties at amortised cost		
Corporate loans:		
– Loans	**2,578,201**	2,419,077
– Discounted bills	**1,784**	3,704
– Finance lease receivables	**46,818**	46,566
	2,626,803	2,469,347
Personal loans:		
– Residential mortgages	**1,003,320**	975,807
– Credit cards	**521,260**	511,101
– Business loans	**459,113**	378,819
– Personal consumption	**309,256**	260,436
– Finance lease receivables	**1,591**	370
	2,294,540	2,126,533
	4,921,343	4,595,880
Accrued interest	**20,188**	17,385
	4,941,531	4,613,265
Less: allowance for impairment losses	**(139,679)**	(137,495)
Carrying amount of loans and advances to customers and other parties at amortised cost	**4,801,852**	4,475,770
Loans and advances to customers and other parties at fair value through Profit and loss (“FVPL”)		
Corporate loans:		
– Loans	**5,558**	3,881
Loans and advances to customers and other parties at FVOCI		
Corporate loans:		
– Loans	**58,064**	54,851
– Discounted bills	**514,666**	508,232
Carrying amount of loans and advances to customers and other parties at FVOCI	**572,730**	563,083
Total carrying amount of loans and advances	**5,380,140**	5,042,734
Allowance for impairment losses on loans and advances to customers and other parties at FVOCI	**(656)**	(629)

11 INVESTMENTS IN FINANCIAL ASSETS

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Financial assets at amortised cost		
Debt securities	**869,969**	873,627
Investment management products managed by non-bank financial institutions	**22,908**	39,628
Trust investment plans	**194,110**	226,257
Certificates of deposit and certificates of interbank deposit	**1,064**	3,923
Investments in creditor's rights on assets	**1,900**	1,900
Others	**2,087**	336
	1,092,038	1,145,671
Accrued interest	**12,623**	10,495
	1,104,661	1,156,166
Less: allowance for impairment losses on financial assets at amortised cost	**(28,622)**	(31,570)
	1,076,039	1,124,596
Financial assets at FVPL		
Debt securities	**312,247**	242,970
Investment management products managed by non-bank financial institutions	**12,706**	19,149
Trust investment plans	**11,432**	6,315
Certificates of deposit and certificates of interbank deposit	**99,972**	48,083
Wealth management products	**6,161**	3,022
Investment funds	**553,540**	555,883
Equity investment	**258,178**	224,831
Others	**37,879**	35,633
	1,292,115	1,135,886
Debt investments at FVOCI		
Debt securities	**934,693**	822,379
Certificates of deposit and certificates of interbank deposit	**25,872**	44,525
	960,565	866,904
Accrued interest	**7,238**	6,463
	967,803	873,367
Equity investments at FVOCI		
Equity investment	**20,183**	8,997
Others	**227**	350
	20,410	9,347
	3,356,367	3,143,196
Allowance for impairment losses on debt investments at FVOCI	**(3,284)**	(3,069)

12 DEPOSITS FROM CUSTOMERS

(a) Types of deposits from customers

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Demand deposits		
Corporate customers	**2,149,823**	1,931,755
Personal customers	**340,432**	349,013
	2,490,255	2,280,768
Time and call deposits		
Corporate customers	**1,755,882**	1,854,108
Personal customers	**1,125,384**	942,803
	2,881,266	2,796,911
Outward remittance and remittance payables	**19,022**	14,420
Accrued interest	**69,450**	58,673
	5,459,993	5,150,772

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

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Bank acceptances	**407,634**	348,926
Letters of credit	**23,736**	25,132
Guarantees	**21,005**	17,091
Others	**38,651**	55,709
	491,026	446,858

13 BANK AND OTHER LOANS

(a) Types of loans

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Bank loans		
Unsecured loans	**153,804**	108,069
Loan pledged with assets	**42,996**	17,154
	196,800	125,223
Other loans		
Unsecured loans	**36,091**	30,262
Loan pledged with assets	**2,241**	603
	38,332	30,865
	235,132	156,088
Accrued interest	**638**	621
	235,770	156,709

(b) Maturity of loans

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Bank loans		
– Within 1 year or on demand	**54,033**	51,434
– Between 1 and 2 years	**60,670**	19,717
– Between 2 and 5 years	**49,774**	34,628
– Over 5 years	**32,323**	19,444
	196,800	125,223
Other loans		
– Within 1 year or on demand	**2,803**	7,688
– Between 1 and 2 years	**1,373**	17,865
– Between 2 and 5 years	**34,113**	5,257
– Over 5 years	**43**	55
	38,332	30,865
	235,132	156,088
Accrued interest	**638**	621
	235,770	156,709

14 DEBT INSTRUMENTS ISSUED

	As at 31 December	
	2023	2022
	RMB million	*RMB million*
		(Restated)
Corporate bonds issued	**233,290**	202,077
Notes issued	**151,813**	128,709
Subordinated bonds issued	**82,569**	98,926
Certificates of deposit issued	**1,418**	1,035
Certificates of interbank deposit issued	**705,273**	720,080
Convertible corporate bonds	**17,670**	18,212
Beneficiary certificates	**21,547**	6,040
	1,213,580	1,175,079
Accrued interest	**7,527**	7,061
	1,221,107	1,182,140
Analysed by remaining maturity:		
-Within 1 year or on demand	**828,068**	832,239
-Between 1 and 2 years	**121,781**	61,436
-Between 2 and 5 years	**136,498**	128,629
-Over 5 years	**127,233**	152,775
	1,213,580	1,175,079
Accrued interest	**7,527**	7,061
	1,221,107	1,182,140

The Group did not have any defaults of principal, interest or other breaches with respect to its debt instruments issued for the year ended 31 December 2023 (2022: Nil).

15 CONTINGENT LIABILITIES AND COMMITMENTS – 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 balance sheet. The Group believes that these accruals are reasonable and adequate.

(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.

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 in the sixth 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 10 November 2023, Mineralogy and Mr. Palmer filed their sixth 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 plead that QNI required funding of AUD91,100,000 by the quarter ending 30 September 2017.

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. Mineralogy and Mr. Palmer claim that the CITIC Parties are liable for those losses pursuant to an indemnity provision in the FCD.

On 2 February 2024, the CITIC Parties filed their substituted defence in response to Mineralogy and Mr. Palmer's sixth amended statement of claim. The CITIC Parties plead a number of defences, including construction arguments, causation, mitigation, quantification of loss and Anshun estoppel and abuse of process.

Following the filing of Mineralogy and Mr. Palmer's sixth amended statement of claim and the CITIC Parties' substituted defence, Mineralogy and Mr. Palmer filed and served an updated reply on 5 March 2024. The reply 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").

On 25 March 2024, Mineralogy and Mr. Palmer indicated that they intend to file a minute of proposed seventh amended statement of claim. At a directions hearing on 26 March 2024, Justice Lundberg provisionally listed a hearing on 21 May 2024, at which any application for leave to amend the statement of claim and any interlocutory disputes arising from requests for discovery would be heard.

A number of interlocutory applications in this proceeding have not yet been determined, including interlocutory applications filed by Mineralogy and Mr. Palmer on 23 January 2023 to be relieved of certain discovery obligations, to strike out certain paragraphs of the CITIC Parties' further re-amended defence (which was then current but has since been replaced by the substituted defence) and to obtain discovery from the CITIC Parties of documents related to the Fulcrum Allegations made by Mineralogy and Mr. Palmer in their reply. These applications, if pressed by Mineralogy and Mr. Palmer prior to the hearing on 21 May 2024, are likely to be heard at that hearing (at least insofar as they relate to discovery).

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.

No trial date has been set for this proceeding.

(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 10 November 2023, Mineralogy filed its third 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 such of those 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.

On 2 February 2024, the CITIC Parties filed their substituted defence in response to Mineralogy's third amended statement of claim. The CITIC Parties plead a number of defences, including construction arguments, causation, mitigation, quantification of loss and Anshun estoppel and abuse of process.

Following the filing of Mineralogy's third amended statement of claim and the CITIC Parties' substituted defence, Mineralogy filed and served an updated reply on 8 March 2024. The reply includes the Fulcrum Allegations as described above.

On 25 March 2024, Mineralogy indicated that it intends to file a minute of proposed fourth amended statement of claim. At a directions hearing on 26 March 2024, Justice Lundberg provisionally listed a hearing on 21 May 2024, at which any application for leave to amend the statement of claim and any interlocutory disputes arising from requests for discovery would be heard.

A number of interlocutory applications in this proceeding have not yet been determined, including interlocutory applications filed by Mineralogy on 23 January 2023 to be relieved of certain discovery obligations, to strike out certain paragraphs of the CITIC Parties' re-amended defence (which was then current but has since been replaced by the substituted defence) and to obtain discovery from the CITIC Parties of documents related to the Fulcrum Allegations made by Mineralogy in its reply. These applications, if pressed by Mineralogy prior to the directions hearing on 21 May 2024, are likely to be heard at that hearing (at least insofar as they relate to discovery).

Pursuant to orders made by Justice K Martin in September 2020, this proceeding will be heard together with Proceeding CIV 2072/2017. 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.

No trial date has been set for this proceeding.

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.

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.

– 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.

(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 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 have been listed for a hearing before the Court of Appeal from 12 to 15 August 2024 and 19 to 21 August 2024.

(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 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:

(a) 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;

(b) orders for specific performance or injunctions requiring Mineralogy to join them in submitting the 2023 mine continuation proposals to the State; and

(c) 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:

(a) 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;

(b) the CITIC Parties have not paid Mineralogy the amounts claimed in the FCD Indemnity Disputes (referred to above); and

(c) 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 2017 MCPs Consolidated Appeals referred to above.

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, and the Court's decision remains reserved.

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.

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 and the torts of 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 and interest on the amounts claimed.

On 17 January 2024, the CITIC Defendants and Allens each filed an application for summary judgment in their favour, to strike out Mineralogy and Mr. Palmer's statement of claim in this proceeding (which was then current but has since been replaced by the second amended statement of claim) and to temporarily stay this proceeding. Also on 17 January 2024, Allens filed an application for a permanent stay or dismissal of this proceeding.

Two days after filing an amended statement of claim on 18 February 2024, Mineralogy and Mr. Palmer applied for orders to file a further amended statement of claim, and the second amended statement of claim was filed on 20 March 2024.

The Court has programmed the filing of submissions and any further affidavits by Allens, the CITIC Defendants and Mineralogy and Mr. Palmer, should Allens wish to proceed with their permanent stay or dismissal application after Mineralogy and Mr. Palmer have filed their second amended statement of claim.

The Court has also programmed the filing of submissions and any further affidavits by the CITIC Defendants, Allens and Mineralogy and Mr. Palmer, should the CITIC Defendants and Allens wish to proceed with amended summary judgment and strike out applications after Mineralogy and Mr. Palmer have filed their second amended statement of claim.

The Allens application for a permanent stay or dismissal of this proceeding, if it proceeds, will be heard on 2 May 2024. If that application does not proceed, there will be a directions hearing on that date.

No trial date has been set for this proceeding.

(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 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 balance sheet date 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 31 December 2023.

Note:

The financial information relating to the years ended 31 December 2023 and 2022 included in this preliminary announcement of annual results 2023 do not constitute the Company's statutory annual consolidated financial statements for those years 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 2022 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) and will deliver the financial statements for the year ended 31 December 2023 in due course.

The Company's auditors have reported on the financial statements of the Group for the year ended 31 December 2023. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622)

FINANCIAL REVIEW AND ANALYSIS

RMB million	**Year ended 31 December 2023**	2022 (Restated)	%
Revenue	**680,832**	663,438	2.6%
Profit before taxation	**123,287**	127,292	(3.1%)
Net profit	**105,274**	105,823	(0.5%)
Net profit attributable to ordinary shareholders	**57,594**	64,931	(11%)
Basic earnings per share *(RMB)*	**1.98**	2.23	(11%)
Diluted earnings per share *(RMB)*	**1.98**	2.23	(11%)
Dividend per share *(RMB)*	**0.515**	N/A	N/A
Dividend per share *(HK$)*	**N/A**	0.651	N/A
Net cash (used in)/generated from operating activities	**(22,798)**	166,193	(114%)
Capital expenditure	**40,000**	30,336	32%

	As at 31 December 2023	As at 31 December 2022 (Restated)	%
Total assets	**11,330,920**	10,542,043	7.5%
Total liabilities	**9,994,138**	9,307,366	7.4%
Total ordinary shareholders' funds and perpetual capital securities	**703,178**	660,109	6.5%
Return on total assets (%)	**1.2%**	1.4%	(0.2%)
Return on net assets (%)	**8.4%**	10.2%	(1.8%)
Staff employed	**188,862**	161,408	17%

Major indicators by business

Revenue from external customers

RMB million	**Year ended 31 December** **2023**	2022 (Restated)	Increase/(Decrease) Amount	%
Comprehensive financial services	**268,048**	266,604	1,444	0.5%
Advanced intelligent manufacturing	**50,434**	51,599	(1,165)	(2.3%)
Advanced materials	**267,513**	242,577	24,936	10%
New consumption	**51,422**	53,037	(1,615)	(3.0%)
New-type urbanisation	**43,367**	49,593	(6,226)	(13%)

Profit

RMB million	**Year ended 31 December** **2023**	2022 (Restated)	Increase/(Decrease) Amount	%
Comprehensive financial services	**94,429**	87,264	7,165	8.2%
Advanced intelligent manufacturing	**1,734**	1,182	552	47%
Advanced materials	**14,872**	14,464	408	2.8%
New consumption	**1,638**	1,114	524	47%
New-type urbanisation	**2,020**	853	1,167	137%

Profit attributable to ordinary shareholders

RMB million	**Year ended 31 December** **2023**	2022 (Restated)	Increase/(Decrease) Amount	%
Comprehensive financial services	**50,496**	48,068	2,428	5.1%
Advanced intelligent manufacturing	**827**	531	296	56%
Advanced materials	**12,731**	13,004	(273)	(2.1%)
New consumption	**1,032**	533	499	94%
New-type urbanisation	**2,163**	1,846	317	17%

Assets

RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(Decrease) Amount	%
Comprehensive financial services	**10,609,132**	9,969,800	639,332	6.4%
Advanced intelligent manufacturing	**60,415**	58,955	1,460	2.5%
Advanced materials	**363,781**	234,215	129,566	55%
New consumption	**55,704**	55,397	307	0.6%
New-type urbanisation	**338,424**	336,976	1,448	0.4%

Revenue By nature

	Year ended 31 December		Increase/(Decrease)	
RMB million	**2023**	2022 (Restated)	Amount	%
Net interest income	**148,519**	157,569	(9,050)	(5.7%)
Net fee and commission income	**61,590**	65,254	(3,664)	(5.6%)
Sales of goods and services	**417,580**	401,842	15,738	3.9%
– Sales of goods	**372,072**	351,297	20,775	5.9%
– Revenue from construction contracts	**16,356**	21,089	(4,733)	(22%)
– Revenue from other services	**29,152**	29,456	(304)	(1.0%)
Other revenue	**53,143**	38,773	14,370	37%

Capital Expenditure

	Year ended 31 December		Increase/(Decrease)	
RMB million	**2023**	2022	Amount	%
Comprehensive financial services	**9,889**	12,249	(2,360)	(19%)
Advanced intelligent manufacturing	**2,032**	1,805	227	13%
Advanced materials	**20,123**	10,850	9,273	85%
New consumption	**4,345**	1,502	2,843	189%
New-type urbanisation	**3,611**	3,930	(319)	(8.1%)
Total	**40,000**	30,336	9,664	32%

Group Financial Position

RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(Decrease) Amount	%
Total assets	**11,330,920**	10,542,043	788,877	7.5%
Loans and advances to customers and other parties	**5,380,140**	5,042,734	337,406	6.7%
Investments in financial assets	**3,356,367**	3,143,196	213,171	6.8%
Cash and deposits	**625,135**	677,327	(52,192)	(7.7%)
Trade and other receivables	**254,452**	211,392	43,060	20%
Fixed assets	**210,719**	159,803	50,916	32%
Placements with banks and non-bank financial institutions	**237,742**	217,354	20,388	9.4%
Total liabilities	**9,994,138**	9,307,366	686,772	7.4%
Deposits from customers	**5,459,993**	5,150,772	309,221	6.0%
Deposits from banks and non-bank financial institutions	**893,565**	1,103,099	(209,534)	(19%)
Debt instruments issued	**1,221,107**	1,182,140	38,967	3.3%
Borrowing from central banks	**273,226**	119,421	153,805	129%
Trade and other payables	**391,948**	379,948	12,000	3.2%
Bank and other loans	**235,770**	156,709	79,061	50%
Total ordinary shareholders' funds	**703,178**	660,109	43,069	6.5%

Loans and advances to customers and other parties

As at 31 December 2023, the loans and advances to customers and other parties of the Group was RMB5,380,140 million, an increase of RMB337,406 million or 6.7% compared to 31 December 2022. The proportion of loans and advances to customers and other parties to total assets was 47.48%, a decrease of 0.35 percentage point compared to 31 December 2022.

In RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(decrease) Amount	%
Loans and advances to customers and other parties measured at amortised cost				
Corporate loans	**2,625,019**	2,465,643	159,376	6.5%
Discounted bills	**1,784**	3,704	(1,920)	(52%)
Personal loans	**2,294,540**	2,126,533	168,007	7.9%
Accrued interest	**20,188**	17,385	2,803	16%
Total loans and advances to customers and other parties measured at amortised cost	**4,941,531**	4,613,265	328,266	7.1%
Impairment allowances	**(139,679)**	(137,495)	(2,184)	1.6%
Carrying amount of loans and advances to customers and other parties measured at amortised cost	**4,801,852**	4,475,770	326,082	7.3%
Loans and advances to customers and other parties at fair value through other comprehensive income				
Corporate loans	**5,558**	3,881	1,677	43%
Loans and advances to customers and other parties measured at fair value through other comprehensive income				
Corporate loans	**58,064**	54,851	3,213	5.9%
Discounted bills	**514,666**	508,232	6,434	1.3%
Carrying amount of loans and advances to customers and other parties measured at fair value through other comprehensive income	**572,730**	563,083	9,647	1.7%
Net loans and advances to customers and other parties	**5,380,140**	5,042,734	337,406	6.7%

Investments in financial assets

As at 31 December 2022, the Investments in financial assets of the Group was RMB 3,356,367 million, an increase of RMB213,171 million, increased 6.8% compared with 31 December 2022. The proportion of Investments in financial assets to total assets was 29.62%, a decrease of 0.19 percentage point compared with 31 December 2022.

(a) Analysed by types

In RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(Decrease) Amount	%
Debt securities	**2,116,909**	1,938,976	177,933	9.2%
Investment management products managed by non-bank financial institutions	**35,614**	58,777	(23,163)	(39%)
Investment funds	**553,540**	555,883	(2,343)	(0.4%)
Trust investment plans	**205,542**	232,572	(27,030)	(12%)
Certificates of deposit and certificates of interbank deposit	**126,908**	96,531	30,377	31%
Equity investment	**278,361**	233,828	44,533	19%
Wealth management products	**6,161**	3,022	3,139	104%
Investments in creditor's rights on assets	**1,900**	1,900	–	–
Others	**40,193**	36,319	3,874	11%
Subtotal	**3,365,128**	3,157,808	207,320	6.6%
Accrued interest	**19,861**	16,958	2,903	17%
Less: allowance for impairment losses	**(28,622)**	(31,570)	2,948	9.3%
Total	**3,356,367**	3,143,196	213,171	6.8%

(b) Analysed by measurement attribution

In RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(Decrease) Amount	%
Financial assets at amortised cost	**1,076,039**	1,124,596	(48,557)	(4.3%)
Financial assets at FVPL	**1,292,115**	1,135,886	156,229	14%
Debt investments at FVOCI	**967,803**	873,367	94,436	11%
Equity investments at FVOCI	**20,410**	9,347	11,063	118%
Total	**3,356,367**	3,143,196	213,171	6.8%

Deposits from customers

As at 31 December 2023, deposits from customers of the Group were RMB5,459,993 million, an increase of RMB309,221 million or 6.0% compared to 31 December 2022. The proportion of deposits from customers to total liabilities was 54.63%, a decrease of 0.71 percentage point compared to 31 December 2022.

In RMB million	**As at 31 December 2023**	As at 31 December 2022 (Restated)	Increase/(decrease) Amount	%
Corporate deposits				
Time deposits	**1,755,882**	1,854,108	(98,226)	(5.3%)
Demand deposits	**2,149,823**	1,931,755	218,068	11%
Subtotal	**3,905,705**	3,785,863	119,842	3.2%
Personal deposits				
Time deposits	**1,125,384**	942,803	182,581	19%
Demand deposits	**340,432**	349,013	(8,581)	(2.5%)
Subtotal	**1,465,816**	1,291,816	174,000	13%
Outward remittance and remittance payables	**19,022**	14,420	4,602	32%
Accrued interest	**69,450**	58,673	10,777	18%
Total	**5,459,993**	5,150,772	309,221	6.0%

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 Company'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 Company. 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 31 December 2023, consolidated debt of CITIC Limited(1) was RMB1,448,712 million, including loans of RMB235,132 million and debt instruments issued(2) of RMB1,213,580 million. Debt of CITIC Bank(3) accounted for RMB934,994 million. CITIC Limited attaches importance to cash flow management, the head office of CITIC Limited had cash and deposits of RMB2,137 million and available committed facilities of RMB27,787 million.

   The details of debt are as follows:

As at 31 December 2023	***RMB million***
Consolidated debt of CITIC Limited	1,448,712
Among which: Debt of CITIC Bank	934,994

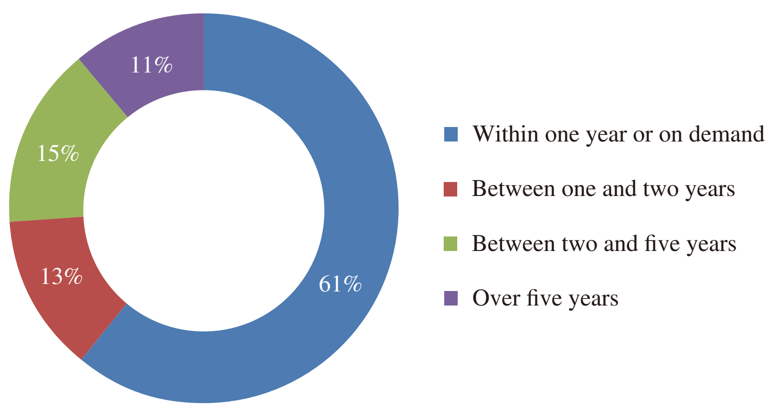
Notes:

(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;

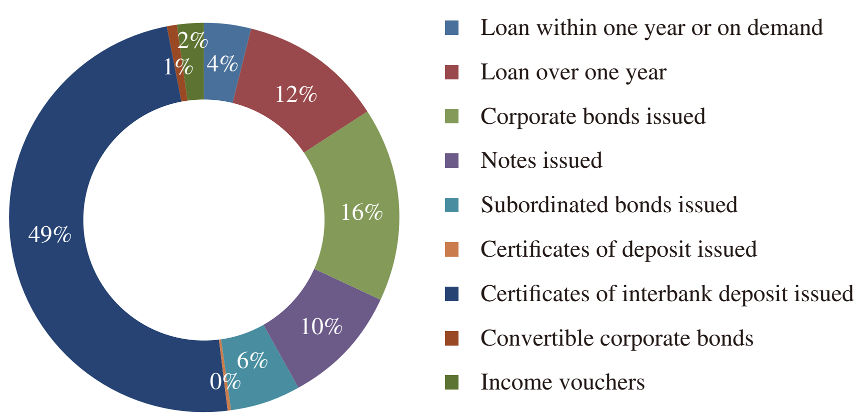
(2) Debt instruments issued include corporate bonds, notes, subordinated bonds, certificates of deposit issued, certificates of interbank deposit issued, convertible corporate bonds and income vouchers excluding interest accrued;

(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 31 December 2023



Consolidated debt by type as at 31 December 2023



The debt to equity ratio of CITIC Limited as at 31 December 2023 is as follows:

In RMB million	**Consolidated**
Debt	1,448,712
Total equity[(4)]	1,336,782
Debt to equity ratio	108%

Note:

(4) Total consolidated equity is based on the "total equity" in the Consolidated Balance Sheet.

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.

3. *Credit ratings*

	Standard & Poor's	**Moody's**
31 December 2023	BBB+/Positive	A3/Stable

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.

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.

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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

At CITIC Limited, our core values of Honesty, Innovation, Cohesion, Harmony, Dedication and Excellence guide our operations. We adhere to the philosophy of sustainable development and integrate ESG principles into our corporate strategies.We've established a professional ESG management system to ensure a more systematic approach to corporate management, supporting our sustainability goals.

ESG Management

Our ESG management system operates on three levels: the Board of Directors, the Management, and the Implementation. The Board of Directors sets the direction for our ESG efforts and oversees and evaluates the performance of the Management. The Management coordinates all ESG initiatives, guiding and supervising their implementation. Functional departments of our headquarters and subsidiaries execute specific ESG tasks. Recognizing the significant potential impact of ESG factors, we proactively analyse and identify both ESG risks and opportunities. We conduct regular research on key ESG issues and submit progress updates on our key ESG goals, to the Board of Directors for review on a regular basis.

At CITIC Limited, we prioritize effective communication with stakeholders to grasp their expectations and concerns. We've established a multi-faceted communication approach, actively engaging with stakeholders via different channels across all aspects of our daily operations. We attentively listen to their feedback and promptly address any concerns raised. Our goal is to continually enhance shareholder communication, fostering a stable and harmonious relationship with our stakeholders.

In 2023, we hosted a series of open day events, and invited investors, partners, and members of the general public to visit our various sites. This firsthand experience provided them with insight into our corporate development achievements and ESG practices. The third ESG Global Leaders Conference brought together over 150 policy experts, industry experts, and leaders of prestigious enterprises and financial institutions from more than 30 countries and regions to exchange views on issues related to sustainability.

We're consistently strengthening our compliance and internal control systems. We have established a comprehensive, enhanced oversight framework that primarily employs traditional disciplinary review and inspection measures and incorporates additional oversight approaches, such as governance supervision, function supervision, special supervision, and mass supervision. We have increased efforts to prevent violations, mitigate money laundering risks, and promote ethical behaviour. We encourage all employees to uphold high ethical standards. In 2023, we offered over 10 training sessions on topics related to professional risks, laws, and compliance through the "CITIC School" online platform. These sessions garnered over 100,000 views.

Environmental Responsibility: Our Commitment to Green and Low-Carbon Development

CITIC Limited is committed to supporting China's "dual carbon" targets. We have taken significant strides in this direction by developing a roadmap outlining our path to carbon neutrality across our five major business sectors and improving our environmental governance policies, systems and practices. We have released *CITIC White Paper for Carbon Peaking and Carbon Neutrality Actions* for two consecutive years and compiled the industry's first carbon profit and loss account. We comprehensively measure and mitigate the environmental impact of our operations and systematically improve our environmental performance.

At CITIC Limited, we're committed to green and low-carbon development. We're ramping up our focus on green technology innovation. Through initiatives like the CITIC Dual Carbon Technology Innovation Initiative, we're exploring low-carbon production and green manufacturing technologies, processes, and models. We are actively transitioning from a focus on energy consumption alone to a broader approach that considers total carbon emissions and intensity. To achieve this, we encourage our relevant subsidiaries to integrate new energy solutions and clean technology innovations into their strategies, increase our investments in clean technology R&D, and actively promote the development of high-quality, low-carbon, green products and services. We aim to minimize our environmental impact by taking a holistic approach across the entire value chain. CITIC Pacific Energy has completed 71 renewable energy projects. In 2023, its installed wind and solar energy generation capacity soared by 200% year on year, reaching 427 million kilowatt-hours. Meanwhile, CITIC Dicastal implemented a low-carbon manufacturing process for aluminium alloy parts for automobiles that considers the entire product lifecycle, resulting in the use of 11,636 tons of recycled aluminium in 2023.

We continuously refine our approach to providing long-term financial support for green economic development initiatives. We've integrated environmental and social considerations into our investment and financing processes and developed innovative green financial products and services to enhance green financial capabilities. We are actively moving towards a more environmentally-friendly financial model. CITIC Bank spearheads our green finance initiatives. It has launched the CITIC Bank Green Financial Service Program, collaborating with our other subsidiaries to offer a comprehensive suite of green financial solutions, including green credit, green bonds, green funds, green financial management products, green leasing, green consumption services, and green consulting, and build a green finance ecosystem. We've integrated environmental and social considerations into our investment and financing processes and maximize the positive impact of our investment and financing activities through an ESG-based framework and comprehensive risk management system. We actively support the development of a national market for trading carbon emissions, participate in creating and promoting carbon financial products and services, and contribute to controlling and reducing greenhouse gas emissions by leveraging market mechanisms. As of the end of 2023, CITIC Bank's green credit balance soared nearly 40% compared to the previous year. In 2023, it issued 191 structured deposit products linked to green financial bonds. CITIC Securities takes an integrated approach to carbon finance. It has spearheaded several innovative carbon finance initiatives, leading the industry by example. In 2023, it underwrote RMB71.6 billion domestic green bonds, securing the top spot within the industry.

We're committed to integrating green practices across all our business lines and operations. This includes tracking our environmental impact throughout our operations, expanding our presence in key areas like water treatment and resource utilisation, water environment management, environmental protection equipment manufacturing, and green industrial services, minimizing environmental footprint of our production, office operation, and other activities, and engaging with stakeholders, employees, and the public to raise their awareness of environmental issues.

Responsibility to Employees: Building a Better Future Together with Our Employees

At CITIC Limited, we prioritize protecting the rights of our employees. We adhere to the principles of fairness, equality, and transparency in our recruitment process and strive to build a high-quality workforce. We value our employees' input and actively respond to their needs and suggestions and protect their rights. We champion the rights and well-being of our female employees. We've implemented comprehensive measures, including special collective contracts, to safeguard the rights of our female employees. We are dedicated to creating a positive and supportive workplace culture that is respectful and inclusive.

We prioritize empowering our employees to reach their full potential in the workplace by creating and improving paths for career advancement, refining our reward and accountability systems, and strengthening our training systems. In 2023, we have formulated Education and Training Plan 2023 and Collaborative Education and Training Plan 2023, offered innovative training programs and models, and revamped our internal training system to better address the needs of employees across all levels and departments. We seek to equip our employees with the skills they need to excel in the workplace and reach their full potential. In 2023, we launched over 1,000 professional courses and 25 live training sessions, with over 150,000 employees taking advantage of these learning opportunities.

At CITIC Limited, we adhere stringently to all relevant laws and regulations regarding workplace safety and occupational health. We also go beyond compliance by proactively identifying potential occupational health hazards through comprehensive risk assessments, continually improving our workplace safety management systems and boosting their efficiency by leveraging digital tools. We encourage our subsidiaries to set annual safety targets that align with their specific operations, and strengthen their emergency response systems and safety measures. Safety is a key metric we consider when evaluating the performance of our subsidiaries. Prioritizing the health and well-being of our employees, we work hand-in-hand with our subsidiaries to create a safe and secure work environment for all.

We strive to foster a positive, supportive, and dynamic work environment through various initiatives, providing assistance to our frontline workers and employees facing difficulties, launched the "Enhancing Healthcare Access for On-the-Ground Teams" program to support employees in remote locations like Qinghai and Xizang, offered six summer vacation childcare programs for our employees, and organised basketball and badminton games, intellectual contests, and countryside walks.

Responsibility to Clients: Delivering Quality and Shared Value

At CITIC Limited, we prioritise a client-centred approach, ensuring strict adherence to all product safety laws and regulations in the countries and regions where we operate. We're dedicated to continuous improvement of our product quality management system and enhancing service efficiency. This dedication allows us to consistently deliver high-quality products and services to our clients and customers. In 2023, CITIC Limited and our subsidiaries maintained a perfect record with zero product or service recalls due to safety and health concerns.

We consistently improve our quality control system and implement a robust product quality management system that covers a product's entire lifecycle, from product quality planning to process quality planning and management to after-sales quality management. This system ensures our products consistently meet expectations. We combine products, services, and technology to improve customer experiences and service efficiency. We invest in AI-powered solutions, and provide professional support. We actively gather customer feedback through surveys and other channels. This invaluable input fuels our efforts to enhance service quality and overall excellence.

At CITIC Limited, protecting customer rights and interests is our top priority. We are dedicated to maintaining the utmost privacy and data security for all our clients. We continuously improve our client and consumer complaint handling mechanism and integrate consumer rights protection into product and service innovation to ensure our clients' interests are always prioritised. In the financial sector, we place utmost importance on rigorous reviews of financial products and services to minimize risks and adhere to standardised marketing practices to prevent any infringement on consumer rights. We offer flexible loan modification options and conduct training programs for personnel managing outstanding loans to prevent aggressive debt collection practices. We have launched various financial education programs to enhance financial literacy and risk management skills of our consumers and investors. In 2023, CITIC Bank conducted 20,060 consumer rights protection reviews, representing an 84.83% increase from the previous year, and 6,224 review opinions were submitted, all of which were adopted.

We closely monitor the evolving needs of society, particularly in areas affecting the wellbeing of our communities, including education, elderly care, and healthcare. In the field of education, CITIC Press has increased its focus and investments in popular science, children's publishing, and inspirational literature. It seeks to ensure a steady stream of high-quality books to support children's education and development. CITIC Limited is also committed to supporting the aging population. As at 31 December 2023, CITIC Bank opened 927,100 personal pension fund accounts, and the number of pension account users at the bank reached 3.10 million.

Responsibility to the Industries We Operate in: Fuelling Innovation and Industry Growth

At CITIC Limited, we're committed to innovation-driven development. Our commitment is reflected in the establishment of the Scientific and Technological Innovation Committee and the CITIC Science and Technology Association. We align our R&D investments with CITIC's overall science and technology development plan and increase investments in cutting-edge, proprietary, and strategically important technologies. We continuously strengthen IP protection for new technologies, industries, models, and solutions. We believe in the power of collaboration. By deepening mutually beneficial partnerships, we work together with our partners to drive industry growth. As of the end of 2023, CITIC Limited and our subsidiaries collectively held 11,132 valid intellectual property rights. In 2023, we added 2,065 intellectual property rights, including 1,490 patents and 586 invention patents.

We actively participate in the development of international standards and the establishment of international standardisation organisations, and leverage high-quality standards to facilitate the advancement of high-tech innovations, drive industry upgrading, and foster a dynamic relationship between standardisation and technological progress. As at 31 December 2023, CITIC Limited had participated in the development of 584 standards. In 2023 alone, we contributed to the formulation of 56 standards, including leading the formulation of 15 national and industry standards and participating in the development of two international standard and 39 other standards.

Responsibility to Communities: Building a Culture of Giving

At CITIC Limited, we are deeply committed to understanding and addressing social needs. This commitment manifests in our support for rural revitalisation efforts and a diverse range of social welfare projects. We encourage employee participation in volunteer activities. Through these efforts, we actively contribute to the overall welfare and common prosperity of our society, ensuring that the benefits of our development are shared for the greater good.

We‘re driving a comprehensive revitalisation of rural communities by addressing their specific needs through industrial, talent development, environmental, and cultural initiatives. In 2023, we made substantial contributions to rural development in Qianjiang District of Chongqing, Yuanyang County, Pingbian County in Yunnan, and other regions. This included RMB71.74 million in donations and RMB840 million in loans. Additionally, we facilitated RMB21.22 million in donations and RMB310 million in loans, launched 52 aid projects, and provided training to 5,686 individuals, including rural doctors, workers in e-commerce, and leaders in rural revitalisation. We also leveraged e-commerce and live streaming platforms to expand sales channels for rural agricultural products. In 2023, we facilitated the sale of RMB170 million worth of agricultural products.

CITIC Limited is committed to making a positive impact on society through a wide range of initiatives, including those focused on empowering children, supporting disadvantaged groups, building thriving communities, and protecting the environment. In 2023, we continued to implement the “One Piece of Paper, One Act of Love” program and gathered over 2,000 kilograms of used clothing, newspapers, and periodicals. The proceeds from selling these items, along with our cash donations, were directed towards providing medical care for children with congenital heart disease from disadvantaged ethnic minority families in Xinjiang and Xizang. By the end of 2023, CITIC Press had constructed Dream Bookstores in 30 primary schools, middle schools, and kindergartens. In 2023, the Dream Bookstores Program donated over 12,000 books and more than 100 bookshelves to these schools.

At CITIC Limited, we’re passionate about fostering a culture of volunteerism among our employees. We have established a network of over 30 youth volunteer groups, made up by more than 12,500 young volunteers across the entire CITIC system. Our community engagement initiatives mainly focus on important areas like community services, environmental protection, educational support, elderly care, and financial literacy.

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.

CITIC Limited has applied the principles and complied throughout the year ended 31 December 2023 with all applicable code provisions of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, with the exception of code provisions C.2.1 (separate roles of the chairman and the president) and C.2.7 (meeting of the chairman with the independent non-executive directors without the presence of other directors).

Mr. Zhu Hexin served as the chairman of the board until his resignation on 13 December 2023. After Mr. Zhu's resignation, Mr. Xi Guohua, the vice chairman and president, assumed the roles and duties of the chairman to ensure that the board works effectively and CITIC Limited runs smoothly as well as the responsibilities of the president for the day-to-day management of CITIC Limited and the effective implementation of corporate strategy and policies. Mr. Xi was appointed as the chairman of the board with effect from 29 January 2024 and concurrently ceased to be the vice chairman and president. In the interim, Mr. Xi continued to take on the daily operation and management of CITIC Limited until the new president is appointed. The above arrangement was capable of facilitating CITIC Limited to make and implement decisions promptly and allowing CITIC Limited to achieve its objectives efficiently and effectively in response to the changing environment. On 28 March 2024, Mr. Zhang Wenwu has been appointed as vice chairman and president of CITIC Limited.

As a usual practice, the meeting between the chairman and independent non-executive directors without the presence of other directors is scheduled to be held before the end of each year. On 13 December 2023, Mr. Zhu Hexin resigned as the chairman of CITIC Limited and the originally planned meeting with the independent non-executive directors could not be held during the year under review. However, CITIC Limited is of the view that as the independent non-executive directors had the opportunity to communicate and share their views in every board meeting during the year under review, there were sufficient channels and communication between the chairman and the independent non-executive directors for discussion on any matters relating to CITIC Limited. The new Chairman Mr. Xi Guohua will meet with the independent non-executive directors without the presence of other directors in the upcoming months.

AUDIT AND RISK MANAGEMENT COMMITTEE

The audit and risk management committee of the board reviewed the 2023 consolidated financial statements and the annual results for the year ended 31 December 2023 in conjunction with the management and CITIC Limited's external auditor and recommended its adoption by the board. The committee consists of five non-executive directors of whom three are independent.

DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The board of directors of CITIC Limited has resolved to recommend to shareholders the payment of a final dividend ("2023 Final Dividend") of RMB0.335 per share (2022: HK$0.451 per share equivalent to RMB0.4120958 per share), which together with the interim dividend of RMB0.18 per share (equivalent to HK$0.1964844 per share) (2022: HK$0.20 per share equivalent to RMB0.1746636 per share) already paid makes a total dividend of RMB0.515 per share (2022: HK$0.651 per share equivalent to RMB0.5867594 per share) for the year ended 31 December 2023. The total dividend of RMB0.515 per share will amount to RMB14,981 million of CITIC Limited's profit for the year ended 31 December 2023 (2022: HK$18,938 million equivalent to RMB17,070 million).

The proposed 2023 Final Dividend of RMB0.335 per share, the payment of which is subject to approval of the shareholders at the annual general meeting of CITIC Limited to be held on Tuesday, 18 June 2024 ("2024 AGM"), is to be payable on Friday, 16 August 2024 to shareholders whose names appear on the Register of Members of CITIC Limited at the close of business on Wednesday, 26 June 2024.

The proposed 2023 Final Dividend will be payable in cash to each shareholder in HK Dollars ("HK$") (at the average benchmark exchange rate of RMB to HK$ as published by the People's Bank of China during the five business days ending on 18 June 2024 (inclusive), being the date of the 2024 AGM) 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 2023 Final Dividend in RMB, such dividend will be paid at RMB0.335 per share. A dividend currency election form will be despatched to shareholders in early July 2024 as soon as practicable after the record date of 26 June 2024 to determine shareholders' entitlement to the proposed 2023 Final Dividend, and shareholders should 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 Thursday, 18 July 2024.

The Register of Members of CITIC Limited will be closed during the following periods:

(i) from Thursday, 13 June 2024 to Tuesday, 18 June 2024, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2024 AGM. In order to be eligible to attend and vote at the 2024 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with 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 Wednesday, 12 June 2024; and

(ii) from Monday, 24 June 2024 to Wednesday, 26 June 2024, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to the proposed 2023 Final Dividend. In order to establish entitlements to the proposed 2023 Final Dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with 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, 21 June 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 17 January 2023, CITIC Limited fully redeemed the USD1,400 million 6.8% notes under the Medium Term Note Programme upon maturity. These notes were issued in three tranches, namely, (i) USD750 million issued on 17 October 2012, (ii) USD250 million issued on 11 December 2012 and (iii) USD400 million issued on 18 July 2014. The notes issued as mentioned above were listed on The Stock Exchange of Hong Kong Limited.

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 year ended 31 December 2023.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent CITIC Limited's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Forward looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ, in some cases materially, from those implied or anticipated in any forward looking statement or assessment of risk.

ANNUAL REPORT AND FURTHER INFORMATION

A copy of the announcement is posted on CITIC Limited's website (www.citic.com) and Hong Kong Exchanges and Clearing Limited's website (www.hkexnews.hk). The full Annual Report will be made available on the respective websites of CITIC Limited and Hong Kong Exchanges and Clearing Limited around 22 April 2024.

By Order of the Board
CITIC Limited
Xi Guohua
Chairman

Hong Kong, 28 March 2024

As at the date of this announcement, the executive directors of CITIC Limited are Mr. Xi Guohua (Chairman), Mr. Zhang Wenwu, Mr. Liu Zhengjun and Mr. Wang Guoquan; the non-executive directors of CITIC Limited are Ms. Yu Yang, Mr. Zhang Lin, Ms. Li Yi, Mr. Yue Xuekun, Mr. Yang Xiaoping, Mr. Mu Guoxin and Mr. Li Zimin; and the independent non-executive directors of CITIC Limited are Mr. Francis Siu Wai Keung, Dr. Xu Jinwu, Mr. Anthony Francis Neoh, Mr. Gregory Lynn Curl and Mr. Toshikazu Tagawa.