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CITIC Limited
中國中信股份有限公司

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

DISCLOSABLE TRANSACTION
PROPOSED CONVERSION OF A SHARE CONVERTIBLE BONDS OF CITIC BANK

PROPOSED CONVERSION OF A SHARE CBS

The Board is pleased to announce that CITIC Financial Holdings (a wholly-owned subsidiary of the Company) intends to exercise conversion rights to convert all the A Share CBs of CITIC Bank held by it with an aggregate nominal value of RMB26.388 billion into A shares of CITIC Bank at the Conversion Price (the “**Proposed Conversion**”). As at the date of this announcement, CITIC Financial Holdings has not exercised any conversion rights in connection with the Proposed Conversion, and the Company will make further announcement on the progress of the Proposed Conversion in due course.

LISTING RULES IMPLICATIONS

The Company’s indirect equity interest in CITIC Bank would increase as a result of the Proposed Conversion, and such increase in equity interest would constitute a transaction regarding acquisition of equity interest of CITIC Bank by the Company under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio in respect of the Proposed Conversion would be more than 5% but less than 25%, the Proposed Conversion would constitute a discloseable transaction for the Company and be subject to the notification and announcement requirements under the Listing Rules.

PROPOSED CONVERSION OF A SHARE CBS

We refer to the announcement of the Company dated 28 February 2019 in relation to the proposed subscription of A Share CBs issued by CITIC Bank. In March 2019, CITIC Corporation Limited for itself and on behalf of the other members of the Group who are direct shareholders of CITIC Bank

subscribed for A Share CBs issued by CITIC Bank with an aggregate nominal value of RMB26.388 billion based on a nominal value of RMB100 each. In July 2022, CITIC Corporation Limited transferred all the aforementioned A Share CBs to CITIC Financial Holdings.

The Board is pleased to announce that CITIC Financial Holdings intends to exercise conversion rights to convert all the A Share CBs of CITIC Bank held by it with an aggregate nominal value of RMB26.388 billion into A shares of CITIC Bank at the Conversion Price, provided that the price of the A shares of CITIC Bank shall not be lower than the Conversion Price at the time of the conversion.

The prevailing Conversion Price is RMB6.10 per share, which has been determined based on the initial Conversion Price of RMB7.45 per share and upon multiple ex-rights and ex-dividends adjustments during the duration of the A Share CBs in accordance with the formula, terms and conditions of the A Share CBs. The Conversion Price may be further adjusted according to the formula, terms and conditions of the A Share CBs upon ex-rights and ex-dividends of CITIC Bank. The final Conversion Price will be the then prevailing Conversion Price as announced by CITIC Bank.

As at the date of this announcement, CITIC Financial Holdings has not exercised any conversion rights in connection with the Proposed Conversion, and the Company will make further announcement on the progress of the Proposed Conversion in due course.

According to regulations on the supervision and administration of the banking industry, upon completion of the Proposed Conversion, CITIC Financial Holdings shall not transfer the newly converted A Shares within five years from the date of conversion, except for the circumstances in which the transfer of such A Shares is conducted between CITIC Financial Holdings and entities under the control of CITIC Group Corporation or otherwise permitted by laws and regulations.

CHANGES IN THE COMPANY'S SHAREHOLDING IN CITIC BANK BEFORE AND AFTER THE PROPOSED CONVERSION

The following analysis is for illustrative purposes only. The total number of shares of CITIC Bank to be held by the Group immediately after the completion of the Proposed Conversion will be ultimately determined based on the Conversion Price at the time of conversion.

As at the date of this announcement, the Group holds a total of 32,284,227,773 ordinary shares of CITIC Bank, representing approximately 65.93% of the total issued ordinary shares of CITIC Bank. Based on the prevailing Conversion Price of RMB6.10 per share, assuming the Proposed Conversion as to have been completed as at the date of this announcement, the A Share CBs held by CITIC Financial Holdings would be converted into 4,325,901,639 A shares of CITIC Bank; and immediately following completion of the Proposed Conversion, the Group would hold a total of 36,610,129,412 ordinary shares of CITIC Bank, representing approximately 68.70% of the total issued ordinary shares of CITIC Bank as enlarged by the Proposed Conversion (assuming there is no other change to the issued share capital of CITIC Bank). If there is any further conversion of A Share CBs by holders of A Share CBs other than CITIC Financial Holdings, the Group's final shareholding percentage in CITIC Bank may be less than 68.70%.

REASONS FOR AND BENEFITS OF THE PROPOSED CONVERSION

The Proposed Conversion would further fulfil the relevant requirements of the NFRA and other regulatory agencies relating to CITIC Bank's capital adequacy ratio, help CITIC Bank to replenish its core tier-one capital, improve its capital strength and risk resistance, and enable the Company to better share CITIC Bank's operating results.

The Directors are of the view that the terms and conditions of the Proposed Conversion are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

The Company's indirect equity interest in CITIC Bank would increase as a result of the Proposed Conversion, and such increase in equity interest would constitute a transaction regarding acquisition of equity interest of CITIC Bank by the Company under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio in respect of the Proposed Conversion would be more than 5% but less than 25%, the Proposed Conversion would constitute a discloseable transaction for the Company and be subject to the notification and announcement requirements under the Listing Rules.

GENERAL INFORMATION

CITIC Limited

CITIC Limited (SEHK: 00267) is one of China's largest conglomerates and a constituent of the Hang Seng Index. Tracing our roots to the beginning of China's opening and reform, CITIC has grown in step with the country's rise and modernisation. We have built a remarkable portfolio of businesses in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation. Our platform is unique in its diversity and scale, allowing CITIC to capture emerging opportunities in China and around the world. Guiding us as we grow is our fundamental commitment to create long-term value for all of its shareholders.

CITIC Financial Holdings

CITIC Financial Holdings, a company incorporated in China with limited liability and a wholly-owned subsidiary of CITIC Corporation Limited, holds a financial holding company license and is principally engaged in the integrated financial services segment.

CITIC Bank

CITIC Bank (Shanghai Stock Exchange stock code: 601998; Stock Exchange stock code: 00998), formerly known as CITIC Industrial Bank (中信實業銀行), was incorporated in 1987. As at the date of this announcement, CITIC Bank is a non-wholly-owned subsidiary of the Company. CITIC Bank's principal businesses include corporate finance, retail finance, financial markets and other businesses. The table below sets out the audited consolidated financial results of CITIC Bank for the years ended 31 December 2022 and 2023 under the International Financial Reporting Standards.

	As at 31 December 2023 (RMB billion)	As at 31 December 2022 (RMB billion)
Net profit before taxation	74.887	73.416
Net profit after taxation	68.062	62.950

As disclosed in the annual results announcement for the year ended 31 December 2023 of CITIC Bank, the audited net assets of CITIC Bank were RMB734.675 billion as at 31 December 2023.

Shareholders should note that the Proposed Conversion is subject to the satisfaction of certain conditions. Accordingly, the Proposed Conversion may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“A Share(s)”	ordinary share(s) of CITIC Bank, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB
“A Share CB(s)”	convertible corporate bond(s) issued by CITIC Bank which are convertible into new A Shares. Such convertible corporate bond(s) were listed for trading on the Shanghai Stock Exchange on 19 March 2019, referred to as “CITIC Convertible Bonds” with the code of 113021
“Board”	the board of directors of CITIC Limited
“Company”	CITIC Limited (中國中信股份有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 00267)
“CITIC Bank”	China CITIC Bank Corporation Limited (中信銀行股份有限公司), a joint stock limited company incorporated in China and a non-wholly-owned subsidiary of the Company
“CITIC Corporation Limited”	CITIC Corporation Limited (中國中信有限公司), a limited liability company incorporated in China and a wholly-owned subsidiary of the Company
“CITIC Financial Holdings”	CITIC Financial Holdings Co., Ltd. (中國中信金融控股有限公司), a company incorporated in China with limited liability, is a wholly-owned subsidiary of CITIC Corporation Limited and holds a financial holding company license
“Conversion Price”	the conversion price of A Share CBs, subject to adjustment in accordance with the formula set out in the terms of the A Share CBs from time to time
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NFRA”	National Financial Regulatory Administration
“Proposed Conversion”	the proposed conversion of all the A Share CBs held by CITIC Financial Holdings with an aggregate nominal value of RMB26.388 billion into A shares of CITIC Bank at the Conversion Price, provided

that the market price of the A shares of CITIC Bank shall not be lower than the Conversion Price at the time of the conversion

“RMB”

Renminbi, the lawful currency of China

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

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 the Company are Mr. Xi Guohua (Chairman), Mr. Zhang Wenwu, Mr. Liu Zhengjun and Mr. Wang Guoquan; the non-executive directors of the Company 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 the Company are Mr. Francis Siu Wai Keung, Dr. Xu Jinwu, Mr. Anthony Francis Neoh, Mr. Gregory Lynn Curl and Mr. Toshikazu Tagawa.