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**CITIC Limited**

**中國中信股份有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00267)**

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**CHAIRMAN'S LETTER TO SHAREHOLDERS**

Dear shareholders,

In the first half of 2025, the global economic recovery was tepid, geopolitical risks became more pronounced and external uncertainties rose. Amid this challenging environment, CITIC Limited forged ahead to overcome difficulties, driven by the resilience of the Chinese economy and the vibrancy of the Hong Kong capital market. With the steadfast support of our shareholders, we responded to shifting market dynamics with prudent management and advanced our transformation through reform and innovation to deliver solid results.

For the first half of the year, CITIC Limited recorded operating revenue of RMB368.8 billion, net profit of RMB59.8 billion and profit attributable to ordinary shareholders of RMB31.2 billion, in line with expectations. Subsidiaries within the financial segment recorded across-the-board profit increases, while key non-financial subsidiaries delivered improving results. As of the end of June 2025, CITIC Limited's share price closed at HK\$10.78 per share with a 21% increase since the beginning of 2025, outperforming the Hang Seng Index and bringing total market capitalisation to HK\$313.6 billion. The company's S&P credit rating remained at its highest level since 2016. These achievements would not have been possible without the support of our shareholders. **The Board recommends an interim dividend of RMB0.2 per share, an increase of RMB0.01 per share over last year's interim dividend, resulting in a total dividend payout of RMB5.818 billion.**

## Strategic leadership: advancing quality and efficiency across core businesses

Over the past six months, the company has focused on the “One Deepening, Three Promotions and Five Breakthroughs” strategic direction for reform and development, while exploring pathways for high-quality development. We strive to build an advantageous structure that supports the implementation of national priorities across multiple sectors and unlocks the full potential of our diversified business.

Further advancing the “Financial Core” initiative: During the year, we have made significant progress in developing a coordinated and comprehensive financial system to better serve the nation and our society. Accordingly, **our core functions have been reinforced**. With a focus on serving the real economy, we have embraced innovation and continued to drive progress across “Five Major Tasks” in finance to achieve strong brand leadership in techfin and green finance. To date, we have served over 14,100 enterprises recognised in the first six batches of national-level specialised and sophisticated enterprises and the first eight batches of single-product champion in manufacturing, covering more than 92% of such companies. The size of green bond underwriting remains among the highest in the market. **Our cross-border financial services have also seen robust growth**. Capitalising on the expansion of Hong Kong’s financial market, we made consistent progress in bond underwriting, cross-border lending and capital market services. A recent highlight was our successful sponsorship of CATL’s listing in Hong Kong, marking the world’s largest IPO in the past three years. Additionally, our subsidiary, China Asset Management (Hong Kong), launched the world’s first RMB-denominated tokenised fund, becoming the first asset management firm in Asia to offer a full range of tokenised money market funds denominated in HKD, RMB and USD. **The quality of our key business lines has also continued to improve**. Our banking business performance has maintained upward momentum, with its A-share and H-share prices and total market capitalisation reaching record highs in the first half of the year. Regulatory approval to establish an asset investment company (AIC) was also obtained, which broadens business channels and enhances our diversified service capabilities. Our securities business maintained its leading performance indicators, reinforcing its role as a stabilising force in the capital market. Reform and transformation efforts in trust and insurance businesses have also accelerated, further strengthening our competitive advantages in niche markets. Our financial leasing business enhanced its capital base, laying a stronger foundation for a new growth engine within our comprehensive financial segment.

Progressing the “Industrial Starlink” initiative: **Our traditional industries have continued to improve** as we advanced our three key actions of “Star Renewal”, “Star Creation” and “Star Exploration” in a coordinated effort to cultivate and reinforce new quality productive forces. Guided by the philosophy that the company itself is also a product, we have remained focused on building leading enterprises, advancing specialised and sophisticated technologies and delivering flagship projects. CITIC Dicastal achieved record-high sales of aluminium wheels and castings, climbing to 42nd place among the world’s top 100 automotive parts companies. CITIC Metal consolidated its position in niobium, developed its copper business, continuously optimised its trading structure, strengthened post-investment management and achieved a substantial increase in net profit. Special steel business maintained its industry-leading position in aggregate profit. Longping High-Tech completed a RMB1.2 billion private placement, accelerating its journey to become a global leader in the seed industry. **Emerging and future industries also gained momentum**. We are actively monitoring and exploring

opportunities for mergers and acquisitions in different industries, incorporating key projects into our strategic pipeline. We are actively integrating into the regional low-altitude economic development, with CITIC Offshore Helicopter expanding into offshore oilfield services and successfully conducting the world's first test flight of a 2-tonne eVTOL on an offshore oil platform. We also deepened our "AI+" initiative, launching the "YuanYe" large language model for the steel industry, driving transformation and upgrading through the integration of AI and industrial expertise.

**New heights in overseas development:** Internationalisation remains a unique strength and long-term strategic priority for CITIC. We have tailored targeted strategies for our international and Hong Kong-Macau businesses. By leveraging our service brand "CITIC, Your Trusted Partner for Going Global and Coming to China", we have implemented initiatives such as the "Nanjing Tour of German Enterprises" and "Guangdong Tour of Japanese Enterprises" which have yielded a significant number of tangible outcomes, effectively demonstrating our role as a bridge and facilitator. Overseas business development has achieved breakthroughs, with substantial growth recorded in overseas investment banking net profit. Landmark projects, such as the housing project in Dubai, UAE and a caustic soda plant in Uzbekistan, represent new contributions to the high-quality advancement of the Belt and Road Initiative.

### **Accelerating value creation through technology**

We continue to prioritise innovation-driven development, advancing technological progress in a coordinated and integrated way to strengthen our high-quality growth engine.

**Robust innovation base:** We have deepened our implementation of "Operation Rock" for technological innovation, establishing a "2+4+N" science and innovation platform cluster. This ecosystem is anchored by two state key laboratories, supported by four company-level technology innovation centres and underpinned by numerous sector-level R&D centres to provide a strong foundation for technological innovation. In March, we launched the CITIC HK AI Innovation Center as a pioneering effort to integrate global innovation resources and drive breakthroughs in industrial intelligence, embodied AI and fintech.

**Transforming innovation into impact:** Leveraging CITIC's vast operational use cases and data points, we are focused on dismantling silos and sharing resources to foster a virtuous cycle between technological innovation and practical applications. CITIC Pacific Special Steel's 2200MPa-grade bridge cable wire steel, for example, will be deployed in the construction of the world's largest span bridge, while CITIC Heavy Industries' high-strength metal castings and forgings have contributed to 20 consecutive major national pillar projects. Higentec's project on "R&D and Application of Liquid-phase Biochips in Molecular and Intelligent Breeding" earned first prize in the bioeconomics track of the 2025 BRICS Solutions Awards. Multiple technological achievements of CITIC Limited have been nominated for the 2025 National Science and Technology Awards.

**Unleashing talent to drive innovation:** To cultivate scientific and technological talent, we have launched the “Operation Galaxy” initiative. In the first half of the year, we appointed multiple chief scientists, senior experts and young scientific and technological innovation talents, building a “pyramid-shaped” talent matrix. The introduction of the new talent assessment system places greater emphasis on innovation capability, quality, effectiveness and contribution. We have also explored reforms in areas such as compensation incentives, project funding mechanisms and commercialisation pathways to encourage talent in all fields to make new breakthroughs and contribute to our ongoing development.

### **Enhancing management and control for high-quality development**

We remain committed to driving efficiency through refined management and to advancing development through lean practices, continuously reinforcing our core competitive advantages as a conglomerate.

**Optimising resource allocation:** We have proactively addressed structural challenges to streamline organisational layers and enhance operational efficiency, which has reduced corporate hierarchies across the company and exposure to discrete sectors. Internal consolidation has also progressed. We have overhauled our equity portfolio management, pooled strategic resources and further strengthened our industry expertise.

**Tangible results in lean operations:** We have enhanced systems for procurement management and expense control, exploring opportunities to reduce financing costs and intensifying efforts to address high capital consumption. As a result of these efforts, our financial subsidiaries saved RMB6.4 billion in capital in the first half of 2025. Additionally, we launched an integrated “Navigator Platform” and coordinated the construction of the data and computing centres to drive digital intelligence in management innovation.

**Strengthening risk management framework:** We have proactively implemented risk response strategies, which enable us to anticipate external impacts, optimise operational strategies and prudently mitigate potential risks. We achieved a breakthrough in the resolution of land access issues at Sino Iron project, with the 2023 Mine Continuation Proposals receiving approval from the State of Western Australia, marking an important step for the project’s continued operation. The model of risk mitigation through collaboration has been further expanded, with newly restructured and revitalised projects amounting to RMB9.8 billion. Exposure to real estate and government financing vehicles continued to reduce, firmly upholding the bottom line of systemic risk prevention.

This year marks the conclusion of the 14th Five-Year Plan and the beginning of the strategic layout for the 15th Five-Year Plan. At this pivotal juncture, we remain deeply committed to value-driven development to harness our full potential and fulfil our responsibilities to our customers, shareholders and society at large. We are advancing our high-quality development by continuously elevating our management and operations, enhancing efficiency and driving innovation.

**First, we will adopt a holistic view to clarify strategic positioning.** We are committed to meticulously formulating our 15th Five-Year Development Plan, defining primary responsibilities and core businesses, setting clear targets and planning a series of pivotal reforms and key projects. To enhance our distinctive management and control mechanisms, we will align our direction with “One Strategy”, clarify rights and responsibilities with “Two Lists” and foster organisational vitality through a balanced system of incentives and accountability. A practical and effective Five-Timely Supervision System will be developed to strengthen risk prevention and help us build a world-class enterprise.

**Second, we will focus on the long term to fulfil our mission through reform.** Reform remains a powerful engine for progress. We will continue to unlock the full potential of our integrated industry-finance model and solidify our ability to implement national strategies. We will strengthen our “Financial Core” by building a stronger financial holding platform, enhancing the core functions and competitiveness of our financial business lines. We will deepen our comprehensive financial innovation, establish a full-cycle, multi-dimensional investment matrix and improve the quality and effectiveness of services for the real economy. At the same time, we aim to accelerate the “Industrial Starlink” initiative, intensifying efforts to upgrade traditional industries, expand emerging industries and nurture future industries, thereby driving the development of new quality productive forces.

**Third, we will analyse broader trends and respond to challenges with innovation.** We are keenly aware that standing still in today’s market equates to falling behind, slow progress is a form of regression and a lack of innovation results in obsolescence. To address deep-rooted issues and build new competitive advantages, we are vigorously promoting comprehensive innovation across philosophies, models, technologies and mechanisms. We will leverage our innovation clusters to deliver distinctive and influential outcomes for CITIC Limited. By continuously enhancing synergy and building an efficient and collaborative management platform, we aim to unleash the full potential of our workforce and foster a culture of shared value creation.

**Fourth, we will embrace openness to write a new chapter.** CITIC Limited is committed to bridging China and the world in the new era, building a comprehensive service platform that facilitates both outbound and inbound engagement. While we consolidate our established strengths in regions such as Central Asia and Australia, we will further expand into opportunities along the Belt and Road regions and actively participate in the development of Hong Kong’s Northern Metropolis. With a focus on achieving mutual benefit and win-win outcomes, we will vigorously promote the service brand “CITIC, Your Trusted Partner for Going Global and Coming to China”, exploring cooperation models such as strategic equity investment, project follow-up investment and government-enterprise collaboration. Furthermore, we will organise overseas business coordination subcommittees to encourage international development under the “One CITIC, One Customer” philosophy.

Looking ahead, as domestic and international imperatives converge and interact, a new wave of technological revolution and industrial transformation is reshaping the global landscape. CITIC Limited stands ready to meet the moment. Guided by national strategies and supported by our shareholders and clients, we are confident in our ability to seize emerging opportunities even as we navigate evolving challenges. We will continue to strive toward our goal of becoming a world-class, technology-driven and outstanding enterprise, creating enduring value and making new contributions to build a great country and move toward national rejuvenation.

**Xi Guohua**

*Chairman*

29 August 2025

## 1. FINANCIAL REVIEW

### 1.1 Financial Highlights

<i>RMB million</i>	<b>Six months ended 30 June</b>		Increase/ (decrease)
	<b>2025</b>	2024 (Restated)	%
Revenue	<b>368,760</b>	374,896	(1.6%)
Profit before taxation	<b>76,010</b>	71,747	5.9%
Net profit	<b>59,845</b>	56,749	5.5%
Profit attributable to ordinary shareholders	<b>31,228</b>	32,113	(2.8%)
Basic earnings per share ( <i>RMB</i> )	<b>1.07</b>	1.10	(2.8%)
Diluted per share ( <i>RMB</i> )	<b>1.07</b>	1.09	(2.4%)
Dividend per share ( <i>RMB</i> )	<b>0.20</b>	0.19	5.3%
Capital expenditure	<b>10,443</b>	13,538	(22.9%)
	<b>As at</b>	<b>As at</b>	Increase/ (decrease)
	<b>30 June</b>	31 December	
<i>RMB million</i>	<b>2025</b>	2024	%
Total assets	<b>12,495,330</b>	12,075,425	3.5%
Total liabilities	<b>11,034,526</b>	10,652,411	3.6%
Total ordinary shareholder funds	<b>764,680</b>	757,487	0.9%
Ordinary shareholders' funds per share ( <i>RMB</i> )	<b>26.29</b>	26.04	0.9%
Credit Ratings			
– Standard & Poor's	<b>A-/Stable</b>	A-/Stable	–
– Moody's	<b>A3/Stable</b>	A3/Stable	–



## 1.2 Major indicators by segment

### 1.2.1 Revenue from external customers

<i>RMB million</i>	Six months ended		Increase/(decrease)	
	30 June 2025	2024 (Restated)	Amount	%
Comprehensive				
Financial Services	139,775	137,012	2,763	2.0%
Advanced Intelligent				
Manufacturing	27,277	25,461	1,816	7.1%
Advanced Materials	163,702	166,810	(3,108)	(1.9%)
New Consumption	23,524	24,221	(697)	(2.9%)
New-type Urbanisation	14,437	21,361	(6,924)	(32.4%)

### 1.2.2 Profit attributable to ordinary shareholders

<i>RMB million</i>	Six months ended		Increase/(decrease)	
	30 June 2025	2024	Amount	%
Comprehensive				
Financial Services	28,384	27,895	489	1.8%
Advanced Intelligent				
Manufacturing	458	459	(1)	(0.2%)
Advanced Materials	5,184	6,653	(1,469)	(22.1%)
New Consumption	145	32	113	353.1%
New-type Urbanisation	1,875	2,922	(1,047)	(35.8%)

### 1.2.3 Total assets

<i>RMB million</i>	As at 30 June 2025	As at 31 December 2024	Increase/(decrease)	
			Amount	%
Comprehensive				
Financial Services	11,784,963	11,369,787	415,176	3.7%
Advanced Intelligent				
Manufacturing	60,555	63,576	(3,021)	(4.8%)
Advanced Materials	360,471	357,614	2,857	0.8%
New Consumption	55,900	56,193	(293)	(0.5%)
New-type Urbanisation	340,418	343,031	(2,613)	(0.8%)



### 1.2.4 Capital expenditure

<i>RMB million</i>	<b>Six months ended</b>		<b>Increase/(decrease)</b>	
	<b>30 June</b>		<b>Amount</b>	<b>%</b>
	<b>2025</b>	<b>2024</b>		
Comprehensive Financial Services	<b>1,133</b>	4,118	(2,985)	(72.5%)
Advanced Intelligent Manufacturing	<b>638</b>	607	31	5.1%
Advanced Materials	<b>6,173</b>	6,301	(128)	(2.0%)
New Consumption	<b>1,708</b>	454	1,254	276.2%
New-type Urbanisation	<b>791</b>	2,058	(1,267)	(61.6%)

## 1.3 Group Financial Results

### 1.3.1 Revenue by nature

In the first half of 2025, the Group's<sup>1</sup> total revenue amounted to RMB368,760 million, a decrease of RMB6,136 million, or 1.6% year-on-year. Among this, net fee and commission income increased by RMB3,545 million, up 12.2% year-on-year, primarily due to the growth in securities brokerage, investment, banking and fund management businesses of CITIC Securities. Net interest income decreased by 3.3%, mainly due to the narrowing of net interest margin at CITIC Bank, the impact of which was not fully offset by the increase in interest-earning assets. Sales of goods and services decreased by 3.8%, primarily due to the downturn in the steel and property sectors and the reduction in iron ore output in Australia. Other income increased by RMB1,826 million, up 5.4% year-on-year, mainly driven by increased income from CITIC Securities' proprietary business.

<i>RMB million</i>	<b>Six months ended</b>		<b>Increase/(decrease)</b>	
	<b>30 June</b>		<b>Amount</b>	<b>%</b>
	<b>2025</b>	<b>2024</b>		
		<b>(Restated)</b>		
Total revenue	<b>368,760</b>	374,896	(6,136)	(1.6%)
Net interest income	<b>71,662</b>	74,136	(2,474)	(3.3%)
Net fee and commission income	<b>32,576</b>	29,031	3,545	12.2%
Sales of goods and services	<b>228,929</b>	237,962	(9,033)	(3.8%)
– Sales of goods	<b>210,262</b>	218,328	(8,066)	(3.7%)
– Revenue from construction contracts	<b>4,311</b>	6,032	(1,721)	(28.5%)
– Revenue from other services	<b>14,356</b>	13,602	754	5.5%
Other revenue	<b>35,593</b>	33,767	1,826	5.4%

<sup>1</sup> CITIC Limited and its subsidiaries are collectively referred to as “the Group”.

### ***1.3.2 Other operating expenses***

In the first half of 2025, the Group's other operating expenses were RMB61,443 million, an increase of RMB883 million, up 1.5% year-on-year.

### ***1.3.3 Expected credit losses and other impairment losses***

In the first half of 2025, the Group recorded expected credit losses and asset impairment losses of RMB29,662 million, a decrease of RMB4,012 million, or 11.9% year-on-year. CITIC Bank provided expected credit losses of RMB29,570 million, a decrease of RMB4,800 million compared with the first half of 2024, mainly from expected credit losses on its loans and advances to customers.

### ***1.3.4 Net finance charges***

In the first half of 2025, the finance costs of the Group amounted to RMB5,778 million, a decrease of RMB1,124 million, or 16.3%, mainly due to lower interest expenses. The finance income of the Group amounted to RMB1,064 million, a decrease of RMB248 million, or 18.9%, mainly due to the decrease in interest income from bank deposits.

### ***1.3.5 Income tax***

In the first half of 2025, income tax of the Group was RMB16,165 million, an increase of RMB1,167 million, or 7.8% year-on-year. This rise was attributed not only to the growth in profit before tax, but also to an increase in non-deductible write-off losses from CITIC Bank.

### 1.3.6 Financial Position

As at 30 June 2025, the Group's total assets amounted to RMB12,495,330 million, representing an increase of RMB419,905 million, or 3.5%, as compared with 31 December 2024, mainly due to the increase in investments in financial assets, loans and advances and trade and other receivables. The Group's total liabilities amounted to RMB11,034,526 million, representing an increase of RMB382,115 million, or 3.6% compared with 31 December 2024, mainly due to the increase in deposits from customers and debt instruments issued. Ordinary shareholders' equity amounted to RMB764,680 million, representing an increase of RMB7,193 million, or 0.9% compared with 31 December 2024, mainly due to the retention of profit.

<i>RMB million</i>	<b>As at 30 June 2025</b>	<b>As at 31 December 2024</b>	<b>Increase/(decrease)</b>	
			<b>Amount</b>	<b>%</b>
<b>Total assets</b>	<b>12,495,330</b>	12,075,425	419,905	3.5%
Loans and advances to customers and other parties	<b>5,689,146</b>	5,601,071	88,075	1.6%
Investments in financial assets	<b>3,714,956</b>	3,538,851	176,105	5.0%
Cash and deposits	<b>588,787</b>	608,487	(19,700)	(3.2%)
Trade and other receivables	<b>352,181</b>	266,387	85,794	32.2%
Fixed assets	<b>232,604</b>	218,052	14,552	6.7%
Placement with banks and non-bank financial institutions	<b>469,146</b>	404,801	64,345	15.9%
<b>Total liabilities</b>	<b>11,034,526</b>	10,652,411	382,115	3.6%
Deposits from customers	<b>6,185,762</b>	5,847,939	337,823	5.8%
Deposits from banks and non-bank financial institutions	<b>663,557</b>	935,159	(271,602)	(29.0%)
Debt instruments issued	<b>1,618,327</b>	1,497,138	121,189	8.1%
Borrowings from central banks	<b>131,186</b>	124,151	7,035	5.7%
Trade and other payables	<b>417,107</b>	385,896	31,211	8.1%
Bank and other loans	<b>252,091</b>	245,566	6,525	2.7%
<b>Total ordinary shareholders' funds</b>	<b>764,680</b>	757,487	7,193	0.9%

### 1.3.7 Loans and advances to customers and other parties

As at 30 June 2025, the loans and advances to customers and other parties of the Group were RMB5,689,146 million, an increase of RMB88,075 million, or 1.6% compared with 31 December 2024. The proportion of loans and advances to customers and other parties to total assets was 45.5%, a decrease of 0.9 percentage points compared with 31 December 2024.

<i>RMB million</i>	<b>As at 30 June 2025</b>	<b>As at 31 December 2024</b>	<b>Increase/(decrease) Amount</b>	<b>%</b>
<b>Loans and advances to customers and other parties measured at amortised cost</b>				
Corporate loans	<b>3,098,109</b>	2,818,182	279,927	9.9%
Including: Discounted bills	<b>2,038</b>	2,182	(144)	(6.6%)
Personal loans	<b>2,364,949</b>	2,372,428	(7,479)	(0.3%)
Accrued interest	<b>23,319</b>	21,889	1,430	6.5%
<b>Total loans and advances to customers and other parties measured at amortised cost</b>	<b>5,486,377</b>	5,212,499	273,878	5.3%
Allowance for impairment losses	<b>(146,899)</b>	(146,013)	(886)	(0.6%)
<b>Carrying amount of loans and advances to customers and other parties measured at amortised cost</b>	<b>5,339,478</b>	5,066,486	272,992	5.4%
<b>Loans and advances to customers and other parties at fair value through profit or loss</b>				
Corporate loans	<b>13,103</b>	11,243	1,860	16.5%
Personal loans	<b>364</b>	369	(5)	(1.4%)
<b>Carrying amount of loans and advances to customers and other parties at fair value through profit or loss</b>	<b>13,467</b>	11,612	1,855	16.0%
<b>Loans and advances to customers and other parties at fair value through other comprehensive income</b>				
Corporate loans	<b>112,604</b>	76,022	36,582	48.1%
Discounted bills	<b>223,597</b>	446,951	(223,354)	(50.0%)
<b>Carrying amount of loans and advances to customers and other parties at fair value through other comprehensive income</b>	<b>336,201</b>	522,973	(186,772)	(35.7%)
<b>Carrying amount of loans and advances to customers and other parties</b>	<b>5,689,146</b>	5,601,071	88,075	1.6%

### 1.3.8 Investments in financial assets

As at 30 June 2025, the investments in financial assets of the Group were RMB3,714,956 million, an increase of RMB176,105 million, or 5.0% compared with 31 December 2024. The proportion of investments in financial assets to total assets was 29.7%, an increase of 0.4 percentage points compared with 31 December 2024.

#### 1.3.8.1 Analysed by types

<i>RMB million</i>	As at 30 June 2025	As at 31 December 2024	Increase/(decrease) Amount	%
Debt securities	2,516,048	2,302,824	213,224	9.3%
Investment management products	40,505	31,577	8,928	28.3%
Investment funds	528,210	519,063	9,147	1.8%
Trust investment plans	178,393	186,883	(8,490)	(4.5%)
Certificates of deposit and certificates of interbank deposit	79,316	106,556	(27,240)	(25.6%)
Equity investments	322,258	339,948	(17,690)	(5.2%)
Wealth management products	8,734	9,114	(380)	(4.2%)
Investments in creditor's rights on assets	2,010	1,900	110	5.8%
Others	47,863	47,992	(129)	(0.3%)
<b>Subtotal</b>	<b>3,723,337</b>	<b>3,545,857</b>	<b>177,480</b>	<b>5.0%</b>
Accrued interest	18,277	20,722	(2,445)	(11.8%)
Less: allowance for impairment losses	(26,658)	(27,728)	1,070	3.9%
<b>Total</b>	<b>3,714,956</b>	<b>3,538,851</b>	<b>176,105</b>	<b>5.0%</b>

#### 1.3.8.2 Analysed by measurement attribution

<i>RMB million</i>	As at 30 June 2025	As at 31 December 2024	Increase/(decrease) Amount	%
Financial assets at amortised cost	1,092,788	1,108,159	(15,371)	(1.4%)
Financial assets at FVPL	1,475,510	1,401,113	74,397	5.3%
Debt investments at FVOCI	1,050,138	926,931	123,207	13.3%
Equity investments at FVOCI	96,520	102,648	(6,128)	(6.0%)
<b>Total</b>	<b>3,714,956</b>	<b>3,538,851</b>	<b>176,105</b>	<b>5.0%</b>

### 1.3.9 Deposits from customers

As at 30 June 2025, deposits from customers of the financial institutions under the Group were RMB6,185,762 million, representing an increase of RMB337,823 million, or 5.8% compared with 31 December 2024. The proportion of deposits from customers to total liabilities was 56.1%, representing an increase of 1.2 percentage points compared with 31 December 2024.

<i>RMB million</i>	<b>As at 30 June 2025</b>	<b>As at 31 December 2024</b>	<b>Increase/(decrease) Amount</b>	<b>%</b>
Corporate deposits				
Time and call deposits	<b>2,218,535</b>	2,066,876	151,659	7.3%
Demand deposits	<b>2,011,164</b>	1,965,191	45,973	2.3%
<b>Subtotal</b>	<b>4,229,699</b>	4,032,067	197,632	4.9%
Personal deposits				
Time and call deposits	<b>1,281,360</b>	1,221,680	59,680	4.9%
Demand deposits	<b>501,151</b>	439,965	61,186	13.9%
<b>Subtotal</b>	<b>1,782,511</b>	1,661,645	120,866	7.3%
Outward remittance and remittance payables	<b>88,333</b>	68,167	20,166	29.6%
Accrued interest	<b>85,219</b>	86,060	(841)	(1.0%)
<b>Total</b>	<b>6,185,762</b>	5,847,939	337,823	5.8%

### 1.3.10 Bank and other loans and debt instruments issued

As at 30 June 2025, bank and other loans of the Group were RMB252,091 million, an increase of RMB6,525 million or 2.7% compared with 31 December 2024. Debt instruments issued were RMB1,618,327 million, an increase of RMB121,189 million or 8.1% compared with 31 December 2024, which is mainly due to CITIC Bank's strengthening of active liability management and increase in certificates of interbank deposit.

### 1.3.10.1 Bank and other loans

<i>RMB million</i>	<b>As at 30 June 2025</b>	<b>As at 31 December 2024</b>	<b>Increase/(decrease) Amount</b>	<b>%</b>
Comprehensive financial services	<b>28,584</b>	15,277	13,307	87.1%
Advanced intelligent manufacturing	<b>6,668</b>	7,462	(794)	(10.6%)
Advanced materials	<b>89,655</b>	90,619	(964)	(1.1%)
New consumption	<b>10,500</b>	7,740	2,760	35.7%
New-type urbanisation	<b>57,105</b>	56,669	436	0.8%
Operation management	<b>115,194</b>	125,572	(10,378)	(8.3%)
Elimination	<b>(56,236)</b>	(58,484)	2,248	3.8%
<b>Subtotal</b>	<b>251,470</b>	244,855	6,615	2.7%
Accrued interest	<b>621</b>	711	(90)	(12.7%)
<b>Total</b>	<b>252,091</b>	245,566	6,525	2.7%

### 1.3.10.2 Debt instruments issued

<i>RMB million</i>	<b>As at 30 June 2025</b>	<b>As at 31 December 2024</b>	<b>Increase/(decrease) Amount</b>	<b>%</b>
Comprehensive financial services	<b>1,523,241</b>	1,403,167	120,074	8.6%
Advanced intelligent manufacturing	–	–	–	N/A
Advanced materials	<b>4,944</b>	4,887	57	1.2%
New consumption	–	3,234	(3,234)	(100.0%)
New-type urbanisation	<b>1,000</b>	1,000	–	0.0%
Operation management	<b>84,837</b>	82,621	2,216	2.7%
Elimination	<b>(3,680)</b>	(4,807)	1,127	23.4%
<b>Subtotal</b>	<b>1,610,342</b>	1,490,102	120,240	8.1%
Accrued interest	<b>7,985</b>	7,036	949	13.5%
<b>Total</b>	<b>1,618,327</b>	1,497,138	121,189	8.1%

### 1.3.11 Total ordinary shareholders' funds

As at 30 June 2025, total ordinary shareholders' funds of the Group were RMB764,680 million, an increase of RMB7,193 million compared with 31 December 2024.

### 1.3.12 Capital commitments

As at 30 June 2025, the capital commitments authorised and contracted for of the Group was RMB18,700 million.



## **2. RISK MANAGEMENT**

CITIC Limited is committed to enhancing the integrity, foresight, execution and coordination of its comprehensive risk management system. By aligning business development with control models, the company establishes a tiered and categorised risk management policy framework guided by risk preference, implements targeted improvements to various risk management mechanisms, and strengthens the risk and compliance culture, effectively creating a robust “protective net” and solid “firewall” to safeguard the company’s high-quality development.

### **2.1 Risk strategy and preference**

CITIC Limited established a five-year risk strategy in 2021, systematically planning the development of a comprehensive risk management system in three phases. In 2025, the company implemented its risk strategy under the “Comprehensively Deepening Year” work plan, continuing to deepen risk compliance and control mechanisms, following the “Four Early” requirements for risk management, strengthening consolidated and penetrative management, and improving the early risk correction mechanism with hard constraints. The company has placed a strong emphasis on strengthening risk management for its overseas operations, actively advanced the resolution and mitigation of risk projects, and promoted the effective implementation of the comprehensive risk management system at the business frontline, thereby continuously enhancing the efficiency of risk compliance management.

The company has created an integrated risk preference system that spans legal entities and multiple levels. This system determines the overall risk exposure, bottom line, structure, and limits through a mix of qualitative and quantitative approaches. Additionally, a comprehensive management mechanism has been established to cover the entire process of setting, transmission, execution, monitoring, and reporting.

The company is dedicated to continuously enhancing its comprehensive risk management system across all levels. It focuses on strengthening risk identification, assessment, and monitoring. By employing off-site monitoring and on-site inspections, the company thoroughly evaluates the business conditions, financial status, and major business activities of its subsidiaries to identify potential risks. Timely reports are generated on weaknesses and risk vulnerabilities, which prompt the implementation of control measures, thereby improving the effectiveness of the comprehensive risk management system.

## **2.2 Major risk management**

CITIC Limited faces various risks, including but not limited to financial risk, market risk, liquidity risk, credit risk, strategic risk, investment risk, legal and compliance risk, reputation risk, work safety risk, and information technology risk. CITIC Limited has established a comprehensive risk management and internal control system that spans all its business segments to identify, assess, and manage the various risks associated with its operations.

## **2.3 Key work of risk management**

In the first half of 2025, the company continued to deepen the development of the comprehensive risk management system, and intensified the risk management of financial sectors, and industrial sectors.

Deepening the development of the comprehensive risk management system. The company established the risk strategy (2025), and clarified the tasks for system optimization and key work of the current year, as well as the management requirements for risk preference. It revised the comprehensive risk management measures in consideration of the latest internal and external situations, added new major risk categories in a timely manner, and further improved the risk management system of the company. The digital intelligence development of risk management was promoted, 2025 CITIC Financial Holdings digital intelligence risk control improvement plan was formulated, and the digital intelligence development of risk early-warning was strengthened. The company continued to promote risk accountability, and provided guidance for subsidiaries in the improvement of the accountability system. It also strengthened overseas risk prevention and control, and organized key subsidiaries to closely monitor the overseas policies and situations.

Strengthening risk management in financial sectors. The company formulated the concentration limit management plan for comprehensive financial sectors in 2025, in order to strengthen the classified consolidation and process control of limits among subsidiaries. Seizing the favorable opportunity of the hidden debt replacement policy, the company strengthened collaborative risk mitigation and promoted the continuous improvement of the concentration and NPL rates in the real estate and government financing platform businesses. The subsidiaries were supervised and guided to carry out traceability rectification according to regulatory opinions and non-compliance punishments, formulate a three-year compliance and internal control improvement campaign and conduct the effective evaluation of compliance management. In the first half of the year, the times and amounts of regulatory punishments in the financial sectors decreased by 30% and 80%, year-on-year, respectively.

Enhancing the risk management capability of the industrial sectors. The company established a disposal mechanism for major risk projects, promoted the smooth approval of the 2023 Mine Continuation Proposals for Sino Iron Pty Ltd, made milestone progress in the litigation related to land restrictions, and ensured the sustainable operation of projects. The subsidiaries were guided to select key institutions, core business sectors and key projects to form a list of key areas, thoroughly conduct a comprehensive risk governance, and apply tools such as risk reports, risk file views, key risk indicators, and comprehensive risk governance accounts at the grassroots units.

### **3. ESG MANAGEMENT**

In the first half of 2025, CITIC Limited continued to improve corporate governance, advance green and low-carbon transition, fulfil corporate social responsibilities and achieve innovation-driven technological development.

#### **3.1 Governance chapter**

The company promoted the internationalisation, diversification and professional development of the members of the board. It has promoted the establishment of a Lead Independent Director to better leverage the supervisory and balancing role of independent directors. The company conducts annual director elections, during which all directors voluntarily retire and stand for re-election at the annual general meeting held in the first half of the year. Directors are engaged in in-depth research and inspections to safeguard their rights to information, oversight and governance. The company has strengthened procurement management by updating its Supplier Code of Conduct, which comprehensively covers key areas including legal and compliance requirements, business ethics and integrity, occupational health and human rights, environmental protection and sustainable development, among others. The company mandates all suppliers to strictly comply with anti-corruption and anti-bribery regulation policy. The company rigorously monitors and reviews suppliers every year through multiple ways including contract performance evaluations, annual comprehensive assessments and supplier qualification management. The company has introduced a mechanism for supplier registration and management, and all of its registered suppliers have signed the Supplier Code of Conduct. On advancing Comprehensive Risk and Compliance Management, the company continued to promote the “Three Lines of Defence” in its holistic risk management, ensuring deeper penetration of risk governance in non-financial operations. The company has launched compliance and legal training programmes such as the Civil Code and Company Law for headquarters and subsidiary companies, while also strengthening anti-corruption and business ethics education to all staff, including part-time and contractor workers through multiple channels, including awareness education conferences, training workshops, special meetings and integrity reminder sessions. The company has established risk-based principles and formulated its business ethics audit policy. By conducting regular audits on business ethics matters, and combining comprehensive audits with special audits, as well as on-site audits with off-site inspections, the company aims to achieve audit coverage of all institutions at least every three years. The auditing focuses on strengthening oversight of key subsidiaries, critical domains

and key processes, as well as employee anomaly detection, prompt identification and address of employee misconduct by employing big data analytics, enabling early identification, early warning and early rectification. This prevents and defuses business ethics risks in areas such as procurement, sales, credit approval, project construction, asset disposal and expense reimbursement. The internal audit units report quarterly to the Audit and Risk Management Committee of Board of Directors on audit progress, findings, recommendations and rectification status. This ensures effective execution of the audit plan and continuous enhancement of audit effectiveness. The company has established a collaborative rectification mechanism, which requires proper correction of issues, proper establishment of mechanism and proper handling of accountable personnel. All of the above thereby drives effective problem resolution, strengthens internal controls, prevents fraudulent conduct, promotes corporate compliance, ensures employee integrity and upholds fundamental business ethics and all management requirements.

### **3.2 Environmental chapter**

The company comprehensively implements the new development principle, focusing on the “carbon peaking and carbon neutrality” goals. It actively adjusts and optimises its industrial structure and energy mix. The company guides its non-financial subsidiaries to strengthen technological innovation, enhance the capacity to deliver high-quality, clean and low-carbon solutions, fulfil the “Two Increases, One Reduction<sup>1</sup>” mandate and advance the green, low-carbon transition across the board. In its 14th Five-Year Plan, the company outlined capital expenditure targets for relevant subsidiary sectors, with cumulative investment targets in the clean technology sector exceeding RMB60 billion. The specific investment areas include clean energy, lightweight manufacturing, energy-saving and carbon-reduction retrofitting, and environmental protection. As of the end of June 2025, the Company held over 12,000 valid patents, including more than 3,800 invention patents and more than 700 patents related to clean technology, energy conservation and emissions reduction. CITIC Environment concentrated on green development and organised research projects including “Research on High-Efficiency Sludge Reduction Technology and Integrated Systems” (高效污泥減量化技術及成套裝置研究) and “Research on Key AI Technologies for Digital Intelligence Applications in Water Services” (人工智能在水務數智化應用中的關鍵技術研究). It led external collaborative institutions in planning major initiatives such as the “Beijing-Tianjin-Hebei Region’s Comprehensive Environmental Governance”. The company fostered steady growth in green finance, with green loan balance amounting to RMB701.3 billion, up by 16.7% from the beginning of 2025. Its green bond underwriting volume reached RMB69.2 billion, ranking among the market leaders.

1 The “First Increase” is manifested in green finance providing financing solutions for the low-carbon transition of industries. It is essential to continuously expand the scale and proportion of green finance business and accelerate innovation in green finance business models. The “Second Increase” is reflected in the industrial sector’s commitment to amplifying the low-carbon effects of industrial chains and ecosystems. The “One Reduction” entails actively promoting the low-carbon transformation of the Group’s existing medium- and highcarbon businesses and investments with significant environmental impacts, while adhering to the principles of low-carbon emissions reduction and minimal environmental impact in the layout of new businesses.

### **3.3 Social chapter**

The company conducts annual employee satisfaction surveys covered all of our staff, with the most recent survey collecting over 84,000 valid questionnaires, through which we gained insights into employees' mindset, work pressure, sense of happiness, sense of gain and sense of security, revealing that 88.45% of employees expressed satisfaction with their work environment. In addition, the company promotes the consumer financial protection through establishing a mechanism for the Board to review the work of consumer financial protection. As the highest authority overseeing consumer financial protection work, the Board listened to the work report on consumer financial protection during the year, with a focus on system development, information disclosure, suitability management, information security and complaint management. Relevant subsidiaries have been guided to formulate policies for credit card loan collection, debt loan collection and fair marketing and advertising practices, with clear working mechanisms and employee training requirements. Subsidiaries are encouraged to carry out training programs on the protection of financial consumer rights, covering senior management, customer-facing employees, new hires, and dedicated consumer protection staff, with a 100% training coverage rate. The training content includes complaint management, consumer protection education and publicity, standards of conduct for marketing and advertising, and debt collection practices, ensuring that employees fully understand and effectively implement consumer protection principles in their daily business processes. Subsidiaries are also guided to strengthen financial consumer education initiatives by cooperating with external financial education institutions, establishing physical investor education bases and high-quality online publicity platforms, and leveraging diversified online and offline channels to help financial consumers and investors enhance their awareness and ability to prevent risks. Meanwhile, the company strengthened occupational health and safety management, adhering to the principle of "safety accountability follows industrial oversight, business operations and production management", driving the transition toward a proactive prevention model. The company has also launched "Operation Galaxy" to cultivate technology talents and teams, contributing high-quality development of the company with technologies.

#### **4. 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 2024 and on CITIC Limited's website at [www.citic.com](http://www.citic.com).

CITIC Limited has applied the principles and complied during six months ended 30 June 2025 with all applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

#### **5. 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 2025 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".

#### **6. INTERIM FINANCIAL STATEMENTS**

(See the Appendices)

#### **7. INTERIM DIVIDEND**

The board of directors of CITIC Limited has resolved to declare an interim dividend ("2025 Interim Dividend") of RMB0.2 per share (equivalent to HK\$0.2192600 per share at the exchange rate of RMB1.0: HK\$1.09630, 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 29 August 2025) for the year ending 31 December 2025 (2024 interim dividend: RMB0.19 per share, equivalent to HK\$0.2079455 per share), payable on Friday, 21 November 2025 to shareholders whose names appear on CITIC Limited's register of members on Monday, 29 September 2025.

The 2025 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 2025 Interim Dividend in RMB, such dividend will be paid at RMB0.2 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 2025 as soon as practicable after 29 September 2025 (being the record date as mentioned in the section below headed “Closure of Register of Members”) to determine shareholders’ entitlement to the 2025 Interim Dividend, and return it to CITIC Limited’s Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 23 October 2025.

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, 21 November 2025 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 Investor Services Limited, by 4:30 p.m. on Thursday, 23 October 2025, such shareholder will automatically receive the 2025 Interim Dividend in HK\$. All dividend payments in HK\$ will be made in the usual way on Friday, 21 November 2025.

If shareholders wish to receive the 2025 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.

## **8. CLOSURE OF REGISTER OF MEMBERS**

The record date for ascertaining shareholders’ entitlement to the 2025 Interim Dividend will be Monday, 29 September 2025. The register of members of CITIC Limited will be closed from Wednesday, 24 September 2025 to Monday, 29 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to establish entitlements to the 2025 Interim Dividend, shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with CITIC Limited’s Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 23 September 2025.



## **9. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

On 25 February 2025, CITIC Limited fully redeemed the USD300 million 2.45% notes under the Medium Term Note Programme upon maturity. These notes were issued on 25 February 2020 and 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 2025.

## **10. 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.

## **11. HALF-YEAR REPORT AND FURTHER INFORMATION**

A copy of the announcement is posted on CITIC Limited's website ([www.citic.com](http://www.citic.com)) and Hong Kong Exchanges and Clearing Limited's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The Half-Year Report 2025 will be made available on the respective websites of CITIC Limited and Hong Kong Exchanges and Clearing Limited around 16 September 2025.

By Order of the Board  
**CITIC Limited**  
**Xi Guohua**  
Chairman

Beijing, 29 August 2025

*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 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.*

## APPENDICES: INTERIM FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

	<i>Note</i>	<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>RMB million</b>	<b>RMB million</b>
			(Restated)
Interest income		<b>154,727</b>	167,337
Interest expenses		<b>(83,065)</b>	(93,201)
<b>Net interest income</b>	<b>4(a)</b>	<b>71,662</b>	74,136
Fee and commission income		<b>42,263</b>	35,097
Fee and commission expenses		<b>(9,687)</b>	(6,066)
<b>Net fee and commission income</b>	<b>4(b)</b>	<b>32,576</b>	29,031
Sales of goods and services	<b>4(c)</b>	<b>228,929</b>	237,962
Other revenue	<b>4(d)</b>	<b>35,593</b>	33,767
		<b>264,522</b>	271,729
<b>Total revenue</b>		<b>368,760</b>	374,896
Cost of sales and services		<b>(205,433)</b>	(212,865)
Other net income		<b>3,957</b>	5,254
Expected credit losses		<b>(28,469)</b>	(33,373)
Impairment losses		<b>(1,193)</b>	(301)
Other operating expenses		<b>(61,443)</b>	(60,560)
Net valuation (loss)/gain on investment properties		<b>(36)</b>	6
Share of profits of associates, net of tax		<b>3,302</b>	2,606
Share of profits of joint ventures, net of tax		<b>1,279</b>	1,674
<b>Profit before net finance charges and taxation</b>		<b>80,724</b>	77,337

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>RMB million</b>	<b>RMB million</b>
			<b>(Restated)</b>
Finance income		<b>1,064</b>	1,312
Finance costs		<b>(5,778)</b>	(6,902)
<b>Net finance charges</b>	<b>5</b>	<b>(4,714)</b>	(5,590)
<b>Profit before taxation</b>	<b>6</b>	<b>76,010</b>	71,747
Income tax	<b>7</b>	<b>(16,165)</b>	(14,998)
<b>Profit for the period</b>		<b>59,845</b>	56,749
<b>Attributable to:</b>			
– Ordinary shareholders of the Company		<b>31,228</b>	32,113
– Non-controlling interests		<b>28,617</b>	24,636
<b>Profit for the period</b>		<b>59,845</b>	56,749
<b>Earnings per share for profit attributable to ordinary shareholders of the Company during the period:</b>			
Basic earnings per share ( <i>RMB</i> )	<b>9</b>	<b>1.07</b>	1.10
Diluted earnings per share ( <i>RMB</i> )		<b>1.07</b>	1.09

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB million</b>	<b>RMB million</b>
		<b>(Restated)</b>
<b>Profit for the period</b>	<b>59,845</b>	<b>56,749</b>
<b>Other comprehensive income for the period</b>		
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on debt instruments at fair value through other comprehensive income	<b>(4,878)</b>	4,739
Changes of loss allowance on debt instruments at fair value through other comprehensive income	<b>(325)</b>	114
Cash flow hedge: net movement in the hedging reserve	<b>(303)</b>	(285)
Share of other comprehensive loss of associates and joint ventures	<b>(3,237)</b>	(4,492)
Exchange differences on translation of financial statements and others	<b>(2,447)</b>	1,444
Items that will not be reclassified subsequently to profit or loss:		
Fair value changes on investments in equity instruments designated at fair value through other comprehensive income	<b>501</b>	595
Share of other comprehensive income of associates and joint ventures	<b>83</b>	–
<b>Other comprehensive (loss)/income for the period</b>	<b>(10,606)</b>	<b>2,115</b>
<b>Total comprehensive income for the period</b>	<b>49,239</b>	<b>58,864</b>
<b>Attributable to:</b>		
– Ordinary shareholders of the Company	<b>22,921</b>	31,407
– Non-controlling interests	<b>26,318</b>	27,457
<b>Total comprehensive income for the period</b>	<b>49,239</b>	<b>58,864</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT 30 June 2025*

		<b>30 June 2025</b>	31 December 2024
	<i>Note</i>	<b>RMB million (Unaudited)</b>	<i>RMB million</i>
<b>Assets</b>			
Cash and deposits		<b>588,787</b>	608,487
Cash held on behalf of customers		<b>359,950</b>	315,761
Placements with banks and non-bank financial institutions		<b>469,146</b>	404,801
Derivative financial instruments		<b>87,563</b>	135,218
Trade and other receivables		<b>352,181</b>	266,387
Contract assets		<b>23,097</b>	22,414
Inventories		<b>122,712</b>	123,637
Financial assets held under resale agreements		<b>170,962</b>	179,829
Loans and advances to customers and other parties	<i>10</i>	<b>5,689,146</b>	5,601,071
Margin accounts		<b>143,169</b>	138,332
Investments in financial assets	<i>11</i>	<b>3,714,956</b>	3,538,851
– Financial assets at amortised cost		<b>1,092,788</b>	1,108,159
– Financial assets at fair value through profit or loss		<b>1,475,510</b>	1,401,113
– Debt investments at fair value through other comprehensive income		<b>1,050,138</b>	926,931
– Equity investments at fair value through other comprehensive income		<b>96,520</b>	102,648
Refundable deposits		<b>77,920</b>	68,215
Interests in associates		<b>110,584</b>	107,733
Interests in joint ventures		<b>65,918</b>	66,955
Fixed assets		<b>232,604</b>	218,052
Investment properties		<b>40,407</b>	40,691
Right-of-use assets		<b>49,061</b>	49,285
Intangible assets		<b>21,507</b>	22,640
Goodwill		<b>26,592</b>	26,744
Deferred tax assets		<b>85,676</b>	84,972
Other assets		<b>63,392</b>	55,350
<b>Total assets</b>		<b>12,495,330</b>	12,075,425

		<b>30 June 2025</b>	31 December 2024
	<i>Note</i>	<b>RMB million (Unaudited)</b>	<i>RMB million</i>
<b>Liabilities</b>			
Borrowings from central banks		<b>131,186</b>	124,151
Deposits from banks and non-bank financial institutions		<b>663,557</b>	935,159
Placements from banks and non-bank financial institutions		<b>164,044</b>	145,644
Financial liabilities at fair value through profit or loss		<b>134,701</b>	127,140
Customer brokerage deposits		<b>433,001</b>	361,926
Funds payable to securities issuers		<b>6</b>	1,063
Derivative financial instruments		<b>103,812</b>	134,331
Trade and other payables		<b>417,107</b>	385,896
Contract liabilities		<b>22,361</b>	21,099
Financial assets sold under repurchase agreements		<b>749,890</b>	672,087
Deposits from customers	12	<b>6,185,762</b>	5,847,939
Employee benefits payables		<b>56,364</b>	57,386
Income tax payable		<b>11,999</b>	12,376
Bank and other loans	13	<b>252,091</b>	245,566
Debt instruments issued	14	<b>1,618,327</b>	1,497,138
Lease liabilities		<b>19,361</b>	19,049
Provisions		<b>15,460</b>	13,801
Deferred tax liabilities		<b>16,759</b>	17,731
Other liabilities		<b>38,738</b>	32,929
<b>Total liabilities</b>		<b>11,034,526</b>	10,652,411
<b>Equity</b>			
Share capital		<b>307,576</b>	307,576
Reserves		<b>457,104</b>	449,911
<b>Total ordinary shareholders' funds</b>		<b>764,680</b>	757,487
Non-controlling interests		<b>696,124</b>	665,527
<b>Total equity</b>		<b>1,460,804</b>	1,423,014
<b>Total liabilities and equity</b>		<b>12,495,330</b>	12,075,425

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

## 1 GENERAL INFORMATION

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

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

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

The financial information relating to the year ended 31 December 2024 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 2024 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 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

### (a) Material changes in accounting policies

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 2024, except for the following amendments which became effective for the first time for the financial year beginning on or after 1 January 2025:

- (i) The amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability (“the amendments to HKAS 21”)

The Group has applied the amendments to HKAS 21 which were issued by the HKICPA and became effective in 2025 to this interim financial report for the current accounting period.

The adoption of the above amendments does not have a material impact on the interim financial report of the Group.



## 2 BASIS OF PREPARATION (CONTINUED)

### (a) Material changes in accounting policies (Continued)

- (ii) The Group made a change in accounting policy related to physical settlement of contracts to buy or sell bulk commodities that fail the own-use exception. Previously, for contracts involving the sale of bulk commodities, the Group recognised sales of goods and services and cost of sales and services when the customer obtained control of the commodity. Considering the practical guidance issued by the relevant regulatory authority and the economic substance of these transactions, effective from 1 January 2025, such transactions are accounted for as settlement of the sales contracts without recognising any sales of goods and services or cost of sales and services. The impact of this change in accounting policy has been applied retrospectively, and comparative figures have been adjusted accordingly. The change in accounting policy does not have an impact on the Group's profit before taxation, profit for the period or total assets of the comparative period.

### (b) Standards and amendments relevant to the Group that are not yet effective and have not been adopted before their effective dates in 2025

The Group has not applied the following standards and amendments which are not yet effective for the financial year beginning on or after 1 January 2025 and which have not been early adopted in the Accounts:

Amendments to HKFRS 9 and HKFRS 7	Contracts referencing nature-dependent electricity <sup>(1)</sup>
	Amendments to the classification and measurement of financial instruments <sup>(1)</sup>
Annual improvements to HKFRSs – Volume 11	Amendments to part of HKFRS <sup>(1)</sup>
HKFRS 18	Presentation and disclosure in financial statements <sup>(2)</sup>
HKFRS 19	Subsidiaries without public accountability: disclosures <sup>(2)</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture <sup>(3)</sup>

<sup>(1)</sup> Effective for the annual reporting periods beginning on or after 1 January 2026.

<sup>(2)</sup> Effective for the annual reporting periods beginning on or after 1 January 2027.

<sup>(3)</sup> The effective date has been deferred indefinitely.

Except for HKFRS 18, none of these is expected to have a material effect on the consolidated financial statements of the Group. The Group is in the process of making an assessment of the impact of HKFRS 18.

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

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

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

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

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

The measure used for reporting segment profit is “profit for the period”. To arrive at segment results, the Group’s profit is further adjusted for items not specifically attributed to individual segments, such as share of results of associates and joint ventures.

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

### 3 SEGMENT REPORTING (CONTINUED)

#### (a) Segment results, assets and liabilities (Continued)

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

	Six months ended 30 June 2025							
	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	139,775	27,277	163,702	23,524	14,437	45	-	368,760
Inter-segment revenue	954	128	140	70	383	(9)	(1,666)	-
<b>Reportable segment revenue</b>	<b>140,729</b>	<b>27,405</b>	<b>163,842</b>	<b>23,594</b>	<b>14,820</b>	<b>36</b>	<b>(1,666)</b>	<b>368,760</b>
<b>Disaggregation of revenue:</b>								
- Net interest income (Note 4(a))	72,480	-	-	-	-	-	(818)	71,662
- Net fee and commission income (Note 4(b))	32,611	-	-	-	-	-	(35)	32,576
- Sales of goods (Note 4(c))	12	27,141	162,297	16,745	4,258	-	(191)	210,262
- Services rendered to customers - construction contracts (Note 4(c))	-	112	15	-	4,404	-	(220)	4,311
- Services rendered to customers - others (Note 4(c))	4	152	1,530	6,849	6,158	36	(373)	14,356
- Other revenue (Note 4(d))	35,622	-	-	-	-	-	(29)	35,593
Share of profits/(losses) of associates, net of tax	1,526	(1)	1,290	(127)	617	(3)	-	3,302
Share of profits/(losses) of joint ventures, net of tax	1,020	40	420	(3)	(205)	7	-	1,279
Finance income (Note 5)	-	29	929	44	439	192	(569)	1,064
Finance costs (Note 5)	-	(108)	(1,489)	(265)	(985)	(4,050)	1,119	(5,778)
Depreciation and amortisation (Note 6)	(4,848)	(757)	(5,487)	(851)	(995)	(164)	-	(13,102)
Expected credit losses	(28,983)	(108)	(48)	(70)	740	-	-	(28,469)
Impairment losses	12	(190)	(806)	(63)	(146)	-	-	(1,193)
<b>Profit/(loss) before taxation</b>	<b>67,833</b>	<b>1,104</b>	<b>8,479</b>	<b>607</b>	<b>2,637</b>	<b>(4,162)</b>	<b>(488)</b>	<b>76,010</b>
Income tax (Note 7)	(13,468)	(128)	(1,541)	(191)	(690)	(133)	(14)	(16,165)
<b>Profit/(loss) for the period</b>	<b>54,365</b>	<b>976</b>	<b>6,938</b>	<b>416</b>	<b>1,947</b>	<b>(4,295)</b>	<b>(502)</b>	<b>59,845</b>
<b>Attributable to:</b>								
- Ordinary shareholders of the Company	28,384	458	5,184	145	1,875	(4,294)	(524)	31,228
- Non-controlling interests	25,981	518	1,754	271	72	(1)	22	28,617
	As at 30 June 2025							
	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
<b>Reportable segment assets</b>	<b>11,784,963</b>	<b>60,555</b>	<b>360,471</b>	<b>55,900</b>	<b>340,418</b>	<b>49,204</b>	<b>(156,181)</b>	<b>12,495,330</b>
Including:								
Interests in associates	26,627	1,005	23,624	8,577	49,959	792	-	110,584
Interests in joint ventures	13,892	679	8,852	1,449	39,683	1,363	-	65,918
<b>Reportable segment liabilities</b>	<b>10,558,113</b>	<b>38,401</b>	<b>176,555</b>	<b>24,976</b>	<b>138,724</b>	<b>234,729</b>	<b>(136,972)</b>	<b>11,034,526</b>
Including:								
Bank and other loans (Note 13) (note)	28,584	6,668	89,655	10,500	57,105	115,194	(56,236)	251,470
Debt instruments issued (Note 14) (note)	1,523,241	-	4,944	-	1,000	84,837	(3,680)	1,610,342

Note: The amount is the principal excluding interest accrued.

### 3 SEGMENT REPORTING (CONTINUED)

#### (a) Segment results, assets and liabilities (Continued)

	Six months ended 30 June 2024							
	Comprehensive financial services RMB million (Restated)	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 (Restated)
Revenue from external customers	137,012	25,461	166,810	24,221	21,361	31	–	374,896
Inter-segment revenue	1,052	84	104	49	422	8	(1,719)	–
<b>Reportable segment revenue</b>	<b>138,064</b>	<b>25,545</b>	<b>166,914</b>	<b>24,270</b>	<b>21,783</b>	<b>39</b>	<b>(1,719)</b>	<b>374,896</b>
<b>Disaggregation of revenue:</b>								
– 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))	46	25,352	166,033	17,357	9,734	–	(194)	218,328
– 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))	33,819	–	–	–	–	7	(59)	33,767
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)
<b>Profit/(loss) before taxation</b>	<b>61,608</b>	<b>1,105</b>	<b>9,653</b>	<b>476</b>	<b>4,209</b>	<b>(4,876)</b>	<b>(428)</b>	<b>71,747</b>
Income tax (Note 7)	(11,628)	(136)	(1,275)	(216)	(1,194)	(544)	(5)	(14,998)
<b>Profit/(loss) for the period</b>	<b>49,980</b>	<b>969</b>	<b>8,378</b>	<b>260</b>	<b>3,015</b>	<b>(5,420)</b>	<b>(433)</b>	<b>56,749</b>
<b>Attributable to:</b>								
– 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 31 December 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
<b>Reportable segment assets</b>	<b>11,369,787</b>	<b>63,576</b>	<b>357,614</b>	<b>56,193</b>	<b>343,031</b>	<b>53,956</b>	<b>(168,732)</b>	<b>12,075,425</b>
Including:								
Interests in associates	25,868	1,011	22,819	7,571	49,789	675	–	107,733
Interests in joint ventures	14,766	641	8,117	1,864	40,171	1,396	–	66,955
<b>Reportable segment liabilities</b>	<b>10,184,323</b>	<b>42,162</b>	<b>175,802</b>	<b>26,067</b>	<b>140,955</b>	<b>232,799</b>	<b>(149,697)</b>	<b>10,652,411</b>
Including:								
Bank and other loans (Note 13) (note)	15,277	7,462	90,619	7,740	56,669	125,572	(58,484)	244,855
Debt instruments issued (Note 14) (note)	1,403,167	–	4,887	3,234	1,000	82,621	(4,807)	1,490,102

**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		As at 31 December	
	2025	2024	2025	2024
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
		(Restated)		
Chinese mainland	<b>302,913</b>	317,714	<b>11,274,594</b>	10,921,472
Hong Kong, Macau and Taiwan	<b>27,151</b>	27,682	<b>731,273</b>	737,429
Overseas	<b>38,696</b>	29,500	<b>489,463</b>	416,524
	<b><u>368,760</u></b>	<u>374,896</u>	<b><u>12,495,330</u></b>	<u>12,075,425</u>

### 4 REVENUE

As a multi-industry conglomerate, the Group is principally engaging 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 (loss)/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	
	2025	2024
	RMB million	RMB million
<b>Interest income arising from (note):</b>		
Deposits with central banks, banks and non-bank financial institutions	7,463	7,960
Placements with banks and non-bank financial institutions	5,675	5,009
Financial assets held under resale agreements	1,970	1,980
Investments in financial assets		
– Financial assets at amortised cost	14,719	15,570
– Debt investments at fair value through other comprehensive income (“FVOCI”)	12,116	11,822
Loans and advances to customers and other parties	109,077	121,260
Margin financing and securities lending	3,677	3,444
Others	30	292
	<u>154,727</u>	<u>167,337</u>
<b>Interest expenses arising from:</b>		
Borrowings from central banks	(1,104)	(3,410)
Deposits from banks and non-bank financial institutions	(6,228)	(9,240)
Placements from banks and non-bank financial institutions	(1,720)	(2,111)
Financial assets sold under repurchase agreements	(7,767)	(6,347)
Deposits from customers	(48,288)	(53,179)
Debt instruments issued	(16,131)	(17,057)
Customer brokerage deposits	(638)	(836)
Lease liabilities	(267)	(283)
Others	(922)	(738)
	<u>(83,065)</u>	<u>(93,201)</u>
<b>Net interest income</b>	<u><u>71,662</u></u>	<u><u>74,136</u></u>

*Note:*

Interest income includes interest income accrued on credit-impaired financial assets of RMB258 million for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB378 million).

#### 4 REVENUE (CONTINUED)

##### (b) Net fee and commission income

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Bank card fees	6,971	7,948
Trustee commission and fees	4,738	5,066
Agency fees and commission	4,581	2,545
Guarantee and advisory fees	3,276	2,823
Commission on securities brokerage	7,992	5,607
Commission on fund management	4,164	3,777
Commission on investment banking	2,177	1,818
Settlement and clearing fees	1,504	1,294
Commission on asset management	1,336	1,243
Commission on futures brokerage	2,650	2,527
Others	2,874	449
	<u>42,263</u>	<u>35,097</u>
Fee and commission expenses	<u>(9,687)</u>	<u>(6,066)</u>
Net fee and commission income	<u><u>32,576</u></u>	<u><u>29,031</u></u>

##### (c) Sales of goods and services

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i> (Restated)
Sales of goods	210,262	218,328
Services rendered to customers		
– Revenue from construction contracts	4,311	6,032
– Revenue from other services	14,356	13,602
	<u>228,929</u>	<u>237,962</u>



#### 4 REVENUE (CONTINUED)

##### (d) Other revenue

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i> (Restated)
Net trading (loss)/gain under comprehensive financial services segment ( <i>note (i)</i> )	(19,406)	4,817
Net gain on financial investments under comprehensive financial services segment	53,062	28,431
Others	1,937	519
	<u>35,593</u>	<u>33,767</u>

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

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Net trading (loss)/gain:		
– debt securities and certificates of deposits	(4,874)	6,484
– foreign currencies	(298)	551
– derivatives	(14,234)	(2,218)
	<u>(19,406)</u>	<u>4,817</u>

## 5 NET FINANCE CHARGES

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Finance costs		
– Interest on bank and other loans	4,110	5,561
– Interest on debt instruments issued	1,737	1,567
– Interest on lease liabilities	140	109
	<u>5,987</u>	<u>7,237</u>
Less: interest expense capitalised	(324)	(452)
	<u>5,663</u>	<u>6,785</u>
Other finance charges	115	117
	<u>5,778</u>	<u>6,902</u>
Finance income	(1,064)	(1,312)
	<u>4,714</u>	<u>5,590</u>

## 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	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Salaries and bonuses	30,620	29,491
Depreciation	11,257	10,910
Amortisation	1,845	2,333
Tax and surcharges	1,672	1,600

## 7 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
<b>Current tax – Chinese mainland</b>		
Provision for enterprise income tax	14,989	11,809
Land appreciation tax	5	266
	<u>14,994</u>	<u>12,075</u>
<b>Current tax – Hong Kong</b>		
Provision for Hong Kong profits tax	1,020	600
<b>Current tax – Overseas</b>		
Provision for the period	329	276
	<u>16,343</u>	<u>12,951</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(178)	2,047
	<u>16,165</u>	<u>14,998</u>

The statutory income tax rate of the Company and its subsidiaries located in Hong Kong for the six months ended 30 June 2025 is 16.5% (six months ended 30 June 2024: 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 2025 is 25% (six months ended 30 June 2024: 25%).

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

In December 2021, the Organisation for Economic Co-operation and Development published Pillar Two legislation. According to the rules of Pillar Two legislation, low-tax jurisdictions with effective tax rate below 15% may have a Top-up Tax impact. Certain jurisdictions where the Group's overseas operating institutions are located, had implemented Pillar Two legislation during the reporting period. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. For the six months ended 30 June 2025, the impact of the top-up tax on the Group's current income tax expense is not material.

## 8 DIVIDENDS

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
2024 Final dividend paid: RMB0.36 per share (2023 Final dividend paid: RMB0.335 per share)	10,473	9,745
2025 Interim dividend proposed: RMB0.20 per share (2024 Interim dividend paid: RMB0.19 per share)	<u>5,818</u>	<u>5,527</u>

## 9 EARNINGS PER SHARE

Basic earnings per share for the six months ended 30 June 2025 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 2025 is calculated by dividing adjusted profit attributable to the ordinary shareholders of the Company based on assuming conversion of all potentially dilutive shares by the adjusted weighted average number of ordinary shares.

In 2019, China CITIC Bank Corporation Limited (“CITIC Bank”), a subsidiary of the Group, issued convertible bonds (the “convertible bonds”). On 4 March 2025, CITIC Bank redeemed all unconverted convertible bonds from investors at the price of 111% of the par value of the issued convertible bonds (including the annual interest of the last period) totaling RMB56,851,000. On the same day, the convertible bonds were delisted in the Shanghai Stock Exchange.

In 2022, CITIC Pacific Special Steel Group Co., Ltd. (“CITIC Pacific Special Steel”), a subsidiary of the Group, issued convertible bonds.

The convertible bonds issued by CITIC Bank and CITIC Pacific Special Steel have 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	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Profit attributable to ordinary shareholders of the Company	31,228	32,113
Less: impact on profit attributable to ordinary shareholders of the Company assuming above convertible bonds converted	<u>(203)</u>	<u>(315)</u>
Profit attributable to ordinary shareholders of the Company (adjusted)	<u>31,025</u>	<u>31,798</u>
Weighted average number of ordinary shares ( <i>in million</i> )	<u>29,090</u>	<u>29,090</u>
Basic earnings per share ( <i>RMB</i> )	1.07	1.10
Diluted earnings per share ( <i>RMB</i> )	1.07	1.09

## 10 LOANS AND ADVANCES TO CUSTOMERS AND OTHER PARTIES

### Loans and advances to customers and other parties analysed by nature

	<b>30 June 2025</b> <i>RMB million</i>	31 December 2024 <i>RMB million</i>
<b>Loans and advances to customers and other parties at amortised cost</b>		
Corporate loans:		
– Loans	<b>3,049,706</b>	2,766,421
– Discounted bills	<b>2,038</b>	2,182
– Finance lease receivables	<b>46,365</b>	49,579
	<b>3,098,109</b>	2,818,182
Personal loans:		
– Residential mortgages	<b>1,106,566</b>	1,067,339
– Credit cards	<b>459,146</b>	488,716
– Business loans	<b>488,975</b>	488,898
– Personal consumption	<b>302,947</b>	321,324
– Finance lease receivables	<b>7,315</b>	6,151
	<b>2,364,949</b>	2,372,428
	<b>5,463,058</b>	5,190,610
Accrued interest	<b>23,319</b>	21,889
	<b>5,486,377</b>	5,212,499
Less: allowance for impairment losses	<b>(146,899)</b>	(146,013)
Carrying amount of loans and advances to customers and other parties at amortised cost	<b>5,339,478</b>	5,066,486

# 10 LOANS AND ADVANCES TO CUSTOMERS AND OTHER PARTIES (CONTINUED)

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

	30 June 2025 RMB million	31 December 2024 RMB million
<b>Loans and advances to customers and other parties at fair value through profit or loss (“FVPL”)</b>		
Corporate loans:		
– Loans	13,103	11,243
Personal loans:		
– Finance lease receivables	364	369
Carrying amount of loans and advances to customers and other parties at FVPL	13,467	11,612
<b>Loans and advances to customers and other parties FVOCI</b>		
– Loans	112,604	76,022
– Discounted bills	223,597	446,951
Total carrying amount of loans and advances	336,201	522,973
<b>Carrying amount of loans and advances</b>	<b>5,689,146</b>	<b>5,601,071</b>
Allowance for impairment losses on loans and advances to customers and other parties at FVOCI	(389)	(549)

## 11 INVESTMENTS IN FINANCIAL ASSETS

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
<b>Financial assets at amortised cost</b>		
Debt securities	907,619	920,106
Investment management products	27,184	20,162
Trust investment plans	167,255	176,543
Certificates of deposit and certificates of interbank deposit	1,075	1,095
Investments in creditor's rights on assets	2,010	1,900
Others	3,143	3,354
	<b>1,108,286</b>	1,123,160
Accrued interest	11,160	12,727
	<b>1,119,446</b>	1,135,887
Less: allowance for impairment losses	(26,658)	(27,728)
	<b>1,092,788</b>	1,108,159
<b>Financial assets at FVPL</b>		
Debt securities	596,226	493,650
Investment management products	13,321	11,415
Trust investment plans	11,138	10,340
Certificates of deposit and certificates of interbank deposit	47,423	75,593
Wealth management products	8,734	9,114
Investment funds	528,210	519,063
Equity investments	225,738	237,300
Others	44,720	44,638
	<b>1,475,510</b>	1,401,113



**11 INVESTMENTS IN FINANCIAL ASSETS (CONTINUED)**

	<b>30 June 2025 RMB million</b>	<b>31 December 2024 RMB million</b>
<b>Debt investments at FVOCI</b>		
Debt securities	<b>1,012,203</b>	889,068
Certificates of deposit and certificates of interbank deposit	<b>30,818</b>	29,868
	<b>1,043,021</b>	918,936
Accrued interest	<b>7,117</b>	7,995
	<b>1,050,138</b>	926,931
<b>Equity investments at FVOCI</b>	<b>96,520</b>	102,648
	<b>3,714,956</b>	3,538,851
Allowance for impairment losses on debt investments at FVOCI	<b>(3,014)</b>	(3,285)

## 12 DEPOSITS FROM CUSTOMERS

### (a) Types of deposits from customers

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
<b>Demand deposits</b>		
Corporate customers	2,011,164	1,965,191
Personal customers	501,151	439,965
	<u>2,512,315</u>	<u>2,405,156</u>
<b>Time and call deposits</b>		
Corporate customers	2,218,535	2,066,876
Personal customers	1,281,360	1,221,680
	<u>3,499,895</u>	<u>3,288,556</u>
Outward remittance and remittance payables	88,333	68,167
Accrued interest	85,219	86,060
	<u>6,185,762</u>	<u>5,847,939</u>

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

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
Bank acceptances	499,884	465,680
Letters of credit	44,327	43,450
Guarantees	24,429	21,411
Others	34,265	30,284
	<u>602,905</u>	<u>560,825</u>

## 13 BANK AND OTHER LOANS

### (a) Types of loans

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
<b>Bank loans</b>		
Unsecured loans	193,927	177,750
Loan pledged with assets	17,572	24,503
	<u>211,499</u>	<u>202,253</u>
<b>Other loans</b>		
Unsecured loans	37,448	39,352
Loan pledged with assets	2,523	3,250
	<u>39,971</u>	<u>42,602</u>
	251,470	244,855
Accrued interest	621	711
	<u>252,091</u>	<u>245,566</u>

# 13 BANK AND OTHER LOANS (CONTINUED)

## (b) Maturity of loans

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
<b>Bank loans</b>		
– Within 1 year or on demand	110,445	97,500
– Between 1 and 2 years	33,655	45,055
– Between 2 and 5 years	47,378	36,892
– Over 5 years	20,021	22,806
	<u>211,499</u>	<u>202,253</u>
<b>Other loans</b>		
– Within 1 year or on demand	23,193	1,616
– Between 1 and 2 years	713	32,827
– Between 2 and 5 years	13,550	5,546
– Over 5 years	2,515	2,613
	<u>39,971</u>	<u>42,602</u>
	251,470	244,855
Accrued interest	<u>621</u>	<u>711</u>
	<u>252,091</u>	<u>245,566</u>

## 14 DEBT INSTRUMENTS ISSUED

	<b>30 June 2025</b>	31 December 2024
	<i>RMB million</i>	<i>RMB million</i>
Corporate bonds issued	<b>202,267</b>	217,194
Notes issued	<b>235,288</b>	226,962
Subordinated bonds issued	<b>120,758</b>	83,120
Certificates of deposit issued	<b>717</b>	1,460
Certificates of interbank deposit issued	<b>1,033,057</b>	930,954
Convertible corporate bonds	<b>4,293</b>	11,246
Beneficiary certificates	<b>13,962</b>	19,166
	<b>1,610,342</b>	1,490,102
Accrued interest	<b>7,985</b>	7,036
	<b><u>1,618,327</u></b>	<b><u>1,497,138</u></b>
Analysed by remaining maturity:		
– Within 1 year or on demand	<b>1,194,883</b>	1,098,235
– Between 1 and 2 years	<b>48,448</b>	99,482
– Between 2 and 5 years	<b>193,665</b>	154,731
– Over 5 years	<b>173,346</b>	137,654
	<b>1,610,342</b>	1,490,102
Accrued interest	<b>7,985</b>	7,036
	<b><u>1,618,327</u></b>	<b><u>1,497,138</u></b>

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 2025 (six months ended 30 June 2024: nil).

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES

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

### (a) Mineralogy/Mr. Palmer proceedings

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 Pty Ltd. (“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.

#### *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”) to pursue claims pursuant to an indemnity given by the Company under the Fortescue Coordination Deed (“FCD”). The claim 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 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 because the CITIC Parties did not pay to Mineralogy royalty on products produced by Sino Iron and Korean Steel (“Royalty Component B”) when it was due for payment under the MRSLAs, Mineralogy did not provide funds to the manager of the Yabulu Refinery, Queensland Nickel Pty Ltd. (“QNI”), to enable it to continue managing and operating the Yabulu Refinery, and consequently, QNI was placed into administration in January 2016 and liquidation in April 2016.

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

Mineralogy and Mr. Palmer claim that the liquidation of QNI led to the diminution in value of the Yabulu Refinery, and an equivalent diminution in value of the shares of its joint venture owners, QNI Metals Pty Ltd. and QNI Resources Pty Ltd. The shares in those companies are ultimately beneficially owned by Mr. Palmer. Mineralogy and Mr. Palmer claim that the Company is liable for those losses pursuant to an indemnity provision in the FCD. Mr. Palmer seeks damages in the sum of AUD1,800,438,000.

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.

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Queensland Nickel FCD Indemnity Claim (Continued)*

Mineralogy's and Mr. Palmer's amended reply, filed on 3 June 2024, contained allegations that certain conduct of the CITIC Parties, specifically alleged activities of the Fulcrum Group, had the effect of disentitling the CITIC Parties from relying on their defences of Anshun estoppel and abuse of process ("Fulcrum Allegations"). By orders of Justice Lundberg made on 3 June 2025, the "Fulcrum Allegations" were deleted from Mineralogy's and Mr. Palmer's amended reply and from Mineralogy's further amended defence in Proceeding CIV 2336/2023, as described below, and cannot be re-pleaded in those proceedings.

In September 2024, Justice Lundberg determined that this proceeding and Proceeding CIV 2336/2023 as described below would be actively case managed together.

The trial of Proceeding CIV 2072/2017 commenced on 9 June 2025 and concluded on 27 June 2025. The Court reserved its decision.

#### *Mine Continuation Proposals Disputes*

##### (i) 2017 Mine Continuation Proposals Proceedings

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

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

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

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



## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Mine Continuation Proposals Disputes (Continued)*

##### (i) 2017 Mine Continuation Proposals Proceedings (Continued)

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.

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 allowed the CITIC Parties to undertake drilling and other investigative works necessary for the extension of the mine pit and the establishment of a new tailings storage facility within areas over which Mineralogy has already provided access and use rights.

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Mine Continuation Proposals Disputes (Continued)*

##### (i) 2017 Mine Continuation Proposals Proceedings (Continued)

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.

An inability to extend mining operations and tailings storage facilities beyond areas approved by the State Agreement Minister in 2010 led to a reduction in concentrate production commencing from 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.

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.

**15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)**

**(a) Mineralogy/Mr. Palmer proceedings (Continued)**

***Mine Continuation Proposals Disputes (Continued)***

**(ii) 2017 Mine Continuation Proposals Appeals (Continued)**

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 activities the subject of the 2023 mine continuation proposals are a subset of the activities the subject of the 2017 mine continuation proposals, and are confined to areas over which Mineralogy has already provided access and use rights 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 quantification of any loss and damage suffered by the CITIC Parties is to be heard separately, after the resolution of the issue of liability.

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 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)**

**(a) Mineralogy/Mr. Palmer proceedings (Continued)**

***Mine Continuation Proposals Disputes (Continued)***

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

Mineralogy’s further amended defence includes allegations that Mineralogy was not able to approve the 2023 mine continuation proposals because it was not provided with the necessary supporting documentation, including geological and mine planning information. Mineralogy also asserts that, because the CITIC Parties have breached certain project agreements, the CITIC Parties are not entitled to the relief claimed. The alleged breaches include that:

- the CITIC Parties have not paid Mineralogy the amounts claimed in Proceeding CIV 2072/2017 (referred to above); and
- the CITIC Parties have allegedly failed to permit Mineralogy to observe all measurement, sampling and assaying procedures under the MRSLAs.

After hearing an application by Mineralogy and Mr. Palmer in relation to the sequencing of various proceedings between the parties, on 10 September 2024, Justice Lundberg determined that this proceeding and Proceeding CIV 2072/2017 (referred to above) would be actively case managed together.

Mineralogy’s further amended defence was filed on 5 February 2025.

The CITIC Parties filed their reply to Mineralogy’s further amended defence on 14 February 2025.

After an extensive suite of interlocutory disputes, including unsuccessful attempts by Mineralogy to further amend its defence and to include a counterclaim (claims which subsequently became the subject of Proceeding CIV 1487/2025 as described below), and to vacate the trial dates, the primary trial commenced on 28 April 2025.

Part way through the trial, Mineralogy agreed to the joint submission to the State of the 2023 mine continuation proposals, and as a consequence, on 5 May 2025, Sino Iron, Korean Steel and Mineralogy jointly submitted the 2023 mine continuation proposals to the State of Western Australia for approval. The State of Western Australia approved the 2023 mine continuation proposals on 9 June 2025.

As Mineralogy has now joined with Sino Iron and Korean Steel to submit the 2023 mine continuation proposals, the CITIC Parties no longer press for the injunctive or specific performance relief sought. However, they continue to press for the balance of the relief sought, including for a declaration or finding that Mineralogy was in breach of contract, and consequently, damages.

By orders of Justice Lundberg made on 3 June 2025, the “Fulcrum Allegations” pleaded by Mineralogy in this proceeding were deleted from Mineralogy’s further amended defence in this proceeding, as well as from Mineralogy’s and Mr. Palmer’s amended reply in Proceeding CIV 2072/2017 (referred to above), and cannot be re-pleaded in those proceedings.

The primary trial in this proceeding concluded on 27 June 2025. The Court reserved its decision.

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Mine Continuation Proposals Disputes (Continued)*

##### *(iii) 2023 Mine Continuation Proposals Proceedings (Continued)*

If the Court finds that Mineralogy was in breach of contract, by not submitting the 2023 mine continuation proposals at or shortly after the time that they were provided to Mineralogy in late 2023, the quantification of the damages which Mineralogy must pay as a consequence of that breach will be determined in subsequent proceedings.

#### *Fulcrum Conspiracy Claim*

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

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

Mineralogy and Mr. Palmer bring claims including for breach of contract, 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.

The CITIC Defendants, Allens and FBIS International Issues Management Pty Ltd. have filed applications for summary judgment and to strike out Mineralogy’s and Mr. Palmer’s statement of claim.

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Fulcrum Conspiracy Claim (Continued)*

The applications for summary judgment and strike out were heard on 15 to 18 October 2024 and 17 December 2024. The Court reserved its decision.

On 16 December 2024, Mineralogy and Mr. Palmer filed an application to reopen the summary judgment and strike out application filed by FBIS International Issues Management Pty Ltd. in order to tender further documents. The application was heard on 9 April 2025 and the Court reserved its decision.

No trial date has been set for this proceeding.

#### *Unprocessed/Utilised Material Claim*

On 8 May 2025, Mineralogy commenced a proceeding against Sino Iron, Korean Steel and the Company (“Proceeding CIV 1487/2025”) claiming various breaches of the MRSLAs and other project agreements in connection with:

- Sino Iron’s and Korean Steel’s alleged failure to process approximately 113.5 million dry metric tonnes of Magnetite Ore mined from the Mine Area, and to pay royalties on that amount of Magnetite Ore (“Unprocessed Material”);
- Sino Iron’s and Korean Steel’s alleged use of 134 million tonnes of Magnetite Ore and/or Low Grade Material in circumstances where they should have stockpiled and mapped it in a manner which would have permitted it to be accessed and processed at a later time (“Utilised Material”); and
- Sino Iron’s and Korean Steel’s alleged failure to provide information requested by Mineralogy under the MRSLAs and other project agreements.

Mineralogy alleged that the Company is required to indemnify Mineralogy for loss suffered from Sino Iron’s and Korean Steel’s alleged breaches pursuant to an indemnity provision in the FCD.

With respect to the quantum of these claims, Mineralogy alleged:

- in respect of the Unprocessed Material, a royalty estimated at AUD56,040,175.14 (i.e. Royalty Component A) on the Magnetite Ore mined but not processed and a royalty estimated at USD556,908,960.88 (i.e. Royalty Component B) on products that Mineralogy considers would have been produced by Sino Iron and Korean Steel had that Unprocessed Material been processed; and
- in respect of Utilised Material, loss and damage comprising the market value of that material, alleged to be AUD44 / tonne, or a total of AUD4,992,948,708, or otherwise what that material is reasonably worth.

## 15 CONTINGENT LIABILITIES AND COMMITMENTS – OUTSTANDING LITIGATION AND DISPUTES (CONTINUED)

### (a) Mineralogy/Mr. Palmer proceedings (Continued)

#### *Unprocessed/Utilised Material Claim (Continued)*

Mineralogy previously applied for leave in Proceeding CIV 2336/2023, referred to above, to introduce claims in substantially similar terms to the Unprocessed Material and Utilised Material claims by way of an amended defence and counterclaim. That application was dismissed by the Court on 16 April 2025. In dismissing Mineralogy's application, Justice Lundberg took into account Mineralogy's delay in bringing the new claims and the lack of relevance of the new claims to Proceeding CIV 2336/2023. His Honour's provisional assessment was that the claims are "contractually weak".

On 9 June 2025, Mineralogy filed a notice of discontinuance in Proceeding CIV 1487/2025. However, Mineralogy has indicated it intends to prosecute the claims in a new proceeding, which it says will allow it to make consequential amendments to its pleading and enable it to conduct the new proceeding more effectively and efficiently than the discontinued proceeding.

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

MCC was appointed as the EPC (engineering, procurement and construction) contractor for the processing area and related facilities at the Sino Iron Project in Western Australia. The fixed price contract amount was US\$3,407,000,000.

On 30 January 2013, MCC announced that it had incurred costs over the value of the contract and had provided additional funding of US\$858,000,000 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\$5,000,000 per day, with a cap of approximately US\$530,000,000 in total). As at 30 June 2025, 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 2025.