Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

CITIC Limited
中國中信股份有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00267)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear shareholders,

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

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

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

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

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

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

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

The new consumption segment actively responded to consumer market headwinds with a focus on agility and transformation. CITIC Press's focus on smart publishing and leveled readers for children helped maintain its leading position in the retail publishing market. CITIC Telecom International continued to expand 5G applications to support smart city development. The number of CITIC Telecom's 5G users doubled year on year, and the penetration rate neared 90%, demonstrating its business resilience and growth potential. CITIC actively supported Yuan Longping High-Tech Agriculture in implementing China's seed industry revitalisation action plan as part of our long-term investment and commitment to build Longping High-Tech into a world-class seed industry group.

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

Managing corporate development and security for high-quality growth

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

Unleashing efficiency through technological innovation. We launched the AI+ action plan to foster a "1+N" large language model by coordinating the implementation of a foundation model designed at the group-level, while empowering subsidiaries to capitalise on their market leadership and key roles in the value chain to develop industry-specific models. We are also advancing the development of innovative platforms, such as the State Key Laboratory of Intelligent Mining Heavy Equipment, the State Key Laboratory for digital steel and the key generic technology laboratory for the seed industry. Building on the success of our "Factory Lighthouses" for aluminium wheels and special steel manufacturing, we are now focusing our efforts to achieve another "Lighthouse" designation at CITIC Dicastal's factory in Morocco.

CITIC Dicastal and CITIC Heavy Industries jointly launched an integrated die-casting project and published a solution to advance global automotive production processes. Two scientific and technological achievements involving Nanjing Iron & Steel received the National Science and Technology Progress Award (Second Class).

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

Driving continuous improvements in ESG performance. The Board of Directors' Strategic Committee has been renamed the Strategic and Sustainable Development Committee with a corresponding working structure established to further strengthen our top-level ESG management. We are exploring the development of an integrated green financial service system encompassing five key components of green financial services, including green financing, green investment, green consulting, green living and carbon management. We continued to lead the market in both the scale and number of issues of underwritten green bonds while the balance of green corporate loans reached RMB529.1 billion. CITIC has also allocated more resources and introduced innovative assistance models, channelling over RMB900 million into various types of funding for the counties and districts we assist.

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

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

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

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

Xi Guohua
Chairman
30 August 2024

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	Unaudited Six months ended 30 June **2024** ***RMB million***	 2023 *RMB million*
Interest income		**167,337**	169,660
Interest expenses		**(93,201)**	(93,943)
Net interest income	*4(a)*	**74,136**	75,717
Fee and commission income		**35,097**	39,524
Fee and commission expenses		**(6,066)**	(5,025)
Net fee and commission income	*4(b)*	**29,031**	34,499
Sales of goods and services	*4(c)*	**241,035**	197,166
Other revenue	*4(d)*	**33,445**	26,604
		274,480	223,770
Total revenue		**377,647**	333,986
Cost of sales and services		**(219,113)**	(176,981)
Other net income		**5,254**	2,507
Expected credit losses		**(33,373)**	(33,213)
Impairment losses		**(301)**	(1,304)
Other operating expenses		**(57,063)**	(55,337)
Net valuation income/(loss) on investment properties		**6**	(84)
Share of profits of associates, net of tax		**2,606**	2,912
Share of profits of joint ventures, net of tax		**1,674**	1,732
Profit before net finance charges and taxation		**77,337**	74,218
Finance income		**1,312**	739
Finance costs		**(6,902)**	(5,694)
Net finance charges	*5*	**(5,590)**	(4,955)
Profit before taxation	*6*	**71,747**	69,263
Income tax	*7*	**(14,998)**	(11,792)
Profit for the period		**56,749**	57,471

CONSOLIDATED INCOME STATEMENT (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	Unaudited Six months ended 30 June **2024** ***RMB million***	2023 *RMB million*
Profit for the period		**56,749**	57,471
Attributable to:			
– Ordinary shareholders of the Company		**32,113**	32,092
– Non-controlling interests		**24,636**	25,379
Profit for the period		**56,749**	57,471
Earnings per share for profit attributable to ordinary shareholders of the Company during the period:	*9*		
Basic earnings per share (RMB)		**1.10**	1.10
Diluted earnings per share (RMB)		**1.09**	1.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2024

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	**30 June 2024** *RMB million* **(Unaudited)**	31 December 2023 *RMB million*
Assets			
Cash and deposits		**583,489**	625,135
Cash held on behalf of customers		**235,875**	239,019
Placements with banks and non-bank financial institutions		**298,629**	237,742
Derivative financial instruments		**98,948**	77,562
Trade and other receivables		**293,070**	254,452
Contract assets		**25,108**	24,312
Inventories		**128,350**	135,142
Financial assets held under resale agreements		**125,450**	164,983
Loans and advances to customers and other parties	*10*	**5,474,256**	5,380,140
Margin accounts		**113,359**	118,746
Investments in financial assets	*11*	**3,333,592**	3,356,367
– Financial assets at amortised cost		**991,934**	1,076,039
– Financial assets at fair value through profit or loss		**1,329,560**	1,292,115
– Debt investments at fair value through other comprehensive income		**934,990**	967,803
– Equity investments at fair value through other comprehensive income		**77,108**	20,410
Refundable deposits		**62,099**	62,182
Interests in associates		**110,560**	109,791
Interests in joint ventures		**56,006**	56,787
Fixed assets		**210,710**	210,719
Investment properties		**38,182**	38,153
Right-of-use assets		**50,292**	51,424
Intangible assets		**22,456**	22,537
Goodwill		**26,174**	26,076
Deferred tax assets		**79,491**	83,327
Other assets		**63,168**	56,324
Total assets		**11,429,264**	11,330,920

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2024

	Note	**30 June 2024** *RMB million* **(Unaudited)**	31 December 2023 *RMB million*
Liabilities			
Borrowing from central banks		**275,603**	273,226
Deposits from banks and non-bank financial institutions		**811,766**	893,565
Placements from banks and non-bank financial institutions		**126,087**	150,493
Financial liabilities at fair value through profit or loss		**106,796**	88,552
Customer brokerage deposits		**288,072**	282,534
Funds payable to securities issuers		**2**	35
Derivative financial instruments		**94,495**	73,755
Trade and other payables		**412,702**	391,948
Contract liabilities		**25,681**	31,482
Financial assets sold under repurchase agreements		**481,719**	744,571
Deposits from customers	*12*	**5,577,672**	5,459,993
Employee benefits payables		**52,005**	56,933
Income tax payable		**8,296**	9,234
Bank and other loans	*13*	**254,893**	235,770
Debt instruments issued	*14*	**1,431,737**	1,221,107
Lease liabilities		**19,370**	20,348
Provisions		**16,479**	16,130
Deferred tax liabilities		**17,188**	16,747
Other liabilities		**23,624**	27,715
Total liabilities		**10,024,187**	9,994,138
Equity			
Share capital		**307,576**	307,576
Reserves		**425,906**	395,602
Total ordinary shareholders' funds		**733,482**	703,178
Non-controlling interests		**671,595**	633,604
Total equity		**1,405,077**	1,336,782
Total liabilities and equity		**11,429,264**	11,330,920

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT

1 GENERAL INFORMATION

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

The parent and the ultimate holding company of the Company is CITIC Group Corporation.

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

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

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

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

2 BASIS OF PREPARATION

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

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

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

[1] Adoption of these amendments does not have a significant impact on the Accounts.

2 BASIS OF PREPARATION (CONTINUED)

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

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

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

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

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

3 SEGMENT REPORTING

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

– Comprehensive financial services: this segment includes banking, securities, trust, insurance and asset management services;

– Advanced intelligent manufacturing: this segment includes manufacturing of heavy machineries, specialised robotics, aluminum wheels, aluminum casting parts and other products;

– Advanced materials: this segment includes exploration, processing and trading of resources and energy products, including iron ore, copper and crude oil, as well as manufacturing of special steels;

– New consumption: this segment includes motor, food and consumer products business, telecommunication services, publication services, modern agriculture and others;

– New-type urbanisation: this segment includes development, sale and holding of properties, contracting and design services, infrastructure services, environmental services, commercial aviation and others.

3 SEGMENT REPORTING (CONTINUED)

(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 six months ended 30 June is set out below:

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

	As at 30 June 2024							
	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	10,708,104	60,592	362,583	55,796	337,469	50,702	(145,982)	11,429,264
Including:								
Interests in associates	25,867	1,109	24,090	9,364	49,193	937	–	110,560
Interests in joint ventures	11,363	496	8,328	1,826	32,623	1,370	–	56,006
Reportable segment liabilities	9,526,866	39,527	185,539	26,385	138,453	236,763	(129,346)	10,024,187
Including:								
Bank and other loans *(Note 13) (note)*	9,406	9,041	94,448	8,150	56,651	132,588	(56,135)	254,149
Debt instruments issued *(Note 14) (note)*	1,346,476	–	4,990	3,205	1,000	71,398	(2,354)	1,424,715

3 SEGMENT REPORTING (CONTINUED)

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

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

	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.

3 SEGMENT REPORTING (CONTINUED)

(b) Geographical information

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

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

4 REVENUE

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

For comprehensive financial services segment, revenue mainly comprises net interest income, net fee and commission income, net trading gain and net gain on financial investments (Notes 4(a), 4(b) and 4(d)). For non-comprehensive financial services segment, revenue mainly comprises income from 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.

4 REVENUE (CONTINUED)

(a) Net interest income

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

Note:

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

4 REVENUE (CONTINUED)

(b) Net fee and commission income

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

(c) Sales of goods and services

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

4 REVENUE (CONTINUED)

(d) Other revenue

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

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

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

5 NET FINANCE CHARGES

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

6 PROFIT BEFORE TAXATION

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

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

Note:

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

7 INCOME TAX EXPENSE

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

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

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

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

8 DIVIDENDS

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

9 EARNINGS PER SHARE

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

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

In 2019, China CITIC Bank Corporation Limited ("CITIC Bank"), a subsidiary of the Group, issued convertible bonds. 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 Bank and CITIC Special Steel has a dilutive effect on profit attributable to ordinary shareholders of the Company, the calculation results of which are listed as below:

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

10 LOANS AND ADVANCES TO CUSTOMERS AND OTHER PARTIES

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

11 INVESTMENTS IN FINANCIAL ASSETS

	30 June 2024 *RMB million*	31 December 2023 *RMB million*
Financial assets at amortised cost		
Debt securities	**800,515**	869,969
Investment management products	**22,046**	22,908
Trust investment plans	**180,200**	194,110
Certificates of deposit and certificates of interbank deposit	**–**	1,064
Investments in creditor's rights on assets	**1,900**	1,900
Others	**2,097**	2,087
	1,006,758	1,092,038
Accrued interest	**13,148**	12,623
	1,019,906	1,104,661
Less: allowance for impairment losses on financial assets at amortised cost	**(27,972)**	(28,622)
	991,934	1,076,039
Financial assets at FVPL		
Debt securities	**374,899**	312,247
Investment management products	**7,889**	12,706
Trust investment plans	**8,992**	11,432
Certificates of deposit and certificates of interbank deposit	**66,158**	99,972
Wealth management products	**7,645**	6,161
Investment funds	**591,563**	553,540
Equity investment	**234,025**	258,178
Others	**38,389**	37,879
	1,329,560	1,292,115
Debt investments at FVOCI		
Debt securities	**906,623**	934,693
Certificates of deposit and certificates of interbank deposit	**20,568**	25,872
	927,191	960,565
Accrued interest	**7,799**	7,238
	934,990	967,803
Equity investments at FVOCI	**77,108**	20,410
	3,333,592	3,356,367
Allowance for impairment losses on debt investments at FVOCI	**(3,235)**	(3,284)

12 DEPOSITS FROM CUSTOMERS

(a) Types of deposits from customers

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

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

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

13 BANK AND OTHER LOANS

(a) Types of loans

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

13 BANK AND OTHER LOANS (CONTINUED)

(b) Maturity of loans

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

14 DEBT INSTRUMENTS ISSUED

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

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

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

FCD Indemnity Disputes

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

(i) Queensland Nickel FCD Indemnity Claim

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

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

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

FCD Indemnity Disputes (continued)

(i) Queensland Nickel FCD Indemnity Claim (continued)

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

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

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

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

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

- an application by the CITIC Parties that Mineralogy and Mr. Palmer be ordered to make discovery of new categories of documents; and

- amended applications filed by Mineralogy and Mr. Palmer on 17 June 2024:

  - to be relieved of certain discovery obligations regarding their financial capacity;

  - to strike out certain paragraphs of the CITIC Parties' amended substituted defence; and

  - to obtain discovery from the CITIC Parties of documents relating to the Fulcrum Allegations.

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

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Mineralogy Pty Ltd. (“Mineralogy”) disputes (continued)

FCD Indemnity Disputes (continued)

(i) Queensland Nickel FCD Indemnity Claim (continued)

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

– be heard after the final determination, including any appeals, of Proceeding CIV 2425/2023 as described below;

– alternatively, be heard concurrently with Proceeding CIV 2425/2023; or

– alternatively, be heard concurrently with Proceeding CIV 2425/2023 and Proceeding CIV 2336/2023 as described below.

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

No trial date has been set for this proceeding.

(ii) Palmer Petroleum FCD Indemnity Claim

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

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

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

FCD Indemnity Disputes (continued)

(ii) Palmer Petroleum FCD Indemnity Claim (continued)

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. Alternatively, Mineralogy claims that it lost the opportunity to sell the petroleum prospecting licences between early 2016 and mid-2017.

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

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

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

– an application by the CITIC Parties that Mineralogy be ordered to make discovery of new categories of documents; and

– amended applications filed by Mineralogy on 17 June 2024:

  - to be relieved of certain discovery obligations regarding its financial capacity;
  - to strike out certain paragraphs of the CITIC Parties' amended substituted defence; and
  - to obtain discovery from the CITIC Parties of documents relating to the Fulcrum Allegations.

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

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

FCD Indemnity Disputes (continued)

(ii) Palmer Petroleum FCD Indemnity Claim (continued)

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

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

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

No trial date has been set for this proceeding.

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.

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Mine Continuation Proposals Disputes (continued)

(i) 2017 Mine Continuation Proposals Proceedings (continued)

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; and

– Mineralogy is not required to take steps to re-purpose the general purpose leases, for reasons including because Mineralogy had not granted the CITIC Parties tenure over all of those general purpose leases.

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Mine Continuation Proposals Disputes (continued)

(i) 2017 Mine Continuation Proposals Proceedings (continued)

On 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 Sino Iron Project, including because Mineralogy has been paid for those areas;
- Mineralogy's failure to submit the 2017 mine continuation proposals was a breach of its obligations under the State Agreement and certain project agreements;
- his Honour applied the wrong contractual standard when evaluating the CITIC Parties' tenure request, as the standard was whether the tenure was 'reasonably required', and not a higher standard;
- the 2017 mine continuation proposals and the CITIC Parties' tenure request were divisible, and not holistic global packages, and their licence request was accompanied by the required level of detail;
- Mineralogy had sufficient technical information and time to consider the CITIC Parties' tenure request, and Mineralogy's refusal to agree to the tenure request constituted a breach of the State Agreement and certain project agreements; and
- injunctive relief compelling Mineralogy to conditionally surrender and apply for the re-grant of certain general purpose leases should have been ordered.

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Mine Continuation Proposals Disputes (continued)

(ii) 2017 Mine Continuation Proposals Appeals (continued)

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

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

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

(iii) 2023 Mine Continuation Proposals Proceedings

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

In this proceeding, the CITIC Parties seek relief including:

– declarations that Mineralogy's failure and refusal to consider, approve and submit the 2023 mine continuation proposals is in breach of the State Agreement and certain project agreements;

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

– damages for breach of contract.

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Mine Continuation Proposals Disputes (continued)

(iii) 2023 Mine Continuation Proposals Proceedings (continued)

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

- the conduct of the CITIC Parties as alleged by Mineralogy in Proceeding CIV 2072/2017 (i.e. the Fulcrum Allegations as described above) constituted acts or the contemplation of acts that adversely affected the interests of Mineralogy in the project area and represented a failure to act in good faith towards Mineralogy in relation to the performance of the MRSLAs;

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

- the CITIC Parties have allegedly failed to permit Mineralogy to observe all measurement, sampling and assaying procedures under the MRSLAs.

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

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

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

- dismissing Mineralogy's stay application;

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

- dismissing the CITIC Parties' strike out application.

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

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Mine Continuation Proposals Disputes (continued)

(iii) 2023 Mine Continuation Proposals Proceedings (continued)

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

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

– alternatively, be heard concurrently with Proceeding CIV 2425/2023 and the FCD Indemnity Disputes.

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

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

No trial date has been set for this proceeding.

Fulcrum Conspiracy Claim

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

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).

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

Fulcrum Conspiracy Claim (continued)

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

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

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

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

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

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

No trial date has been set for this proceeding.

15 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

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

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

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

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

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

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

FINANCIAL REVIEW AND ANALYSIS

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

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

Major indicators by business

Revenue from external customers

RMB million	Six months ended 30 June **2024**	 2023	Increase/(decrease) Amount	 %
Comprehensive financial services	**139,763**	138,277	1,486	1.1%
Advanced intelligent manufacturing	**25,461**	24,145	1,316	5.5%
Advanced materials	**166,810**	130,603	36,207	28%
New consumption	**24,221**	24,870	(649)	(2.6%)
New-type urbanisation	**21,361**	16,077	5,284	33%

Profit

RMB million	Six months ended 30 June 2024	2023	Increase/(decrease) Amount	%
Comprehensive financial services	**49,980**	51,228	(1,248)	(2.4%)
Advanced intelligent manufacturing	**969**	903	66	7.3%
Advanced materials	**8,378**	6,595	1,783	27%
New consumption	**260**	828	(568)	(69%)
New-type urbanisation	**3,015**	3,094	(79)	(2.6%)

Profit attributable to ordinary shareholders

RMB million	Six months ended 30 June 2024	2023	Increase/(decrease) Amount	%
Comprehensive financial services	**27,895**	27,529	366	1.3%
Advanced intelligent manufacturing	**459**	426	33	7.7%
Advanced materials	**6,653**	5,789	864	15%
New consumption	**32**	481	(449)	(93%)
New-type urbanisation	**2,922**	3,042	(120)	(3.9%)

Assets

RMB million	As at 30 June 2024	As at 31 December 2023	Increase/(decrease) Amount	%
Comprehensive financial services	**10,708,104**	10,609,132	98,972	0.9%
Advanced intelligent manufacturing	**60,592**	60,415	177	0.3%
Advanced materials	**362,583**	363,781	(1,198)	(0.3%)
New consumption	**55,796**	55,704	92	0.2%
New-type urbanisation	**337,469**	338,424	(955)	(0.3%)

Revenue by nature

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

Capital Expenditure

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

Group Financial Position

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

Loans and advances to customers and other parties

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

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

Investments in financial assets

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

(a) Analysed by types

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

(b) Analysed by measurement attribution

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

Deposits from customers

As at 30 June 2024, deposits from customers of the Group were RMB5,577,672 million, an increase of RMB117,679 million or up by 2.2% compared with 31 December 2023. The proportion of deposits from customers to total liabilities was 55.64%, an increase of 1.01 percentage points compared with 31 December 2023.

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

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

The details of debt are as follows:

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

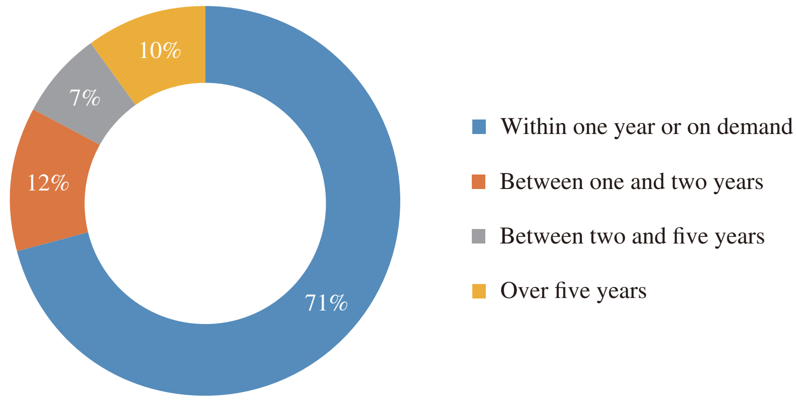
Note:

(1) Consolidated debt of CITIC Limited is the sum of "bank and other loans" and "debt instruments issued" in the Consolidated Balance Sheet of CITIC Limited excluding interest accrued;

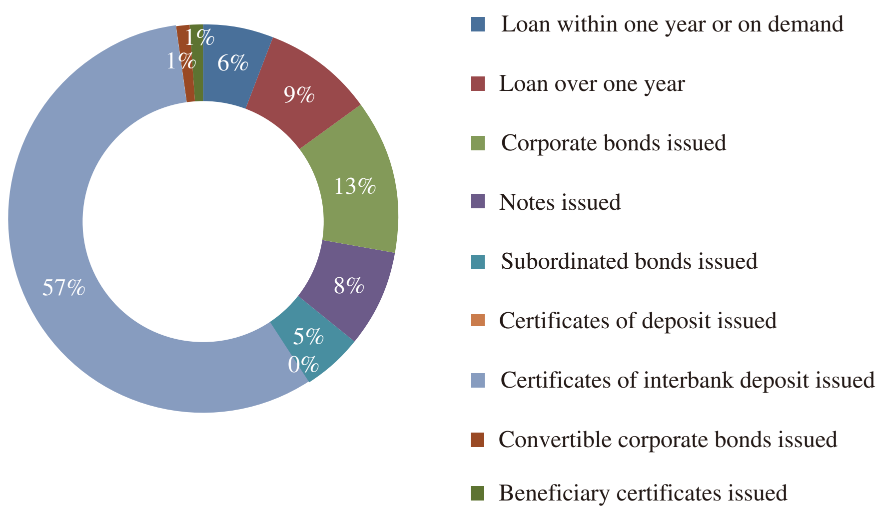
(2) Debt instruments issued include corporate bonds, notes, subordinated bonds, certificates of deposit issued, certificates of interbank deposit issued, convertible corporate bonds and beneficiary certificates excluding interest accrued;

(3) Debt of CITIC Bank refers to CITIC Bank's consolidated debt securities issued, including long-term debt securities, subordinated bonds, certificates of deposit issued, certificates of interbank deposit issued and convertible corporate bonds excluding interest accrued and convertible corporate bonds that has been subscribed by another subsidiary of the Group.

Consolidated debt by maturity as at 30 June 2024



Consolidated debt by type as at 30 June 2024



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

In RMB million	**Consolidated**
Debt	1,678,864
Total equity[4]	1,405,077
Debt to equity ratio	119%

Note:

(4) Total consolidated equity is based on the "total equity" in the Consolidated 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**
30 June 2024	A-/Stable	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.

HUMAN RESOURCES

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

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

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

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

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

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

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

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

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

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

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

CORPORATE GOVERNANCE

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

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

Board Composition and Changes

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

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

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit and risk management committee of the board reviewed the unaudited consolidated interim financial statements for the six months ended 30 June 2024 in conjunction with the management and CITIC Limited's external auditor. The committee consists of five non-executive directors of whom three are independent.

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

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

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

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

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

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

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

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

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

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

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.

HALF-YEAR 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 Half-Year Report 2024 will be made available on the respective websites of CITIC Limited and Hong Kong Exchanges and Clearing Limited around 16 September 2024.

By Order of the Board
CITIC Limited
Xi Guohua
Chairman

Beijing, 30 August 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, Mr. Toshikazu Tagawa and Mr. Chen Yuyu.