

# FINANCIAL REVIEW

## Highlights

Along with a good beginning of 14th Five-Year Plan and benefited from the joint efforts of financial and non-financial segments, in 2021, the Group achieved revenue of HK\$708,936 million, representing an increase of 28% year-on-year and 25% on a comparable basis<sup>note</sup>. Besides, the Group recorded profit attributable to ordinary shareholders of HK\$70,222 million, representing an increase of 24% year-on-year.

The **comprehensive financial services segment** recorded a year-on-year increase of 12% and 20% in revenue and profit attributable to ordinary shareholders, respectively. Among which, **CITIC Bank's** revenue exceeded RMB200 billion for the first time and recorded a year-on-year increase of 13.6% in profit attributable to its shareholders, achieving the highest growth rate in the past 8 years. **CITIC Securities** recorded a year-on-year increase of 55% in profit attributable to the shareholders of the parent company, further consolidating its leading advantages in the industry. **CITIC Trust** actively promoted its transformation and upgrading, and its net profit remained in the top three in the industry for fifteen consecutive years. **CITIC-Prudential Life** achieved double-digit growth in both premium income and net profit, further enhancing its comprehensive solvency margin.

The **non-financial segments** recorded a year-on-year increase of 40% in both revenue and profit attributable to ordinary shareholders. Among which, the **advanced materials segment** continued to promote stable production and increase production while reducing costs and increasing efficiency, and thus contributed to the largest growth in performance among the non-financial segments leveraging on the favorable opportunity of rising commodity prices. The **advanced intelligent manufacturing segment** increased its investment in research and development as well as scientific and technological innovation, the **new consumption segment** seized the opportunity of demand recovery after the COVID-19 pandemic, both segments achieved a substantial increase in net profit. The **new-type urbanisation segment** has completed the construction of the Winter Olympics Project in a high-quality manner and had practical achievements in the development of overseas markets, driving a better revenue growth. However, due to the tightening of macro policies in the real estate industry, it recorded a decline in net profit.

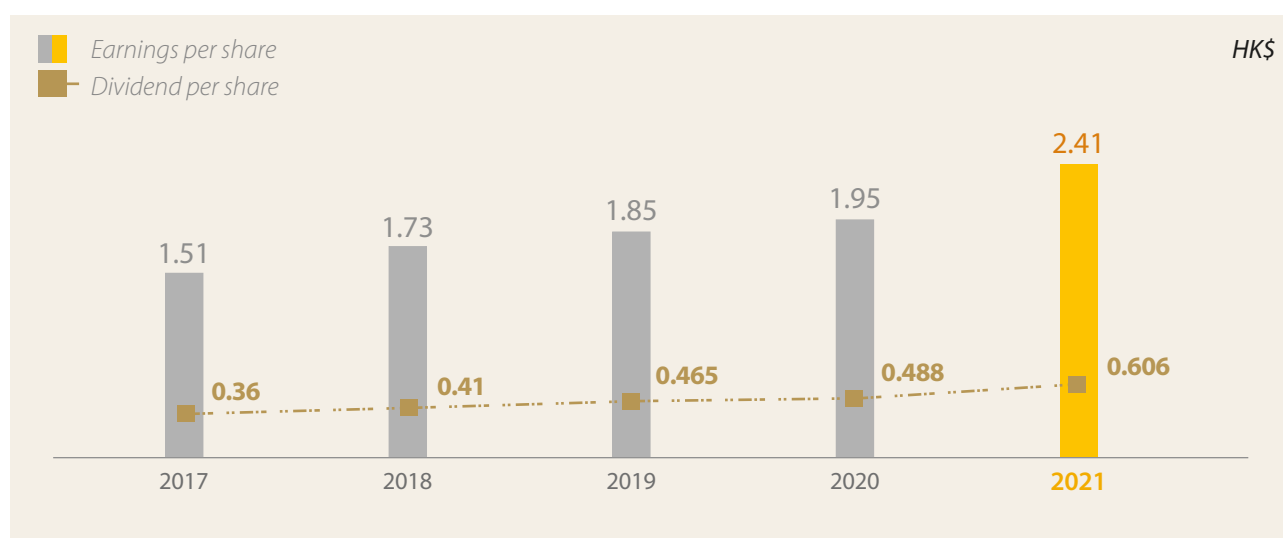
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<sup>note</sup> The comparable basis refers to the assumption that CITIC Dicastal's financial statements were consolidated for the whole year of 2020, while McDonald's China's financial statements were not consolidated for the whole year of 2020.

## Earnings per share and dividends

Earnings per share of profit attributable to ordinary shareholders was HK\$2.41 in 2021, an increase of 24% from HK\$1.95 in 2020. As at 31 December 2021, the number of ordinary shares outstanding was 29,090,262,630.

At the forthcoming annual general meeting, the Board will recommend a final dividend of HK\$0.456 per share to ordinary shareholders. Together with the interim dividend of HK\$0.15 per share paid in November 2021, the total ordinary dividend will be HK\$0.606 (2020: HK\$0.488 per share). This equates to an aggregate cash distribution of HK\$17,629 million.



## Segment Results

### Comprehensive Financial Services

HK\$ million	2021	2020	Increase/(Decrease)	
			Amount	%
Revenue from external customers	256,760	229,103	27,657	12%
Net profit	78,193	65,437	12,756	19%
Profit attributable to ordinary shareholders	52,075	43,516	8,559	20%
Business assets	10,050,873	9,113,747	937,126	10%

In 2021, this segment achieved revenue of HK\$256,760 million, with a net profit of HK\$78,193 million and profit attributable to ordinary shareholders of HK\$52,075 million, up by 12%, 19% and 20% year-on-year respectively.

**CITIC Bank** proactively promoted the asset-light transformation and strengthened the disposal of non-performing assets, and achieved revenue of RMB204,554 million, up 4.7% year-on-year, with a profit attributable to its shareholders of RMB55,641 million, up 13.6% year-on-year. Driven by the rapid growth of its wealth management and bank card business, non-interest income increased by 26% year-on-year, the proportion of which rose by 4.7 percentage points to 27.7%, making up the adverse impact of narrowing of net interest margin resulting from the downward impact of market interest rates. The asset quality has been improving, while the balance of non-performing loans (“NPL”) fell RMB5,993 million to RMB67,459 million and the NPL ratio declined 0.25 percentage point to 1.39%. Both the NPL balance and NPL ratio decreased simultaneously for the first time in nearly eleven years. The provision coverage ratio increased by 8.39 percentage points to 180.07% compared with the beginning of the year, hitting new record highs in nearly seven years.

**CITIC Trust** continued to promote its transformation and upgrading by reducing the scale of channel business and financing business, as well as accelerating innovation and optimising the business structure. During the year, it achieved revenue of RMB8,585 million, slightly down 1.8% year-on-year. CITIC Trust actively strengthened asset quality and increased its provisions, and achieved profit attributable to the parent company of RMB3,501 million, a 9% decrease year-on-year, but still ranking second in the industry.

**CITIC Securities**, benefiting from improvements in capital market sentiment, achieved stable growth in each business and remained an industry leader in investment banking, wealth management and fixed income. It achieved revenue of RMB97,324 million<sup>note</sup> for the year, up 35% year-on-year, with profit attributable to owners of the parent company of RMB23,100 million, up 55% year-on-year, creating the best result since the establishment of the company. With the total assets reached RMB1.28 trillion at the end of the year, CITIC Securities is the only domestic securities company with assets over RMB1 trillion at present. Recently, the company completed a rights issue scheme amounting to approximately RMB27,330 million, which further replenished the capital and enhanced the capacity to resist risks.

Due to the increased contribution from its bancassurance channel by increasing coordination with CITIC Bank, **CITIC-Prudential Life** achieved premium income of RMB26,827 million<sup>note</sup> for the year, up 15% year-on-year. The investment return rate continued to increase as the size of assets under management represented a year-on-year increase of 37% to RMB175,300 million, contributing to a year-on-year increase of 16% in profit attributable to parent company to RMB2,899 million. CITIC-Prudential Life successfully issued a capital supplemental bond of RMB4 billion, representing an increase of the comprehensive solvency margin ratio to 261% after the issue, through taking advantage of the low market interest rates.

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<sup>note</sup> CITIC Securities and CITIC-Prudential Life are both associates and joint ventures of CITIC Limited, which holds 18.45% and 50% equity interests respectively, without consolidating their financial statements.

## Advanced Intelligent Manufacturing

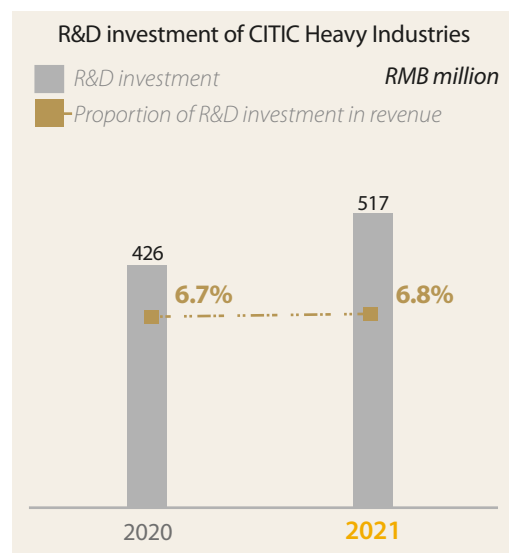
<i>HK\$ million</i>	2021	2020	Increase/(Decrease)		
			Amount	%	Comparable Basis %
Revenue from external customers	47,694	13,759	33,935	247%	31%
Net profit	1,374	623	751	121%	39%
Profit attributable to ordinary shareholders	632	453	179	40%	40%
Business assets	66,837	58,719	8,118	14%	14%

Note: The comparable basis refers to the calculation of fully consolidating CITIC Dicastal's financial statements for the same period last year.

In 2021, this segment achieved revenue of HK\$47,694 million, representing a year-on-year increase of 31% on a comparable basis, and net profit of HK\$1,374 million and profit attributable to ordinary shareholders of HK\$632 million, representing a year-on-year increase of 39% and 40%, respectively on a comparable basis.

By seizing the opportunity of recovery in the auto market, **CITIC Dicastal's** sales of aluminum wheels achieved a year-on-year increase of 8%, contributing to a year-on-year increase of 23% in revenue to RMB31,995 million, with its sales ranking first in the world for thirteen consecutive years. CITIC Dicastal overcame adverse impacts of industry fluctuations and rising raw material prices and other factors and achieved profit attributable to ordinary shareholders of RMB1 billion, representing a year-on-year increase of 40%. CITIC Dicastal is dedicated to smart manufacturing for enhancing its high quality development, and strives to become the first selected company in the global vehicle wheel industry due to its Line 6 of aluminum wheels selected as "Lighthouse Factory".

**CITIC Heavy Industries** achieved remarkable results in expanding incremental businesses such as offshore wind power and special materials, contributing to a year-on-year increase of 19% in revenue to RMB7,550 million and a year-on-year increase of 16% in profit attributable to ordinary shareholders to RMB227 million. CITIC Heavy Industries has maintained the growth trend by filling up orders and production tasks, actively implementing national strategies with investment of more than 6% in R&D for three consecutive years, achieving a number of breakthroughs in critical areas.



## Advanced Materials

HK\$ million	2021	2020	Increase/(Decrease)	
			Amount	%
Revenue from external customers	282,422	195,754	86,668	44%
Net profit	21,137	11,463	9,674	84%
Profit attributable to ordinary shareholders	19,162	10,149	9,013	89%
Total assets	272,756	239,155	33,601	14%

In 2021, this segment achieved revenue of HK\$282,422 million, with a net profit of HK\$21,137 million and profit attributable to ordinary shareholders of HK\$19,162 million, up by 44%, 84% and 89% year-on-year respectively.

In response to the significant fluctuations in raw material prices and the impact of the "Dual Control of Total Energy Consumption and Energy Intensity" policy, **CITIC Pacific Special Steel** actively optimised its product structure, adjusted product prices in a timely manner, and continued improvements in operating efficiency and ongoing cost control efforts, and was able to record a 4% year-on-year increase in sales of special steel to reach 14.53 million tonnes. CITIC Pacific Special Steel recorded revenue of RMB97,332 million with a profit attributable to ordinary shareholders of approximately RMB8 billion, representing a year-on-year growth of 28% and 32%, respectively, both hitting record highs. The company has recently issued convertible bonds with a principal amount of RMB5 billion, the proceeds of which will be used mainly for product upgrades and renovation.

In 2021, **Sino Iron** shipped more than 21 million wet metric tonnes of concentrate to CITIC's special steel plants and other steel mills and achieved a profit of US\$950 million for the reporting period, 121% more than in 2020. The result was primarily due to a combination of higher iron ore prices and an ongoing focus on cost control and operating efficiencies.

**CITIC Metal** recorded revenue of HK\$137,697 million with a profit attributable to ordinary shareholders of HK\$2,112 million, representing a year-on-year growth of 56% and 22%, respectively. In particular, revenue from the trading business increased by 56%, the core product Niobium continued to maintain a solid market advantage and accounted for 83% of the domestic market share, the iron ore trading amounted to 54 million tonnes, ranking at the forefront in the industry. Profit from investment business increased by 26% year-on-year, mainly due to a 2.6 times increase in profit from the Copper Mine Project in Peru driven by high copper prices and a gain of HK\$300 million from the disposal of 1.19% equity interest in Western Superconducting Technologies Co., Ltd (西部超导公司).

With rising oil prices, **CITIC Resources** actively implemented measures to stabilize production, with a 6.2% growth in interest crude oil production and a 72% increase in the average selling price, the crude oil business achieved a profit of HK\$739 million and thus turned the company's overall loss into profit. The interest-bearing debt ratio fell to a near 10-year low of 28.8% during the reporting period as a result of the repayment of interest-bearing liabilities with its own funds.

The Ligang Power Plant, in which **CITIC Pacific Energy** has an investment, grew by 18% and 7.5% in generation capacity and on-grid tariffs, respectively year-on-year. Revenue was HK\$12,058 million, an increase of 37% year-on-year. However, the sharp rise in thermal coal prices led to a deficit in the power generation business, with profit contribution falling 64% year-on-year to HK\$256 million. As the market-oriented electricity reform progresses, the company's profitability will gradually recover.

## New Consumption

<i>HK\$ million</i>	2021	2020	Increase/(Decrease)		
			Amount	%	Comparable Basis %
Revenue from external customers	<b>65,564</b>	70,056	(4,492)	(6.4%)	7.6%
Net profit	<b>2,366</b>	1,278	1,088	85%	50%
Profit attributable to ordinary shareholders	<b>1,610</b>	894	716	80%	80%
Business assets	<b>72,055</b>	76,157	(4,102)	(5.4%)	(5.4%)

Note: The comparable basis refers to the calculation without consolidating McDonald's China's financial statements for the same period last year.

In 2021, this segment achieved revenue of HK\$65,564 million, with a net profit of HK\$2,366 million and profit attributable to ordinary shareholders of HK\$1,610 million. This represented a year-on-year increase of 7.6%, 50% and 80% respectively on a comparable basis.

**CITIC Press** recorded a year-on-year increase of 9.2% of net online sales revenue from self-run book publishing business, effectively compensating for the impact of increased channel discounts, and recorded revenue of RMB1,922 million for the year, which was basically the same as that of the previous year. However, the profit attributable to ordinary shareholders decreased by 14% to RMB242 million due to the impact of fierce price competition in the book market.

**Dah Chong Hong** achieved a strong performance of the premium brand vehicle business in mainland China and the commercial vehicle and yacht business in Hong Kong, becoming the exclusive logistics provider for COVID-19 vaccine in Hong Kong. It recorded a year-on-year increase of 8.5% in overall revenue to HK\$53,541 million and a significant increase of 304% in profit attributable to ordinary shareholders to HK\$550 million.

**CITIC Telecom International** recorded a year-on-year increase in revenue of HK\$636 million from mobile device sales, compensating for the impact of the decline in corporate business and mobile business and leading to a year-on-year increase of 6.3% in overall revenue to HK\$9,486 million and a year-on-year increase of 5.2% in profit attributable to ordinary shareholders to HK\$1,076 million.

## New-Type Urbanisation

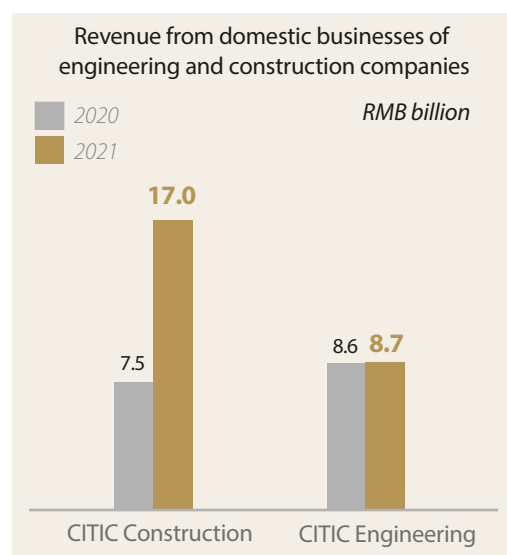
HK\$ million	2021	2020	Increase/(Decrease)	
			Amount	%
Revenue from external customers	56,366	44,224	12,142	27%
Net profit	8,280	9,920	(1,640)	(17%)
Profit attributable to ordinary shareholders	7,810	9,409	(1,599)	(17%)
Business assets	349,907	309,736	40,171	13%

In 2021, this segment realised revenue of HK\$56,366 million, up by 27% year-on-year, a net profit of HK\$8,280 million and profit attributable to ordinary shareholders of HK\$7,810 million, both down by 17% year-on-year. The increase in revenue mainly arose from the engineering construction business, while the decrease in profit was mainly due to the fell in performance of the property development business caused by the tightened regulatory policies in the property industry.

**Property development, operation and management companies** such as CITIC Pacific Properties and CITIC Urban Development registered total revenue of HK\$9,441 million and a profit attributable to ordinary shareholders of HK\$6,361 million for the year, decreasing by 8.2% and 4.3% year-on-year respectively. During the year, its share of net profit from COLI's equity recorded a year-on-year decrease. Apart from this, profits were mainly derived from the rental income from investment properties and the sales of projects such as Glorious Garden in Yangzhou, Optics Valley Xintiandi in Wuhan, Nove Mansion in Shanghai, and The Entrance at Ma On Shan, HK.

**Construction and engineering companies** such as CITIC Construction and CITIC Engineering achieved total revenue of HK\$36,726 million, up by 42% year-on-year. However, an impairment provision on receivables for some projects was made because of the economic fluctuations and overseas COVID-19 pandemic. Without taking account of the impact described above, an operating profit of HK\$2.1 billion was achieved, representing an increase of 11% year-on-year. Developing on Belt and Road markets, newly signed overseas contracts for the year were valued at US\$4.13 billion.

**The urban operation companies** achieved total revenue of HK\$11,044 million and a profit attributable to ordinary shareholders of HK\$1,110 million for the year, up by 17% and 36% year-on-year respectively. The increase was mainly attributable to water treatment operations and proceeds from the disposal of equity investments.

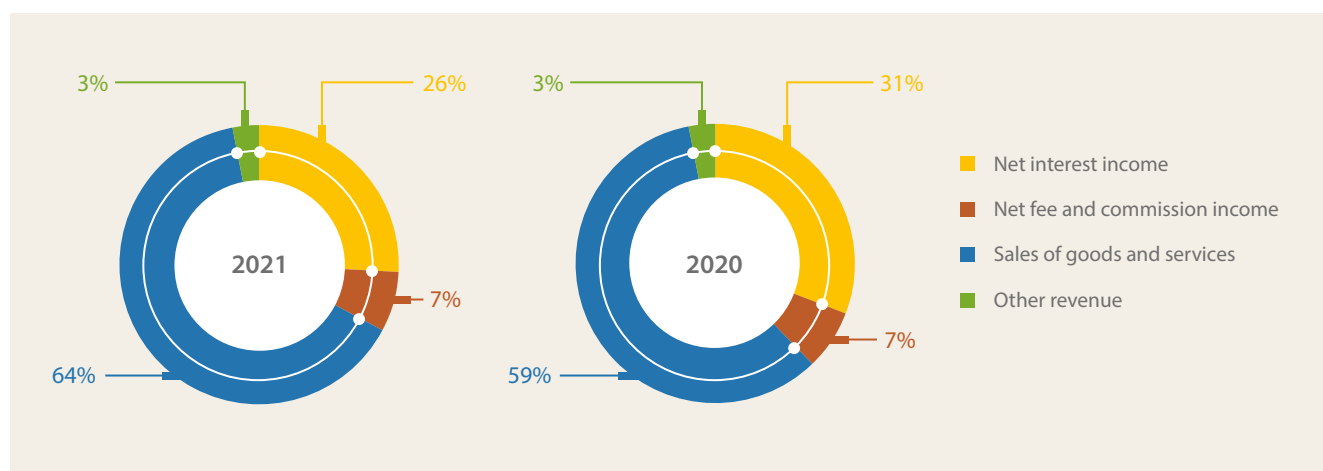


## Group Financial Results

### Revenue

#### By nature

HK\$ million	Year ended 31 December		Increase/(Decrease)	
	2021	2020	Amount	%
Net interest income	181,973	172,018	9,955	5.8%
Net fee and commission income	49,720	39,178	10,542	27%
Sales of goods and services	452,163	323,808	128,355	40%
– Sales of goods	385,350	268,964	116,386	43%
– Revenue from construction contracts	34,589	24,984	9,605	38%
– Revenue from other services	32,224	29,860	2,364	7.9%
Other revenue	25,080	17,945	7,135	40%



### Expected credit losses and other impairment losses

In 2021, expected credit losses and asset impairment losses of HK\$104,798 million were recorded, an increase of 4.2% from the year before. CITIC Bank accounted for HK\$92,792 million of these losses, including HK\$60,492 million expected credited losses in its loans and advances to customers.

### Net finance charges

In 2021, the finance costs of the Group amounted to HK\$9,433 million, a year-on-year decrease of HK\$1,717 million, or 15%, mainly due to the decrease in interest expenses from loans.

In 2021, the finance income of the Group amounted to HK\$2,036 million, a year-on-year increase of HK\$770 million, or 61%, mainly due to the increase in interest income from bank deposits.



## Income tax

In 2021, income tax of the Group was HK\$20,863 million, an increase of HK\$4,073 million as compared with last year, this was consistent with the increase in profit before taxation.

## Group Cash Flows

HK\$ million	CITIC Limited Year ended 31 December				CITIC Bank Year ended 31 December			
	2021	2020	Increase/ (Decrease)	%	2021	2020	Increase/ (Decrease)	%
<b>Net cash (used in)/generated from operating activities</b>	<b>(40,694)</b>	193,225	(233,919)	(121%)	<b>(90,800)</b>	176,053	(266,853)	(152%)
<b>Net cash used in investing activities</b>	<b>(267,453)</b>	(256,167)	(11,286)	(4.4%)	<b>(249,043)</b>	(244,948)	(4,095)	(1.7%)
Including: Proceeds from disposal and redemption of financial investments	3,790,762	3,043,255	747,507	25%	3,667,688	2,885,470	782,218	27%
Payments for purchase of financial investments	(4,041,787)	(3,292,092)	(749,695)	(23%)	(3,912,064)	(3,123,840)	(788,224)	(25%)
<b>Net cash generated from financing activities</b>	<b>208,155</b>	36,018	172,137	478%	<b>264,856</b>	51,596	213,260	413%
Including: Proceeds from bank and other loans and debt instruments issued	1,260,578	1,052,516	208,062	20%	1,088,538	905,749	182,789	20%
Repayment of bank and other loans and debt instruments issued	(1,028,186)	(951,030)	(77,156)	(8.1%)	(817,641)	(808,299)	(9,342)	(1.2%)
Interest paid on bank and other loans and debt instruments issued	(41,084)	(36,566)	(4,518)	(12%)	(31,616)	(25,049)	(6,567)	(26%)
Dividends paid to ordinary shareholders	(15,651)	(11,200)	(4,451)	(40%)	(19,043)	(16,941)	(2,102)	(12%)
Dividends paid to non-controlling interests	(11,302)	(9,987)	(1,315)	(13%)	-	-	-	-
<b>Net decrease in cash and cash equivalents</b>	<b>(99,992)</b>	(26,924)	(73,068)	(271%)	<b>(74,987)</b>	(17,299)	(57,688)	(333%)
<b>Cash and cash equivalents at the beginning of the Period</b>	<b>452,702</b>	463,038	(10,336)	(2.2%)	<b>379,694</b>	382,291	(2,597)	(0.7%)
<b>Effect of exchange rate changes</b>	<b>4,905</b>	16,588	(11,683)	(70%)	<b>4,513</b>	14,702	(10,189)	(69%)
<b>Cash and cash equivalents at the end of the Period</b>	<b>357,615</b>	452,702	(95,087)	(21%)	<b>309,220</b>	379,694	(70,474)	(19%)

## Capital Expenditure

<i>HK\$ million</i>	Year ended 31 December		Increase/(Decrease)	
	2021	2020	Amount	%
Comprehensive financial services	13,450	7,909	5,541	70%
Advanced intelligent manufacturing	1,641	579	1,062	183%
Advanced materials	13,376	9,761	3,615	37%
New consumption	1,748	2,994	(1,246)	(42%)
New-type urbanisation	12,020	8,373	3,647	44%
<b>Total</b>	<b>42,235</b>	<b>29,616</b>	<b>12,619</b>	<b>43%</b>

## Capital Commitments

As at 31 December 2021, the contracted capital commitments of the Group amounted to approximately HK\$33,917 million. Details are disclosed in note 46(f) to the financial statements.

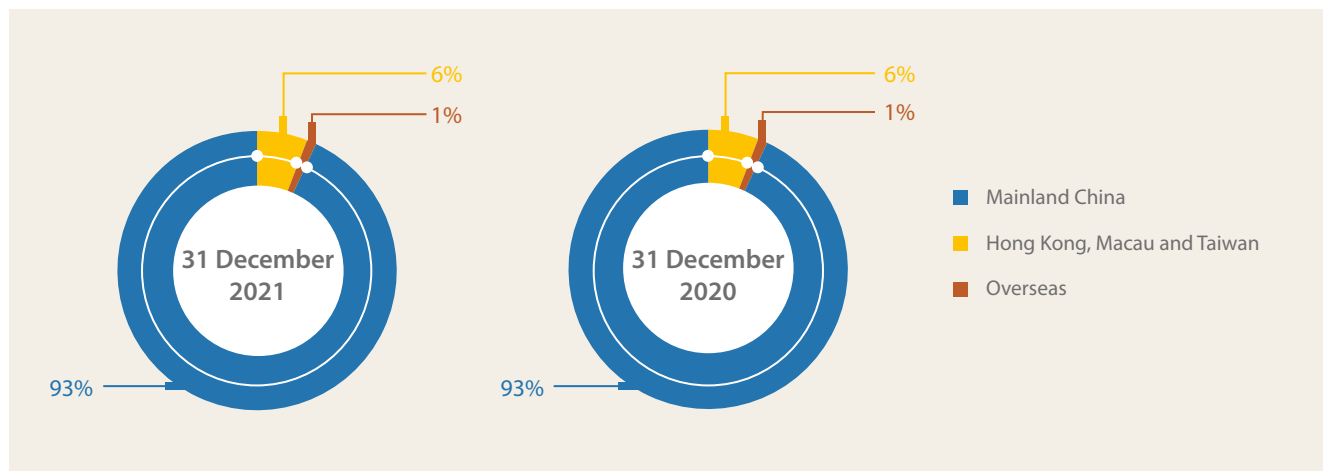
## Group Financial Position

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
<b>Total assets</b>	<b>10,685,521</b>	<b>9,740,828</b>	<b>944,693</b>	<b>9.7%</b>
Loans and advances to customers and other parties	5,809,296	5,206,155	603,141	12%
Investments in financial assets	2,906,862	2,553,067	353,795	14%
Cash and deposits	720,235	755,386	(35,151)	(4.7%)
Placement with banks and non-bank financial institutions	173,754	198,513	(24,759)	(12%)
Trade and other receivables	172,837	169,723	3,114	1.8%
Fixed assets	177,306	167,840	9,466	5.6%
<b>Total liabilities</b>	<b>9,519,931</b>	<b>8,732,186</b>	<b>787,745</b>	<b>9.0%</b>
Deposits from customers	5,852,701	5,427,694	425,007	7.8%
Deposits from banks and non-bank financial institutions	1,422,328	1,370,439	51,889	3.8%
Debt instruments issued	1,250,325	973,858	276,467	28%
Borrowing from central banks	231,479	266,611	(35,132)	(13%)
Bank and other loans	145,362	163,604	(18,242)	(11%)
Trade and other payables	184,939	160,943	23,996	15%
<b>Total ordinary shareholders' funds</b>	<b>751,407</b>	<b>674,276</b>	<b>77,131</b>	<b>11%</b>

## Total assets

Total assets increased from HK\$9,740,828 million as at 31 December 2020 to HK\$10,685,521 million as at 31 December 2021, mainly attributable to an increase in loans and advances to customers and other parties as well as Investments in financial assets.

### By geography



## Loans and advances to customers and other parties

As at 31 December 2021, the loans and advances to customers and other parties of the Group was HK\$5,809,296 million, an increase of HK\$603,141 million or 12% compared to 31 December 2020. The proportion of loans and advances to customers and other parties to total assets was 54.37%, an increase of 0.92 percentage point compared to 31 December 2020.

<i>HK\$ million</i>	As at 31 December 2021	As at 31 December 2020	Increase/(Decrease)	
			Amount	%
<b>Loans and advances to customers and other parties measured at amortised cost</b>				
Corporate loans	2,807,040	2,595,572	211,468	8.1%
Discounted bills	5,532	7,947	(2,415)	(30%)
Personal loans	2,523,024	2,246,396	276,628	12%
Accrued interest	16,181	15,182	999	6.6%
<b>Total loans and advances to customers and other parties measured at amortised cost</b>	<b>5,351,777</b>	<b>4,865,097</b>	<b>486,680</b>	<b>10%</b>
Impairment allowances	(154,269)	(156,218)	1,949	1.2%
<b>Carrying amount of loans and advances to customers and other parties measured at amortised cost</b>	<b>5,197,508</b>	<b>4,708,879</b>	<b>488,629</b>	<b>10%</b>
<b>Loans and advances to customers and other parties at fair value through profit or loss</b>				
Personal loans	–	8,465	(8,465)	(100%)
<b>Loans and advances to customers and other parties measured at fair value through other comprehensive income</b>				
Corporate loans	47,210	3,203	44,007	1374%
Discounted bills	564,578	485,608	78,970	16%
<b>Carrying amount of loans and advances to customers and other parties measured at fair value through other comprehensive income</b>	<b>611,788</b>	<b>488,811</b>	<b>122,977</b>	<b>25%</b>
<b>Net loans and advances to customers and other parties</b>	<b>5,809,296</b>	<b>5,206,155</b>	<b>603,141</b>	<b>12%</b>

## Investments in financial assets

As at 31 December 2021, the investments in financial assets of the Group was HK\$2,906,862 million, an increase of HK\$353,795 million, increased 14% compared with 31 December 2020. The proportion of investments in financial assets to total assets was 27.20%, an increase of 0.99 percentage point compared with 31 December 2020.

### (a) Analysed by types

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
Debt securities	1,962,639	1,713,503	249,136	15%
Investment management products managed by securities companies	72,824	128,035	(55,211)	(43%)
Investment funds	518,277	368,171	150,106	41%
Trust investment plans	295,570	235,803	59,767	25%
Certificates of deposit and certificates of interbank deposit	44,601	70,127	(25,526)	(36%)
Equity investment	27,163	26,185	978	3.7%
Wealth management products	2,677	6,532	(3,855)	(59%)
Investments in creditor's rights on assets	–	96	(96)	(100%)
Others	1,106	2,109	(1,003)	(48%)
<b>Subtotal</b>	<b>2,924,857</b>	<b>2,550,561</b>	<b>374,296</b>	<b>15%</b>
<b>Accrued interest</b>	<b>18,760</b>	<b>19,968</b>	<b>(1,208)</b>	<b>(6.0%)</b>
<b>Less: allowance for impairment losses</b>	<b>(36,755)</b>	<b>(17,462)</b>	<b>(19,293)</b>	<b>(110%)</b>
<b>Total</b>	<b>2,906,862</b>	<b>2,553,067</b>	<b>353,795</b>	<b>14%</b>

### (b) Analysed by measurement attribution

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
Financial assets at amortised cost	1,435,823	1,156,496	279,327	24%
Financial assets at FVPL	667,206	528,293	138,913	26%
Debt investments at FVOCI	793,188	860,255	(67,067)	(7.8%)
Equity investments at FVOCI	10,645	8,023	2,622	33%
<b>Total</b>	<b>2,906,862</b>	<b>2,553,067</b>	<b>353,795</b>	<b>14%</b>

## Deposits from customers

As at 31 December 2021, deposits from customers of the financial institutions under the Group were HK\$5,852,701 million, an increase of HK\$425,007 million or 7.8% compared to 31 December 2020. The proportion of deposits from customers to total liabilities was 61.48%, a decrease of 0.68 percentage point compared to 31 December 2020.

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
Corporate deposits				
Time deposits	2,183,893	1,991,042	192,851	10%
Demand deposits	2,401,056	2,258,627	142,429	6.3%
<b>Subtotal</b>	<b>4,584,949</b>	<b>4,249,669</b>	<b>335,280</b>	<b>7.9%</b>
Personal deposits				
Time deposits	809,998	726,173	83,825	12%
Demand deposits	379,224	388,658	(9,434)	(2.4%)
<b>Subtotal</b>	<b>1,189,222</b>	<b>1,114,831</b>	<b>74,391</b>	<b>6.7%</b>
<b>Outward remittance and remittance payables</b>	<b>13,062</b>	<b>10,763</b>	<b>2,299</b>	<b>21%</b>
<b>Accrued interest</b>	<b>65,468</b>	<b>52,431</b>	<b>13,037</b>	<b>25%</b>
<b>Total</b>	<b>5,852,701</b>	<b>5,427,694</b>	<b>425,007</b>	<b>7.8%</b>

## Bank and other loans

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
Comprehensive financial services	4,865	2,382	2,483	104%
Advanced intelligent manufacturing	15,823	15,867	(44)	(0.3%)
Advanced materials	58,887	53,753	5,134	9.6%
New consumption	5,966	10,301	(4,335)	(42%)
New-type urbanisation	46,938	39,217	7,721	20%
Operation management	90,837	82,529	8,308	10%
Elimination	(78,411)	(40,878)	(37,533)	(92%)
<b>Subtotal</b>	<b>144,905</b>	<b>163,171</b>	<b>(18,266)</b>	<b>(11%)</b>
<b>Accrued interest</b>	<b>457</b>	<b>433</b>	<b>24</b>	<b>5.5%</b>
<b>Total</b>	<b>145,362</b>	<b>163,604</b>	<b>(18,242)</b>	<b>(11%)</b>

## Debt instruments issued

<i>HK\$ million</i>	As at	As at	Increase/(Decrease)	
	31 December 2021	31 December 2020	Amount	%
Comprehensive financial services	1,167,869	872,734	295,135	34%
Advanced intelligent manufacturing	–	–	–	–
Advanced materials	489	772	(283)	(37%)
New consumption	3,500	3,496	4	0.1%
New-type urbanisation	372	360	12	3.3%
Operation management	104,713	121,736	(17,023)	(14%)
Elimination	(32,237)	(30,567)	(1,670)	(5.5%)
<b>Subtotal</b>	<b>1,244,706</b>	<b>968,531</b>	<b>276,175</b>	<b>29%</b>
<b>Accrued interest</b>	<b>5,619</b>	<b>5,327</b>	<b>292</b>	<b>5.5%</b>
<b>Total</b>	<b>1,250,325</b>	<b>973,858</b>	<b>276,467</b>	<b>28%</b>

## Total ordinary shareholders' funds

As at 31 December 2021, total ordinary shareholders' funds of the Group amounted to HK\$751,407 million, an increase of HK\$77,131 million as compared with 31 December 2020. This was mainly attributable to the growth in net profits.