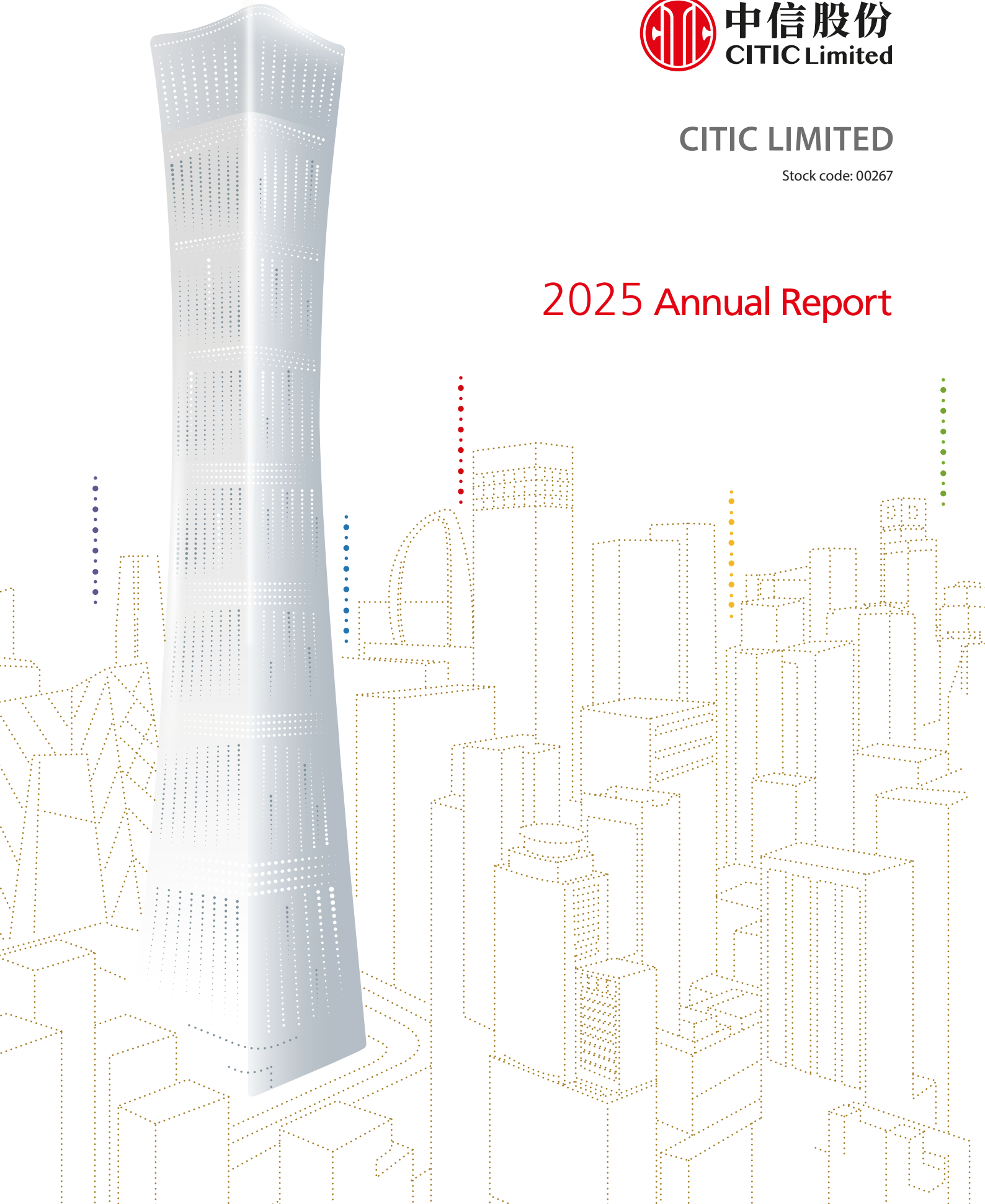




CITIC LIMITED

Stock code: 00267

2025 Annual Report



Our Company

CITIC Limited (00267.HK) is one of China's largest conglomerates and a constituent of the Hang Seng Index. The company is focused on five business segments: comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

The predecessor of CITIC Limited, China International Trust and Investment Corporation, was established by Mr Rong Yiren with the support of Mr Deng Xiaoping. It played a crucial role as a pilot for national economic reform and an important window on China's opening to the outside world. CITIC successfully blazed a new trail of development for China's reform and opening up and modernisation by raising foreign capital, introducing advanced technologies and adopting advanced international practice in operation and management.

After years of development, relying on its strengths in marketisation and internationalisation, CITIC has developed into a multinational conglomerate with synergies between industrial and financial sectors, diverse businesses and operations in around 160 countries and regions. In August 2014, CITIC became a listed company in

Hong Kong, further accelerating its internationalisation.

In recent years, with a vision of "building an outstanding conglomerate with a lasting reputation", CITIC has comprehensively deepened reforms, promoted high-quality development and continuously enhanced its value creation capability and shareholder returns. The company has implemented the "Financial Core" Initiative to strengthen and optimise the financial sector, along with the "Industrial Starlink" Initiative to promote the transformation of industrial subsidiaries towards high-end, green and intelligent development while accelerating the deployment in strategic emerging and future industries. The "Technological Rock" Initiative has also been launched to promote a deep integration of sci-tech advancements with industrial innovations by developing sci-tech innovation clusters with a CITIC-specific innovation system.

Our Businesses

Comprehensive Financial Services

CITIC Financial Holdings	(100%)
CITIC Bank (601998.SH) (00998.HK)	(65.79%)
CITIC Securities (600030.SH) (06030.HK)	(19.84%)
CSC Financial ^{Note} (601066.SH) (06066.HK)	(4.53%)
CITIC Trust	(100%)
CITIC-Prudential Life	(50%)

Advanced Intelligent Manufacturing

CITIC Heavy Industries (601608.SH)	(64.38%)
CITIC Dicastal	(42.11%)

Advanced Materials

CITIC Pacific Special Steel (000708.SZ)	(83.85%)
Nanjing Steel (600282.SH)	(62.76%)
CITIC Metal (601061.SH)	(89.77%)
CITIC Resources (01205.HK)	(59.50%)
CITIC Pacific Energy	(100%)
CITIC Mining International	(100%)

New Consumption

CITIC Telecom International (01883.HK)	(57.54%)
CITIC Press (300788.SZ)	(73.50%)
CITIC Agriculture	(100%)

New-type Urbanisation

CITIC Construction	(100%)
CITIC Offshore Helicopter (000099.SZ)	(38.63%)
CITIC Environment	(100%)
CITIC Pacific Properties	(100%)

Note: CITIC Limited holds 4.53% of the shares of CSC Financial through CITIC Financial Holdings, an indirect wholly-owned subsidiary. At the same time, CITIC Securities directly holds 4.94% of the shares of CSC Financial.

As at 31 December 2025

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Financial Highlights

Five Year Review

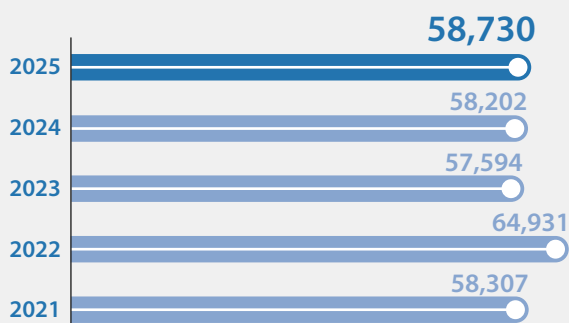
<i>RMB million</i>	2021	2022	2023	2024 (Restated)	2025
Revenue	588,651	663,438	680,832	747,200	769,264
Profit before taxation	100,587	127,292	123,287	132,657	144,608
Net profit	83,264	105,823	105,274	107,755	115,813
Profit attributable to ordinary shareholders	58,307	64,931	57,594	58,202	58,730
Basic earnings per share (RMB)	2.00	2.23	1.98	2.00	2.02
Diluted earnings per share (RMB)	2.00	2.23	1.98	1.97	2.01
Dividend per share (HK\$)	0.606	0.651	N/A	N/A	N/A
Dividend per share (RMB)	N/A	N/A	0.515	0.55	0.585
Return on total assets (%)	1.3%	1.4%	1.2%	1.2%	1.2%
Return on net assets (%)	9.9%	10.2%	8.4%	8.0%	7.6%
Dividend payout ratio (%)	25%	25%	26%	27.5%	29%
Capital expenditure	35,069	30,336	40,000	26,677	23,173

<i>RMB million</i>	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023	As at 31 December 2024	As at 31 December 2025
Total assets	8,736,482	10,542,043	11,330,920	12,075,425	13,021,140
Total liabilities	7,783,496	9,307,366	9,994,138	10,652,411	11,524,479
Total ordinary shareholders' funds	614,350	660,109	703,178	757,487	782,349
Ordinary shareholders' funds per share (RMB)	21.12	22.69	24.17	26.04	26.89
Credit Ratings					
– Standard & Poor's	BBB+/Positive	BBB+/Stable	BBB+/Positive	A-/Stable	A-/Stable
– Moody's	A3/Stable	A3/Stable	A3/Stable	A3/Stable	A3/Stable
Staff employed	136,637	161,408	188,862	190,763	193,011

Financial Highlights

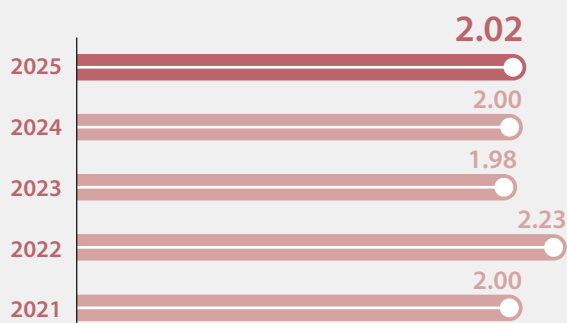
Profit attributable to ordinary shareholders

RMB million



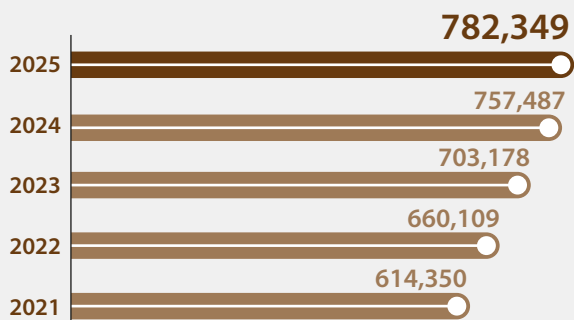
Basic earnings per share

RMB



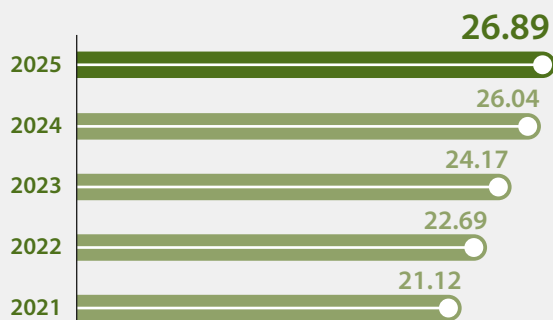
Total ordinary shareholders' funds

RMB million



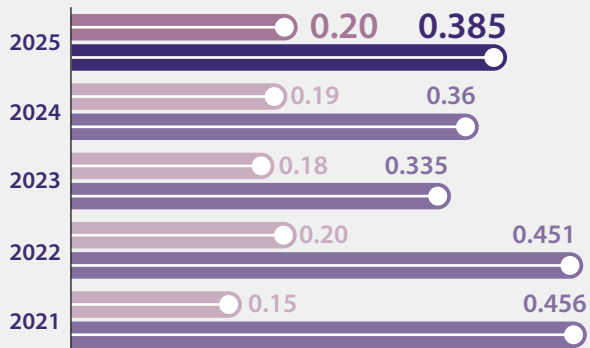
Ordinary shareholders' funds per share

RMB



Dividend per share

HK\$/RMB



Dividend payout ratio

%



▫ Interim dividend per share ▫ Final dividend per share

Note: The currency of dividend per share for 2023-2025 is RMB and for 2021-2022 is HKD.

By Segment

Revenue from external customers

<i>RMB million</i>	Year ended 31 December		Increase/(Decrease)	
	2025	2024 (Restated)	Amount	%
Comprehensive Financial Services	290,880	273,799	17,081	6.2%
Advanced Intelligent Manufacturing	57,165	50,793	6,372	12.5%
Advanced Materials	335,464	325,615	9,849	3.0%
New Consumption	48,153	49,872	(1,719)	(3.4%)
New-type Urbanisation	37,578	46,987	(9,409)	(20.0%)

Profit attributable to ordinary shareholders

<i>RMB million</i>	Year ended 31 December		Increase/(Decrease)	
	2025	2024	Amount	%
Comprehensive Financial Services	55,815	52,649	3,166	6.0%
Advanced Intelligent Manufacturing	802	865	(63)	(7.3%)
Advanced Materials	10,549	10,310	239	2.3%
New Consumption	530	42	488	1,161.9%
New-type Urbanisation	125	5,135	(5,010)	(97.6%)

Total assets

<i>RMB million</i>	As at	As at	Increase/(Decrease)	
	31 December 2025	31 December 2024	Amount	%
Comprehensive Financial Services	12,324,396	11,369,787	954,609	8.4%
Advanced Intelligent Manufacturing	58,168	63,576	(5,408)	(8.5%)
Advanced Materials	367,210	357,614	9,596	2.7%
New Consumption	54,905	56,193	(1,288)	(2.3%)
New-type Urbanisation	335,098	343,031	(7,933)	(2.3%)

Capital expenditure

<i>RMB million</i>	Year ended 31 December		Increase/(Decrease)	
	2025	2024	Amount	%
Comprehensive Financial Services	4,379	9,017	(4,638)	(51.4%)
Advanced Intelligent Manufacturing	1,422	1,109	313	28.2%
Advanced Materials	12,925	11,828	1,097	9.3%
New Consumption	2,522	1,198	1,324	110.5%
New-type Urbanisation	1,925	3,525	(1,600)	(45.4%)

Chairman's Letter to Shareholders



Dear Shareholders,

2025 marked the conclusion of the 14th Five-Year Plan (14th FYP) and the commencement of the strategic layout for the 15th Five-Year Plan (15th FYP). Over the past year, the successful convening of the Fourth Plenary Session of the 20th CPC Central Committee set out an inspiring blueprint for high-quality development and set the definitive course for our forward momentum. In 2025, China's economy showed a stable uptrend and navigated the surging tides of the global economy, injecting stability and positive energy into international development. Throughout the year, technology has reshaped industrial development paradigms on an unprecedented scale, catalysing the boom of new quality productive

forces. In an era defined by the challenges and opportunities of transformation and innovation, CITIC Limited has drawn on the profound resilience, tremendous potential and great vitality of China's economy. By leveraging our integrated advantages across technology, industry and finance sectors, we have upheld our responsibility to the country's overall interest, achieved breakthroughs in structural reform and delivered exceptional results.

Earnings saw steady growth in both quantity and quality. Our overall scale reached new heights. As of the end of 2025, CITIC Limited's total assets increased 7.8% from the start of the year to RMB13.02 trillion, representing a compound annual growth rate of 9.7% during the 14th FYP period. Total assets under directly managed associate companies reached RMB0.96 trillion, up 15.9% from the beginning of the year. Core indicators improved steadily. CITIC Limited recorded operating revenue of RMB769.264 billion, up 3.0% year on year, and profit attributable to ordinary shareholders of RMB58.730 billion, up 0.9% year on year. Asset quality continued to strengthen. The non-performing asset ratio in the financial segment was down 0.01 percentage points from the beginning of 2025. The gearing ratio in the non-financial segment was 46.22%, down 0.70 percentage points from the beginning of 2025. CITIC Limited achieved an outstanding market performance, earning increased recognition from external stakeholders. Share price rose by 38.1% during the year, outperforming both the Hang Seng Index and the Hang Seng SCHK Chinese Mainland Companies High Dividend Yield Index. Our latest MSCI ESG rating was upgraded

from BB to A and then to AA, reaching a record high. These achievements were made possible by the steadfast support of our shareholders. The Board recommends a final dividend of RMB0.385 per share, bringing the total for 2025 to RMB0.585 per share, with a payout ratio of 29.0%, up 1.5 percentage points from 2024.

Highlights in financial segment showcased the advantage of an integrated service system. We leveraged our role as a financial holding company, guided by the "Financial Core" initiative, carrying out model innovation across the board and building a strong comprehensive financial service system with full licensing and lifecycle support. We drove major business lines to focus on core operations, enhance governance and seek differentiated development. Our financial subsidiaries pursued new strategic directions, resulting in increased profitability. CITIC Bank, CITIC Securities and CITIC-Prudential Life all achieved record-high net profits attributable to the parent company. Total assets of financial segment reached RMB12.32 trillion, with CITIC Bank's assets exceeding RMB10 trillion and CITIC Securities' assets surpassing RMB2 trillion. CITIC Trust posted record results in its proprietary trading business and reclaimed its industry-leading position by trust asset scale. We have made significant progress across the "Five Major Tasks" in finance. The launch of a dedicated techfin task force provided comprehensive services for over 15 thousand national-level specialised and sophisticated enterprises, and manufacturing single champion enterprises, profoundly reshaping our financial customer base and creating substantial new opportunities for future development. Our underwriting volumes for tech innovation, green and rural revitalisation bonds all ranked first in the market. In cross-border financial services, we built a premium brand by establishing a global system based in Hong Kong. Our Hong Kong IPO underwriting volume reached US\$8.98 billion, ranking first in the market for the first time; Chinese offshore bond underwriting reached US\$12.87 billion, maintaining our industry leadership through landmark deals such as CATL Hong Kong IPO and BYD's lightning placement. CITIC has emerged as China's largest direct financing institution and comprehensive asset manager. Domestic equity underwriting reached RMB389.1 billion, accounting for over a third of the market and domestic bond underwriting reached RMB5 trillion, accounting for 16% of the market, both ranking first. Total assets under management reached nearly RMB11 trillion, with growth exceeding the industry average.

Accelerating industry transformation to create secular growth and value. We launched the "Industrial Starlink" initiative to revitalise our established franchises, while nurturing emerging stars and identifying industry leaders of the future, establishing a solid foundation for a modern industrial system. Our industry leadership has further consolidated. Profits from CITIC Metal's flagship copper and niobium businesses continued to rise and the first phase of South African Platreef PGM-Nickel Mine is fully operational. CITIC Press cemented its leading position in mass publishing with major hits including the exclusive publication of "Ne Zha". Longping High-Tech under CITIC Agriculture has emerged as the world's top seven agricultural companies and was the sole agriculture sector recipient of the Fifth China Quality Award. In emerging industries, we have established a robust presence across the value chain, leveraging the broad perspective, deep insights and high-quality research of our two leading securities firms. By focusing on both the upstream and downstream industries of new energy, new materials and robotics, we have built a strong pipeline of high-potential projects. CITIC Dicastal accelerated industrialisation of integrated die-casting, developing China's first vacuum high-pressure casting robotic skeleton component to support the lightweight development of humanoid robots. CITIC Pacific Special Steel continued to push manufacturing limits, with products used in iconic constructions such as the Guizhou Huajiang Canyon Bridge. CITIC Pacific Energy's green power generation increased by 94% year on year, with profit attributable to ordinary shareholders hitting record highs. CITIC Offshore Helicopter successfully conducted the world's first 2-tonne eVTOL supply transport to offshore oil platforms, moving into a new frontier in the low-altitude economy.

Chairman's Letter to Shareholders

Advancing comprehensive sci-tech initiatives to demonstrate strong innovative-driven momentum. By focusing on fostering and expanding high quality productive forces, we upgraded our “Technological Rock” initiative and maintained a robust R&D investment rate at 3% of revenue throughout the year. We established a “mega platform” for innovation, including high-level science and technology centres led by two state key laboratories in intelligent mining equipment and digital steel. The CITIC HK AI Technology Innovation Center has entered substantive research phases, collaborating with top universities and research institutes to address key challenges and develop proprietary technologies. We strengthened our technical “hard power” and received 18 recognitions with two first prizes at the People's Bank of China's 2024 Fintech Development Awards, remaining the most-awarded financial enterprise. In the national “Data Elements x” final competition, we won four awards, including a first prize, to rank among the leading companies in the field. We further advanced the integration of artificial intelligence by establishing a dedicated AI innovation support system and building a group-level intelligent computing centre to power our AI applications. Nanjing Steel was designated as China's inaugural pioneer-level smart factory, while the number of excellence-level smart factories under CITIC increased to six. CITIC Securities deployed 27 digital employees, enhancing various functions such as intelligent investment research and smart investment banking. For three consecutive years, our internal “Blooming Cup” digitalisation contest has incubated smart applications with broad benefits and significant growth potential, further boosting total factor productivity.

Demonstrating resilience for steady development through effective risk prevention and control. Risk prevention remains our constant focus. We have enhanced our comprehensive risk management system through proactive measures and multi-dimensional oversight, while strengthening compliance and internal controls. We have accelerated the resolution of existing risks. Sino Iron project reached a major sustainable milestone with the approval of the 2023 Mine Continuation Proposals, securing its medium-to-long-term operations and its goal of becoming a world-class mining company. We also reduced real estate exposure by lowering both non-performing loan balances and non-performing loan ratios, and expedited the risk resolution of local government financing vehicles. Our collaborative risk management ecosystem overachieved annual risk diffusion targets, revitalising RMB31.3 billion in original creditor principal and interest, and recovering RMB16.7 billion from disposals. We also continued to refine CITIC's unique collaborative risk management system, expanding its adoption nationwide to support multiple joint-debt financial institutions in defusing risks, generating significant social and economic benefits.

As we embark on the 15th FYP, we are resolutely guided by national strategy, driven by rapid technological advancements and supported by Hong Kong's dynamic vitality. These strengths are creating unprecedented opportunities despite a complex and evolving external environment. Looking ahead to the next five years, China's 15th FYP formulation provides clear direction and broad opportunity for the company's development. Our country's economic structure is undergoing a comprehensive transformation, where “blue ocean” opportunities for new growth are poised to emerge in many leading industries including high-end manufacturing, advanced materials and new energy. The latest wave of technological revolution and industrial transformation is progressing rapidly, with innovations like artificial intelligence accelerating changes in the global economic landscape. CITIC's inherent spirit of innovation and ongoing commitment to technology investment will position the company at the forefront of future competition. In particular, Hong Kong, as a hotspot of flourishing industries, is rapidly transforming from a “super-connector” to a “super value-adder”. As it has restored order and is set to thrive, Hong Kong presents a prosperous outlook, serving as an anchor and strong foundation for us to advance our international strategy and expand our global footprint.

In the year ahead, CITIC Limited will build on this momentum and forge ahead with determination. As we continue our journey towards high-quality growth, we will align with national priorities, embrace opportunities created by technological transformation and grow alongside Hong Kong's revitalisation.

Navigating the future with visionary strategies. We have formulated the "3-3-5" strategy for high-quality development during the 15th FYP period to further strengthen and optimise our three core businesses – financial, industry and investment, as well as implement three key initiatives of "Financial Core", "Industrial Starlink" and "Technological Rock". Under this direction, we will focus on five key levers: robust management, risk prevention, enhanced synergy, talent cultivation and improved quality and efficiency, striving to open a new chapter in our efforts to build an outstanding, world-class and technologically advanced conglomerate. Notably, investment has been designated as one of our core businesses for its crucial role in fostering new quality productive forces and creating a "second growth curve". We will leverage the power of investment to serve as a "national team" for long-term capital and a "multiplier" for reform and transformation. By empowering finance and industry to enhance our competitiveness and expanding new growth drivers for value creation, we strive to achieve a more optimised structure and deliver even greater multiplier effects for growth.

Building a new engine with the power of technology. It is clear from both the national blueprint for industries of the future and the global wave of transformation: the key to winning in tomorrow's business landscape lies in the integration of technological and industrial innovation. We will further elevate the trinity of technology, industry and finance, creating a singular CITIC model that integrates independent innovation and investment-driven empowerment. Through M&A and joint ventures, we will enhance our competitiveness in advanced materials, biological breeding, high-end equipment and fintech. We will refine our integrated innovation mechanisms, unleash the potential of diverse talent and accelerate the development of the "CITIC Second Brain". We will also build a flexible, agile and intelligent new management model, making technological strengths a distinctive feature of CITIC as a world-class enterprise.

Unlocking new opportunities through openness and cooperation. We are committed to bridging China and the world in the new era, through our service brand "CITIC, Your Trusted Partner for Going Global and Coming to China". With Hong Kong as a strategic gateway, we will deepen international development and continue to enhance our cross-border service systems such as "CITIC · Hong Kong". By delivering bespoke services for Chinese firms expanding overseas and international companies investing in China, we are creating a new pathway for win-win success.

Creating new value through outstanding performance. We are committed to development of substance, embracing the concept that "the company is also a product" and optimising our performance evaluation system around value creation. We are allocating more resources to high growth and high potential return areas of our business. By coordinating development and security, we are strengthening proactive risk assessment and effective mitigation to ensure our operations at every level are fully compliant. We are advancing our ESG management, market value management and capital market communication to help investors better understand CITIC's intrinsic value. Our goal is to increase the sense of fulfilment for our shareholders through long-term and stable dividends.

Chairman's Letter to Shareholders

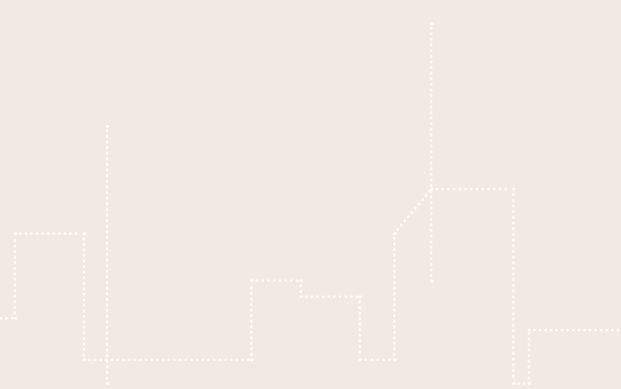
A successful venture begins with a sound plan and clear goals. With the nation's development as our guide, the unwavering support of our shareholders and the dedication of our people, we are confident in our ability to seize new opportunities, rise to new challenges and achieve even greater accomplishments. We will ensure a strong start to the 15th FYP and strive for a bright future of high-quality development.

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name Xi Guohua.

Xi Guohua
Chairman
27 March 2026

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Performance and Operational Highlights

01 Sustained Stability in Overall Operating Performance

In 2025, the company recorded a revenue of RMB769.264 billion and a profit attributable to ordinary shareholders of RMB58.730 billion, representing year-on-year increases of 3.0% and 0.9% respectively. Despite year-on-year declines in both revenue and profit during the first half of the year, the company achieved positive growth for the full year.

Revenue grew by

3.0 %

02 Continuous Improvement in Shareholder Returns

The company proposes to pay a final dividend of RMB0.385 per share for 2025. The total annual dividend will be RMB0.585 per share, a year-on-year increase of 6.4%, which is significantly higher than the growth rate of profit attributable to ordinary shareholders. The dividend payout ratio reached 29%, an accumulated increase of 4 percentage points over the past three years. The implied yield of 2025 dividend per share was 5.37% based on the closing price and exchange rate on 31 December 2025.

Dividend per share grew by

6.4 %

03 Record-High Performance in the Financial Segment

The advantages of a comprehensive, full-licence and full-cycle financial service model became more prominent, securing multiple “industry-firsts” and largest-scale deals. Revenue and profit attributable to ordinary shareholders for the financial segment grew by 6.2% and 6.0% respectively. Profits from banking, securities and insurance businesses all hit record highs.

Financial segment revenue grew by

6.2 %

04 Significant Progress in Asset-Light Transformation

Net fee and commission income increased by 18% year on year to RMB69,603 million, accounting for 23.9% of the financial segment’s revenue with a year-on-year increase of 2.4 percentage points. Efforts to tackle high capital consumption continued to show results, with financial subsidiaries achieving RMB11.2 billion in capital savings.

Net fee and commission income grew by

18 %

05 Leader in Direct Financing and Asset Management

As the largest domestic institution in both direct financing and comprehensive asset management, the company, through its financial subsidiaries, handled over RMB5 trillion in direct financing, ranking first in terms of business scale of domestic equity and bond underwriting, Hong Kong IPO sponsorships and Chinese offshore bonds. Total assets under management approached RMB11 trillion, a year-on-year increase of 27%, significantly outperforming the industry average.

Total Assets Under Management approached

RMB **11** trillion

06 Resilience in Key Industrial Businesses

The industrial segment effectively navigated multiple external challenges, with annual revenue increasing by 1.1% year on year. Profits in the Advanced Materials and New Consumption segments grew, while subsidiaries such as CITIC Dicastal, CITIC Metal and CITIC Pacific Energy reached record-high profit levels.

Industrial segment revenue grew by

1.1 %

07 Strong Growth in Overseas Operations

The company contributed to the consolidation of Hong Kong's status as an international financial centre and achieved positive results in international expansion across Belt and Road countries. Overseas revenue grew by 28% year on year, increasing its contribution to total revenue by 3.7 percentage points to 18.9%.

Overseas revenue grew by

28 %

08 Significant Improvement in Lean Management Efficiency

Total operating expenses¹ were RMB131,043 million, with a cost-to-income ratio² of 36.4%, representing year-on-year decreases of 0.7% and 2 percentage points respectively. Interest expenses for non-financial businesses were RMB10,954 million, an 18% decrease year on year.

Interest expenses for non-financial businesses decreased by

18 %

09 Comprehensive Breakthroughs in Tech Innovation

The "2+4+N" scientific and technological innovation clusters moved ahead with multiple breakthroughs in core technologies in key fields. AI was deeply integrated into industrial development, while a number of smart finance projects reached industry-leading levels. The number of "Pioneer-" and "Excellence-" levels smart factories increased to 7. Group-level digital infrastructure, such as the Intelligent Computing Centre and Data Centre, was deployed. R&D intensity remained above 3.0% for the third consecutive year.

Total R&D investment reached

RMB **23.2** billion

10 Surge in Market Capitalisation and ESG Rating

Share price rose by 38.1% in 2025, marking the first time the stock has achieved positive growth for five consecutive years. The total market capitalisation of the company's holdings in listed subsidiaries increased by over 20% in 2025. The company's MSCI ESG rating was upgraded from BB to A and then to AA, a new high rating since its overall listing.

Over the past five years, the share price has increased

209 %

1. Operating expenses = general and administrative expenses + selling and distribution expenses + research and development expenses.

2. Cost-to-income ratio = operating expenses ÷ (net operating income from financial businesses + gross profit from non-financial businesses + net investment gains or losses + foreign exchange gains or losses + other non-operating net income).

Group Financial Results

Revenue by nature

In 2025, the Group's¹ total revenue amounted to RMB769,264 million, an increase of RMB22,064 million year on year, or 3.0%. Of this, the net fee and commission income increased by RMB10,571 million year on year, up 17.9%, primarily due to the growth in brokerage business of CITIC Securities and fee income of CITIC Bank. Other revenue increased by RMB7,977 million year on year, up 12.0%, mainly driven by increased income from CITIC Securities' proprietary business. Revenue from construction contracts decreased by RMB4,024 million year on year, down 25.3%, mainly due to the impact of the industry environment on the real estate and engineering contracting businesses, resulting in a decrease in settlement revenue in the current year.

RMB million	Year ended 31 December		Increase/(decrease)	
	2025	2024	Amount	%
Net interest income	146,933	148,373	(1,440)	(1.0%)
Net fee and commission income	69,603	59,032	10,571	17.9%
Sales of goods and services	478,412	473,456	4,956	1.0%
– Sales of goods	436,771	427,541	9,230	2.2%
– Revenue from construction contracts	11,894	15,918	(4,024)	(25.3%)
– Revenue from other services	29,747	29,997	(250)	(0.8%)
Other revenue	74,316	66,339	7,977	12.0%

Other operating expenses

In 2025, the Group's other operating expenses were RMB137,406 million, an increase of RMB1,114 million year on year, up 0.8%.

Expected credit losses and asset impairment losses

In 2025, the Group recorded credit losses and asset impairment losses of RMB67,427 million, an increase of RMB6,149 million, or 10.0% year on year. CITIC Bank provided a provision of RMB58,172 million, mainly from expected credit losses on its loans and advances to customers.

Net finance charges

In 2025, the finance costs of the Group amounted to RMB10,954 million, a year-on-year decrease of RMB2,387 million, or 17.9%, mainly due to the Group's ability to seize the low-interest rate market environment to optimise its financing structure, resulting in a significant cost reduction effect. The finance income of the Group amounted to RMB1,989 million, a year-on-year decrease of RMB246 million, or 11.0%, mainly due to the decrease in interest income as market rates declined.

Income tax

In 2025, income tax of the Group was RMB28,795 million, an increase of RMB3,893 million, or 15.6%, as compared with last year. This rise was attributed not only to the growth in profit before tax, but also to an increase in income tax expense resulting from the decrease in tax-exempt income of CITIC Bank.

1. CITIC Limited and its subsidiaries are collectively referred to as "the Group".

Financial Position

As at 31 December 2025, the Group's total assets amounted to RMB13,021,140 million, representing an increase of RMB945,715 million, or 7.8%, as compared with 31 December 2024, mainly due to increases in investments in financial assets and loans and advances to customers and other parties. The Group's total liabilities amounted to RMB11,524,479 million, an increase of RMB872,068 million, or 8.2%, as compared to the end of the previous year, mainly due to an increase in deposits from customers. Ordinary shareholders' funds amounted to RMB782,349 million, representing an increase of RMB24,862 million, or 3.3%, as compared to the end of the previous year, mainly due to the retention of profit for the current year.

<i>RMB million</i>	As at 31 December 2025	As at 31 December 2024	Increase/(Decrease)	
			Amount	%
Total assets	13,021,140	12,075,425	945,715	7.8%
Loans and advances to customers and other parties	5,748,227	5,601,071	147,156	2.6%
Investments in financial assets	3,937,426	3,538,851	398,575	11.3%
Cash and deposits	648,888	608,487	40,401	6.6%
Trade and other receivables	319,977	266,387	53,590	20.1%
Fixed assets	245,418	218,052	27,366	12.6%
Placement with banks and non-bank financial institutions	446,098	404,801	41,297	10.2%
Total liabilities	11,524,479	10,652,411	872,068	8.2%
Deposits from customers	6,117,527	5,847,939	269,588	4.6%
Deposits from banks and non-bank financial institutions	883,276	935,159	(51,883)	(5.5%)
Debt instruments issued	1,526,070	1,497,138	28,932	1.9%
Borrowing from central banks	204,025	124,151	79,874	64.3%
Trade and other payables	477,818	385,896	91,922	23.8%
Bank and other loans	246,167	245,566	601	0.2%
Total ordinary shareholders' funds	782,349	757,487	24,862	3.3%

Loans and advances to customers and other parties

As at 31 December 2025, the loans and advances to customers and other parties of the Group was RMB5,748,227 million, an increase of RMB147,156 million, or 2.6%, as compared to the end of the previous year. The proportion of loans and advances to customers and other parties to total assets was 44.1%, a decrease of 2.3 percentage points compared to 31 December 2024.

<i>RMB million</i>	As at 31 December 2025	As at 31 December 2024	Increase/(Decrease)	
			Amount	%
Loans and advances to customers and other parties measured at amortised cost				
Corporate loans	3,156,107	2,818,182	337,925	12.0%
Including: Discounted bills	1,267	2,182	(915)	(41.9%)
Personal loans	2,379,176	2,372,428	6,748	0.3%
Accrued interest	24,121	21,889	2,232	10.2%
Total loans and advances to customers and other parties measured at amortised cost	5,559,404	5,212,499	346,905	6.7%
Allowance for impairment losses	(144,656)	(146,013)	1,357	0.9%
Carrying amount of loans and advances to customers and other parties measured at amortised cost	5,414,748	5,066,486	348,262	6.9%
Loans and advances to customers and other parties at fair value through profit or loss				
Corporate loans	14,908	11,243	3,665	32.6%
Personal loans	359	369	(10)	(2.7%)
Carrying amount of loans and advances to customers and other parties at fair value through profit or loss	15,267	11,612	3,655	31.5%
Loans and advances to customers and other parties at fair value through other comprehensive income				
Corporate loans	117,842	76,022	41,820	55.0%
Discounted bills	200,370	446,951	(246,581)	(55.2%)
Carrying amount of loans and advances to customers and other parties at fair value through other comprehensive income	318,212	522,973	(204,761)	(39.2%)
Carrying amount of loans and advances to customers and other parties	5,748,227	5,601,071	147,156	2.6%

Investments in financial assets

As at 31 December 2025, the investments in financial assets of the Group were RMB3,937,426 million, an increase of RMB398,575 million, or 11.3%, as compared to the end of the previous year. The proportion of investments in financial assets to total assets was 30.2%, representing an increase of 0.9 percentage points compared to 31 December 2024.

(a) Analysed by types

<i>RMB million</i>	As at 31	As at 31	Increase/(Decrease)	
	December 2025	December 2024	Amount	%
Debt securities	2,595,855	2,302,824	293,031	12.7%
Investment management products	45,079	31,577	13,502	42.8%
Investment funds	547,263	519,063	28,200	5.4%
Trust investment plans	181,668	186,883	(5,215)	(2.8%)
Certificates of deposit and certificates of interbank deposit	58,505	106,556	(48,051)	(45.1%)
Equity investments	444,462	339,948	104,514	30.7%
Wealth management products	14,971	9,114	5,857	64.3%
Investments in creditor's rights on assets	1,900	1,900	–	–
Others	55,553	47,992	7,561	15.8%
Subtotal	3,945,256	3,545,857	399,399	11.3%
Accrued interest	18,409	20,722	(2,313)	(11.2%)
Less: allowance for impairment losses	(26,239)	(27,728)	1,489	5.4%
Total	3,937,426	3,538,851	398,575	11.3%

(b) Analysed by measurement attribution

<i>RMB million</i>	As at 31	As at 31	Increase/(Decrease)	
	December 2025	December 2024	Amount	%
Financial assets at amortised cost	1,301,701	1,108,159	193,542	17.5%
Financial assets at FVPL	1,510,835	1,401,113	109,722	7.8%
Debt investments at FVOCI	984,667	926,931	57,736	6.2%
Equity investments at FVOCI	140,223	102,648	37,575	36.6%
Total	3,937,426	3,538,851	398,575	11.3%

Financial and Business Review

Deposits from customers

As at 31 December 2025, deposits from customers of the Group were RMB6,117,527 million, representing an increase of RMB269,588 million, or 4.6%, as compared to the end of the previous year. The proportion of deposits from customers to total liabilities was 53.1%, a decrease of 1.8 percentage points compared to 31 December 2024.

<i>RMB million</i>	As at 31 December 2025	As at 31 December 2024	Increase/(Decrease)	
			Amount	%
Corporate deposits				
Time deposits	2,186,503	2,066,876	119,627	5.8%
Demand deposits	1,974,729	1,965,191	9,538	0.5%
Subtotal	4,161,232	4,032,067	129,165	3.2%
Personal deposits				
Time deposits	1,320,869	1,221,680	99,189	8.1%
Demand deposits	473,380	439,965	33,415	7.6%
Subtotal	1,794,249	1,661,645	132,604	8.0%
Outward remittance and remittance payables	84,261	68,167	16,094	23.6%
Accrued interest	77,785	86,060	(8,275)	(9.6%)
Total	6,117,527	5,847,939	269,588	4.6%

Bank and other loans and debt instruments issued

As at 31 December 2025, bank and other loans was RMB246,167 million, an increase of RMB601 million, or 0.2%, as compared to 31 December 2024. Debt instruments issued was RMB1,526,070 million, an increase of RMB28,932 million, or 1.9%, as compared to 31 December 2024.

(a) Bank and other loans

<i>RMB million</i>	As at 31 December 2025	As at 31 December 2024	Increase/(Decrease)	
			Amount	%
Comprehensive financial services	26,706	15,277	11,429	74.8%
Advanced intelligent manufacturing	5,138	7,462	(2,324)	(31.1%)
Advanced materials	85,763	90,619	(4,856)	(5.4%)
New consumption	11,021	7,740	3,281	42.4%
New-type urbanisation	54,468	56,669	(2,201)	(3.9%)
Operation management	123,204	125,572	(2,368)	(1.9%)
Elimination	(60,590)	(58,484)	(2,106)	(3.6%)
Subtotal	245,710	244,855	855	0.3%
Accrued interest	457	711	(254)	(35.7%)
Total	246,167	245,566	601	0.2%

(b) Debt instruments issued

<i>RMB million</i>	As at 31 December 2025	As at 31 December 2024	Increase/(Decrease)	
			Amount	%
Comprehensive financial services	1,437,557	1,403,167	34,390	2.5%
Advanced intelligent manufacturing	–	–	–	–
Advanced materials	5,000	4,887	113	2.3%
New consumption	–	3,234	(3,234)	(100.0%)
New-type urbanisation	1,000	1,000	–	–
Operation management	80,458	82,621	(2,163)	(2.6%)
Elimination	(4,114)	(4,807)	693	14.4%
Subtotal	1,519,901	1,490,102	29,799	2.0%
Accrued interest	6,169	7,036	(867)	(12.3%)
Total	1,526,070	1,497,138	28,932	1.9%

Total ordinary shareholders' funds

As at 31 December 2025, total ordinary shareholders' funds of the Group were RMB782,349 million, an increase of RMB24,862 million compared to 31 December 2024.

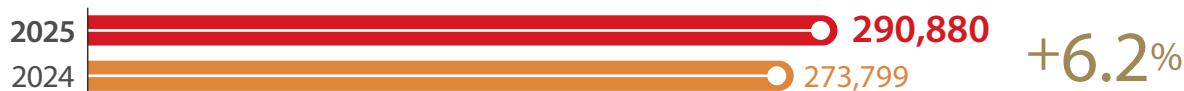
Capital commitments

As at 31 December 2025, the capital commitments authorised and contracted of the Group were RMB14,854 million. Details of the capital commitments are included in Note 49(f) of the financial statements.

Comprehensive Financial Services

REVENUE

RMB million



PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

RMB million



TOTAL ASSETS

RMB million



CAPITAL EXPENDITURE

RMB million



In 2025, the comprehensive financial services segment achieved revenue of RMB290.880 billion and profit attributable to ordinary shareholders of RMB55.815 billion, up by 6.2% and 6.0% year on year, respectively. Affected by the industry-wide narrowing of interest margin, **CITIC Bank** reported a decrease in net interest income by 1.5% year on year, but this was strongly offset by a 5.6% year-on-year increase in net fee and commission income. For the full year, the bank recorded revenue of RMB212.475 billion, a slight decrease of 0.55% year on year. With continuous efforts in promoting cost reduction and efficiency enhancement, the cost-to-income ratio fell for the first time in five years, decreasing by 0.88 percentage points year on year, and the credit cost ratio decreased by 0.06 percentage points. It achieved profit attributable to shareholders of the bank of RMB70.618 billion, up by 3.0% year on year. As at 31 December 2025, its asset scale exceeded RMB10 trillion, asset quality remained stable, and the non-performing loan ratio decreased by 0.01 percentage points to 1.15%. **CITIC Securities** seized market opportunities, with significant year-on-year revenue growth in brokerage, investment banking, asset management and proprietary trading businesses. For the full year, it achieved revenue of RMB74.854 billion¹, up by 28.8% year on year, and profit attributable to shareholders of the parent company of RMB30.076 billion, up by 38.6% year on year, hitting a record high. **CITIC Trust** achieved RMB3.8 trillion in trust assets, with 34.4% growth year on year in newly signed revenue. Its proprietary business achieved revenue of RMB3.947 billion, hitting a record high. For the full year, it achieved revenue of RMB6.326 billion and profit attributable to shareholders of the parent company of RMB3.052 billion, up 17.6% and 15.0% year on year respectively. **CITIC-Prudential Life**² focused on enriching its product system to meet customers' needs such as pension and health, achieving gross premium income of RMB33.662 billion, up 12.3% year on year. It seized the favourable opportunities in the capital market, affected by the year-on-year investment performance, and realised profit attributable to shareholders of the parent company of RMB4.952 billion, up 5,169.6% year on year.

1. CITIC Limited consolidates the operating revenue of CITIC Securities using the net revenue approach.
2. CITIC-Prudential Life is a joint venture of CITIC Limited, with CITIC Limited holding a 50% stake.

CITIC Bank is one of the earliest commercial banks established during China's reform and opening up period. It was among the first commercial banks to engage in financing within both domestic and international financial markets. Today, CITIC Bank has grown into a financial group with strong comprehensive strength and brand competitiveness. CITIC Bank ranked 19th in the "Banking 500" list published by Brand Finance in the UK. It also ranked 18th in "Top 1000 World Banks" according to Tier 1 capital and was awarded "Bank of the Year China 2025" by the British magazine *The Banker*.

In 2025, CITIC Bank adhered to the fundamental function of finance, supported the real economy, prevented financial risks and made positive progress in its strategic transformation.

Solid implementation of the "Five Leading" strategy

As a leading wealth management bank, CITIC Bank has been upholding a customer-oriented and value-driven philosophy and the development path of "Three Comprehensives, Five Expertise, Four Rings and Two Wings"¹. By the end of 2025, the mark-to-market AUM of retail business of the CITIC Bank Group reached RMB5.36 trillion, marking a 14.3% increase compared to 31 December 2024.

As a leading comprehensive financing bank, CITIC Bank has strengthened the whole-chain mechanism of "underwriting-investment-trading" of bonds, leading the market of debt financing by underwriting scale. By extending and expanding the equity-loan linkage value chain, it took the lead among joint-stock commercial banks in the loan scale for share repurchases. By the end of 2025, the comprehensive financing scale of the CITIC Bank Group reached RMB15.1 trillion, an increase of 5.4% compared to 31 December 2024.

As a leading transaction settlement bank, CITIC Bank has built five platforms for customer treasury management services and fund settlement services, integrating product structure from the customer's perspective, creating industry-specific service solutions and continuously improving comprehensive transaction and settlement service capabilities. In 2025, the number of transaction settlements and transaction amount increased by 16.3% and 9.9% year on year, respectively.

As a leading foreign exchange service bank, CITIC Bank has launched the action plan for cross-border business operation and management system, and established a cross-border financial centre. By the end of 2025, the balance of cross-border loans exceeded RMB130 billion, up 59.9% compared to 31 December 2024. The volume of client foreign exchange settlement and sales reached US\$260.2 billion, up 10.17% year on year.

As a leading digital bank, CITIC Bank has put the Galaxy Project into production, realising the full-process business reshaping and core technology breakthroughs in the corporate credit extending sector. It was the first joint-stock bank to earn the highest-level certification under the Data Management Capability Maturity Model (DCMM).

1. "Three Comprehensives" refers to comprehensive customer coverage, comprehensive products and comprehensive channels; "Five Expertise" refers to being an expert at settlement, investment, financing, activities and services; "Four Rings" refers to segment integration, Bank-wide coordination, Group-wide synergy and external connectivity; "Two Wings" refers to digital and ecosystem-based development.



Smart Corporate Treasury Management Platform

Balanced development across “Three Major Segments”

CITIC Bank continued to advance the development of its three major segments in corporate banking, retail banking and financial markets, establishing a distinctive and well-balanced business model.

In the corporate banking segment, CITIC Bank continued to enhance customer service experience and achieve coordinated development of scale, efficiency and structure by enriching and improving the product portfolio, strengthening ecosystem development and deepening digital and intelligent transformation. In 2025, both the number and scale of underwritten debt financing instruments ranked first in the market², making it the only financial institution in the market with corporate credit bond underwriting scale exceeding RMB900 billion for two consecutive years. Through measures such as enriching project financing products, improving cross-border supply chain financing scenarios, and optimising trade financing processes, the bank drove an 18.4% growth in the balance of international trade financing. The custody scale of the CITIC Bank Group exceeded RMB18 trillion, ranking sixth in the market³. Adhering to a customer-centric approach, the bank has built a “comprehensive, professional, leading and integrated” corporate wealth management service system. It continued to strengthen the hierarchical and classified operation system for corporate customers, with three major customer groups—large customers, government and institutional customers, and small and medium-sized customers—advancing together, improving quality and expanding coverage.

Scale of underwritten debt financing

RMB **904.3** billion

Ranked 1st in the market
2025

Number of underwritten debt financing instruments

2,401

Ranked 1st in the market

In the retail banking segment, CITIC Bank’s wealth management business centred on customer needs and concerns, promoted product innovation, built a comprehensive service system supported by professional investment research and diverse products, and developed featured products that deliver both financial returns and social benefits. Personal lending business achieved balanced development in volume, pricing, and quality. As at the end of 2025, the balances of mortgage loans and personal inclusive loans reached RMB1.0877 trillion and RMB424.9 billion, increasing by RMB55.1 billion and RMB13.3 billion respectively compared to the end of the previous year. It upgraded the product and service system of credit card business, advanced high-quality customer acquisition and refined operation, and accelerated technological innovation and digital transformation. It continued to optimise the “Happy+” elderly pension

—• As at the end of 2025, the corporate wealth management scale reached RMB346.4 billion, representing a year-on-year increase of 60.9%; the total number of corporate clients amounted to 1.39 million, representing an increase of 120,000 compared with the end of the previous year.

—• In 2025, the scale of supply chain financing reached RMB1.87 trillion, representing a year-on-year growth of 12.2%.

—• As at the end of 2025, the number of individual customers reached 152 million, representing a year-on-year increase of 4.9%; the cumulative number of credit cards issued reached 129 million, with a year-on-year growth of 4.6%.

2. Ranked according to the rankings from Wind Information.

3. Based on data from the Custodian Services Committee of the China Banking Association.

financial ecosystem, driving loan to the elderly care industry to grow by more than 100%. CITIC Bank focused on key customer groups such as the elderly, overseas travellers and Gen Z, enhancing its professional capabilities in tiered services and sharpening its differentiated advantages.

In the financial market segment, with the “proprietary trading+agency services” dual-platform operation as the foundation, CITIC Bank strived to achieve balanced development between profit enhancement and real economy services. As a proactive market maker to support the solid development of the foreign exchange market, the bank offered professional, efficient and flexible exchange rate risk management services to enterprises and cross-border institutional investors. In 2025, the foreign exchange market-making transaction volume reached US\$4.06 trillion, maintaining a leading position in the market. It fulfilled responsibilities as a government bond underwriter and a core market maker in the interbank bond market, actively participated in the innovation of interest rate and credit derivative markets. It executed the market’s first 30-year “Northbound Swap Connect” contract transaction and the first batch of “Northbound Swap Connect” contracts linked to the Loan Prime Rate (LPR). It conducted money market businesses including onshore and foreign currency bond repurchase, interbank lending and interbank certificate of deposit issuance, fully supporting the short-term financing needs of various financial institutions. In bill business, it provided discount financing services to 18,060 enterprises with a total amount of RMB1.1314 trillion. In asset management, it refined full-life-cycle wealth management companion services, increased the supply of equity-inclusive products on the base of existing fixed-income products, and actively developed wealth management products related to the “Five Major Tasks” in finance. As at the end of 2025, the wealth management product scale reached RMB2.3 trillion, representing an increase of 15% as compared to the end of the previous year.

In 2026, CITIC Bank will consistently focus on the operating philosophy of “stabilising interest margin and asset quality, expanding non-interest income and customer base”. The bank will prioritise stability in risk control, emphasise structure in quality improvement, optimise systems with a clear framework and pursue excellence in cost control. It will foster a stable development pattern featuring “corporate business taking the lead, retail business providing steady contributions, financial market business increasing revenue and risk control creating value”. It will fully facilitate the “Five Major Tasks” in finance and strive to achieve a good start to the 15th Five-Year Plan period.

CITIC Securities is a leading securities company in China. It has the largest number of local branches, research coverage, sales networks and settlement infrastructure among Chinese securities companies in the Belt and Road regions. Leveraging its industry leadership and unique resources, CITIC Securities facilitates Chinese clients in “going global” while assisting foreign clients in “coming to China”.



In 2025, CITIC Securities built a first-class investment bank and continuously enhanced its global capital market service capabilities. The onshore investment banking business continued to lead the market, making it a leading investment bank in the Hong Kong market, and its influence in overseas markets continued to grow.

Investment banking

Maintained a leading position in onshore equity and debt underwriting. CITIC Securities completed A-share equity underwriting with a total underwriting amount (cash and asset-based equities) of RMB270.6 billion and a market share of 24%. The scale of onshore debt underwriting reached RMB2.2 trillion, with a market share of nearly 7%, exceeding RMB2 trillion for two consecutive years. The underwriting size of financial bonds, corporate bonds, NAFMII products and asset-backed securities each ranked first among peers.

Improved cross-border capital services. The number of Hong Kong stock equity projects ranked first in the market and the scale of IPO sponsorship in Hong Kong ranked second in the market, boosting the global layout and high-quality development of Chinese enterprises.

Deepened engagement in global M&A and restructuring business. Leveraging industry insights and global resource integration capabilities, it is fully committed to serving the M&A and business restructuring of technology enterprises and real economy enterprises, empowering the integration and upgrading of industrial chains. In 2025, the scale of M&As in the China market reached RMB282.9 billion, and the scale of global M&As for Chinese enterprises reached US\$77.2 billion, both ranking first among the peers.



Hosted Sydney roadshow and exchange conference

Wealth management

Advantages in domestic wealth management business. CITIC Securities continued to optimise the product system, with the retained size of financial products exceeding RMB800 billion. Focusing on refined customer management, the customer scale has increased significantly, with the cumulative number of customers exceeding 17 million, and the AUM of entrusted customer assets exceeding RMB15 trillion.

Sustained rapid growth in the overseas wealth management business. With the steady development of global layout, CITIC Securities has built a wealth management and comprehensive service platform that spans regions, markets and asset classes. The scale of sales and transactions of products and AUM has doubled.

Financial markets

Enhanced innovation capability in equity derivatives business.

CITIC Securities continued to optimise business models, explore and reserve innovative strategies and enhance business competitiveness. It maintained a strong presence with a broad client base, diverse product offerings, excellent trading capabilities and relatively stable returns.

Enhanced synergy in FICC business. CITIC Securities focused on developing proprietary investment and customer-oriented businesses and strengthening international strategic deployment, thereby achieving remarkable results in promoting integrated collaboration between domestic and overseas operations.

Enhanced comprehensive service capability in prime service business. CITIC Securities conducted a comprehensive upgrade in terms of product design, business empowerment, equity system, business opportunity system, pricing management, risk management and fintech. This advancement promoted the transformation of comprehensive financing services and business innovation, contributing to a steady increase in the financing share.

Enhanced platforms of equity and alternative investment business. Targeting the goals of large scale, multiple strategies and low volatility, CITIC Securities has built a platform-based system and gradually optimised asset allocation in the equity market.

Asset management

CITIC Securities continued to improve the pension business, upgrade the investment management system and promote the professional, systematic and refined construction of investment research to achieve a higher level. As at the end of 2025, the AUM of CITIC Securities' asset management business, CITIC Securities Asset Management Co., Ltd., and China Asset Management Company Limited reached RMB4.8 trillion.

Equity investment

CITIC Securities Investment Co., Ltd., as the alternative investment arm of CITIC Securities, has made investments in key fields such as embodied AI, semiconductor equipment, domestic GPUs and domestic servers, serving as patient and strategic capital for technological innovation.

CITIC Goldstone Investment Co., Ltd., as the private equity platform to raise and manage funds for CITIC Securities, completed the filing of new funds totalling RMB11.05 billion.

CITIC Goldstone Fund Management Co., Ltd., as the real estate investment platform under CITIC Securities, launched approximately RMB43.366 billion in real estate private equity funds, with the cumulative funds under management ranking among the top in domestic real estate funds.

CITIC Securities International Capital, as the USD-denominated private equity primary investment platform under CITIC Securities, actively serves both "going global" and "coming to China" initiatives, investing in China's high-end manufacturing, information technology, new energy, biotechnology and other strategic emerging industries to support the development of the real economy.

In 2026, CITIC Securities will align with deeper capital market reform and strengthen its roles in direct financing, market oversight and social wealth management. It will expand integrated investment banking and client coverage, and deepen its presence in innovation-, technology- and green-led sectors. It will also uphold finance for the people, enhance wealth management and asset allocation services, enrich products and services, and pursue value and long-term investing to support high-quality real economy growth.



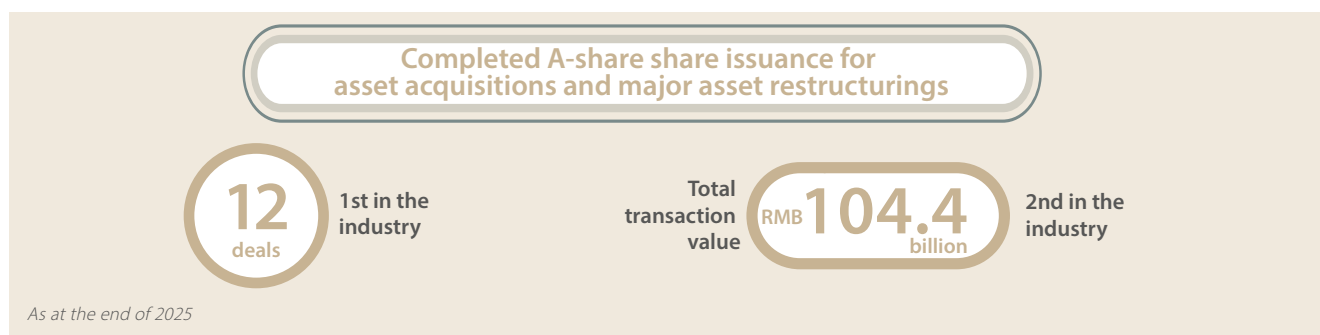
Capital Markets Annual Conference

CSC Financial is a large national comprehensive securities company. CSC Financial has developed its own unique features and core competitive advantages in areas including corporate financing, mergers and acquisitions, wealth management, securities finance, fixed income, asset management and trading of stocks and derivatives.

In 2025, CSC Financial navigated market fluctuations and focused on advancing the “Five Major Tasks” in finance. It further strengthened its competitive edge in investment banking, wealth management, trading and institutional client services and asset management, and made solid strides toward building a world-class investment bank and investment institution.

Investment banking

Onshore equity and debt financing business continued to lead the market. CSC Financial completed 12 IPO projects in the A-share market, with a total underwriting amount of RMB19.7 billion, ranking third and second respectively within the industry. CSC Financial completed 5,131 bond underwriting projects with an underwriting scale of RMB1.7335 trillion, ranking second in the industry.



Rapid growth of overseas business. China Securities (International) Finance Holding Company Limited participated in and completed 7 IPO sponsorships in Hong Kong, raising HK\$45.8 billion. Among them, the CATL Hong Kong IPO raised HK\$41.0 billion, marking the largest IPO in the Hong Kong stock market in the past four years and the largest IPO in the new energy industry in Hong Kong. In the offshore market, CSC Financial participated in and completed 222 bond underwriting projects, with a total underwriting volume of HK\$459.1 billion.

Wealth management

Enhanced quality and efficiency of securities brokerage and wealth management businesses. In 2025, CSC Financial developed 1.7325 million new customers for securities brokerage business, bringing the total number of customers to 17.1231 million as at the end of the year. Its non-money-market public funds' retention scale and net increase ranked fifth and second in the industry, respectively. The number of people covered by investment advisory services increased by 72% year on year, and the scale of buyer business increased by 190% year on year.

Strong momentum for the development of the futures business. China Futures Co., Ltd. recorded agency transactions of RMB32.60 trillion, a year-on-year increase of 26%, and the end-of-period client equity scale increased by 35% compared to the end of 2024.

Trading and institutional client services

The comprehensive asset allocation services were enhanced in multi-dimensions. CSC Financial continued to promote the application of the “CSC Chinese Assets Risk Parity Index 2.0”, “CSC World Assets Risk Parity Index 2.0”, “CSC World Asset Risk Parity Long Short Index 2.0” and “CSC World Asset Risk Parity Macro Hedge Index 2A” in wealth management and asset allocation. The independently developed “OctoX” digital intelligence platform has made breakthroughs in AI interpretability and the related paper has been accepted by the ACM Special Interest Group on Knowledge Discovery and Data Mining, a Class A international top academic conference recognised by the China Computer Federation.



Capital Markets Summit and China-Saudi Investment Cooperation Forum

The scale and influence of institutional business

continued to expand. CSC Financial has issued 5,083 securities research reports, of which 920 were released for the Hong Kong market (either exclusively or simultaneously in both markets). CSC Financial has organised distinctive conferences such as the Global Investors Conference and the China-Saudi Investment Cooperation Forum. As at the end of 2025, CSC Financial maintained 23,394 prime brokerage service clients, representing a 25% increase compared to the end of the previous year. The scale and quantity of public fund custody both rank among the top 3 in the industry.

The alternative investment business focused on supporting technological innovation. China Securities Investment Co., Ltd. increased its support and expanded its coverage for strategic emerging industries and future-oriented industries, completing investments in 26 projects with a total investment amount of RMB1.1 billion, over 90% invested in new quality productivity projects.

Asset management

Steady growth in AUM. As at the end of 2025, CSC Financial had RMB524.5 billion in total AUM of asset management business, up 6% year on year. This included RMB104.6 billion in collective asset management, RMB179.9 billion in single asset management and RMB240 billion in specialised asset management. As at the end of 2025, among the funds managed by China Fund Management Co., Ltd, 5 funds ranked in the top 10% of the market by overall return over the past three years, 16 funds ranked in the top 20%, and 22 funds ranked in the top 30%. China Capital Management Co., Ltd focused on cutting-edge technology fields such as artificial intelligence, commercial aerospace, future materials and future energy. It completed project investments totalling RMB3.5 billion and registered new funds totalling RMB7.8 billion, ranking 5th among securities firms’ private equity subsidiaries.

CITIC Trust is a leading trust company in China with comprehensive capabilities. It primarily operates trust business, proprietary business and asset management business of professional subsidiaries, providing customers with comprehensive financial products and services such as trust services, financing business, wealth management, QDII wealth management and equity investment.

In 2025, CITIC Trust coordinated business transformation and risk resolution, focused on its position as “a private asset management institution with trust characteristics”, carried out business innovation in multiple dimensions and achieved steady growth in operating performance. It received multiple honours and awards, including the “Excellent Trust Company” award from *Securities Times* and the “Honest Trust · Outstanding Company Award” from *Shanghai Securities News*.

Transformation development

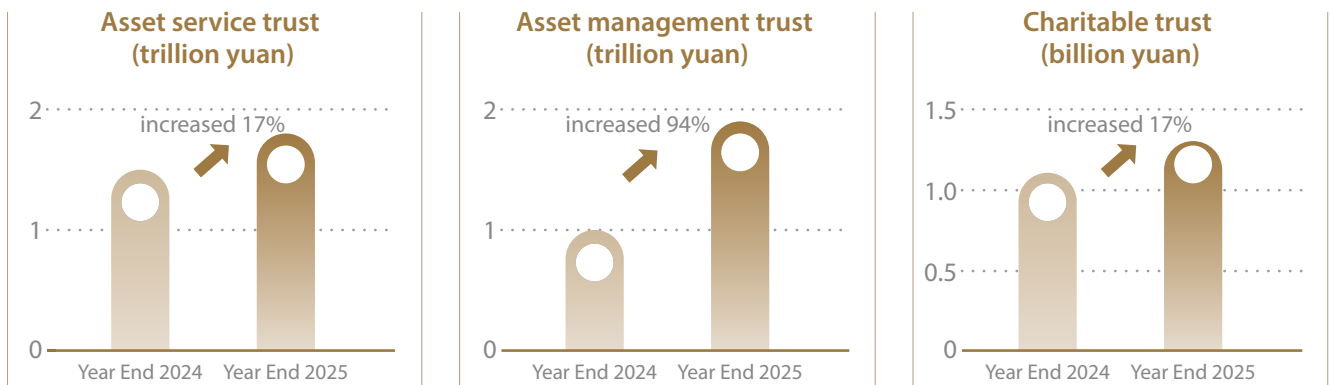
Leveraging the function of service trust. The structure of trust business has been continuously optimised, with the scale of asset service trust accounting for 47%, which is higher than the industry level. The scale of annuity trusteeship service exceeded RMB100 billion, while the occupational annuity business newly covered 7 provinces and the investment performance remained leading in the industry. The scale of family trusteeship exceeded RMB110 billion. The risk disposal service trust continued to lead the industry and the first national equity trust was registered. It launched the prepaid fund service trust to help foster a secure consumer ecosystem.

Enhanced competitiveness of asset management trust. CITIC Trust deepened cooperation with large financial institutions, maintained the leading scale of fixed-income asset management trust business in the industry, of which the scale invested in the securities market exceeded RMB1.3 trillion; the scale of the Rui series multi-strategy TOF products returned to the RMB10-billion level, winning the Golden Bull Award from *China Securities Journal* for three consecutive years.

Built comprehensive financial service advantages. Jointly with CITIC-Prudential Life, CITIC Pension and CITIC Bank, CITIC’s first “four-in-one” trust pension service project was launched. CITIC Trust cooperated fully with CITIC Bank, CITIC Securities and CITIC Financial Assets to launch a comprehensive financing plan of HK\$7 billion for Quzhou development.

Deeply rooted in capital market. CITIC Juxin (Beijing) Capital Management Co., Ltd. won many industry authoritative awards such as “Top 10 Best Military Industry Investment Institutions” and “Best Early-stage Investment Institution in China’s Advanced Manufacturing Field”. CITIC Xinhui International Capital Co., Ltd. actively laid out around three directions, namely overseas investment, asset management and wealth management, and explored the construction of a cross-border financial service platform. CITIC-Prudential Asset Management Company Limited deeply engaged in the entire chain of investment research, products and sales, with the fund management scale hitting a record high.

Trust asset structure – categorised by new classifications of trust business



Operation management

Enhanced comprehensive risk management system. Continuously reinforcing the comprehensive risk management system characterised by “Four Levels” and “Three Lines of Defence”, CITIC Trust enhanced risk consolidation and penetrating oversight, and strictly upheld the bottom line of risk compliance. It actively reduced the scale of trust products involving public investors and posing stability concerns, while prudently advancing risk disposal and resolution. CITIC Trust earnestly implemented real estate financial policies and actively strove for policy support, thereby driving significant results in major risk mitigation in real estate.

Refined capital management. CITIC Trust maintained a prudent and stable operating approach while steadily promoting the development of a refined capital management system. While increasing the scale of trust assets, CITIC Trust optimised its asset structure to achieve efficient capital utilisation. By the end of 2025, CITIC Trust’s net capital coverage ratio reached 154%, with a net capital balance of RMB27.7 billion.

Indicator	Year end 2025	Year end 2024	YoY Change	Regulatory requirement
Net capital	27.7 billion	28.9 billion	-4%	≥RMB200 million
Total risk capital	18.0 billion	14.2 billion	+26%	Not applicable
Net capital coverage ratio	154%	203%	-49pp	≥100%
Net capital/net assets	80%	82%	-2pp	≥40%

Strengthened the integration of technological innovation with business operations. A company-level intelligent agent development platform has been built. As the only trust company awarded the Financial Technology Development Award by the People’s Bank of China, the standard business hosting and operation platform stands out. CITIC Trust continued to improve the informatisation level and processing capacity of operations, reducing the operating cost per unit of trust assets by 32%.

CITIC-Prudential Life is a joint venture established by CITIC and Prudential plc, offering life, health and accident insurance services. It has set up 23 branches and established branch institutions in 101 cities.

In 2025, CITIC-Prudential Life adhered to innovation-driven strategic transformation, solidified its operational foundation with risk control, and took asset-liability coordination, channel optimisation and ecological upgrading as key measures, achieving dual growth in scale and value, as well as dual improvement in quality and efficiency.

Insurance business

Robust growth on the liability side and significant achievements in structural transformation and value creation. The scale of the insurance business maintained steady growth. CITIC-Prudential Life sustained efforts to accelerate business transformation, and actively promoted the sales of floating-return products. The proportion of new participating insurance business increased by 24 percentage points to 39%. CITIC-Prudential Life strengthened expense management and enhanced cost efficiency. The annual total cost-income ratio reduced by 1.2 percentage points year on year.

— *First-year premiums reached RMB15.9 billion, surging 79% YoY. On a comparable basis, new business profit increased by 69% YoY, and the new business profit margin rose by 6.1 pts YoY.*

Enhanced channel reform and multiple value growth drivers. The marketing channel continued to promote high-quality transformation, maintaining an industry-leading position in policy quality. The bancassurance channel deepened cooperation and synergy with banks, innovating collaboration models to achieve diversified channel development. It focused on key customer segments for differentiated operations with tiered products and services. The group insurance channel steadfastly pursued the “customer acquisition on the corporate side + value enhancement on the consumer side” strategy, intensively promoting systematic client ecosystem development, adding 3,669 new corporate partners. The e-commerce channel targeted the youth group, focusing on online brokerage and agency business, achieving cost reduction in customer acquisition and quality enhancement.

Accelerated ecological development and built a “health-pension-education-wealth” product and service system. In the health scenario, a comprehensive health management system covering “pre-disease prevention, disease consultation and post-disease rehabilitation” was established. Services like early screening and targeted consultations are available across 27 products. In the pension scenario, 36 pension institutions, 30 quality sojourn providers and 25 rehabilitation partners were selected. This builds a “1+3” elderly care service network centred on home-based care, complemented by sojourn accommodation, institutional care and rehabilitation support. In the education scenario, a “3+3+N” children education system was launched, with services enriched through crossover collaborations and public welfare platforms. In the wealth scenario, CITIC-branded trust-based pension services were innovatively introduced. Leveraging the “Insurance+Trust+Pension” direct payment model, it provides a one-stop pension solution. Annualised premium income for new life insurance trust policies reached RMB730 million. Additionally, in collaboration with Prudential plc, overseas service-sharing mechanism was established in Hong Kong, China and Singapore, and the Chuanjia Family Office was upgraded to version 2.0.



CITIC-UK Enterprise Cooperation and Upgraded Layout of CITIC Pension Finance New Ecosystem

Strengthened technology empowerment to achieve new breakthroughs in digital and intelligent transformation. The agent business platform has launched Intelligent Training Star and AI Wealth Management College to help improve the professionalism of sales personnel in customer-facing services. CITIC-Prudential Life has launched “Underwriting Know-It-All” to help sales solve underwriting inquiries and predict underwriting decisions, with the accuracy reaching 96%. The video customer service has been launched to deepen the application of intelligent online customer service, allowing customers to experience convenient policy services anywhere.

Investment of insurance funds

On the asset side, the scale of asset management grew steadily, and the allocation structure continued to be optimised. CITIC-Prudential Life increased allocations to long-duration fixed-income interest-bearing bonds to extend asset duration, and opportunistically allocated to equities to enhance investment returns. By the end of 2025, assets managed by CITIC-Prudential Asset Management Company Limited totalled nearly RMB380 billion, with a non-linked financial investment return rate of 4.83% (on a solvency basis). The scale of insurance funds serving the real economy had reached RMB234.7 billion.

Capital management

By the end of 2025, the comprehensive solvency adequacy ratio of CITIC-Prudential Life was 208.28%, with a core solvency adequacy ratio of 122.35%, both continuing to exceed regulatory requirements. Its capital strength and risk resilience rank among the upper tiers of the industry.

Advanced Intelligent Manufacturing

REVENUE

RMB million



PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

RMB million



TOTAL ASSETS

RMB million



CAPITAL EXPENDITURE

RMB million



In 2025, the advanced intelligent manufacturing segment achieved revenue of RMB57.165 billion, up 12.5% year on year. Profit attributable to ordinary shareholders reached RMB802 million, down 7.3% year on year.

CITIC Heavy Industries maintained its leading market share in mining mills and mine hoists. Driven by core equipment business, it achieved leapfrog growth in its complete equipment business, with annual revenue of RMB8.107 billion and profit attributable to shareholders of the parent company of RMB375 million, up 0.9% and 0.2% year on year, respectively. It maintained R&D spending at around 7% of the total revenue.

CITIC Dicastal effectively responded to multiple challenges such as intensified industry competition and fluctuating trade tariffs. By optimising production capacity pipeline and accelerating technological innovation, it achieved wheel sales of 95.17 million units and aluminium castings sales of 173,000 tonnes, up 15.7% and 13.0% year on year, respectively. Its lightweight technology offering was further improved and the integrated die-casting project received bulk orders, laying a solid foundation for product diversification.

CITIC Heavy Industries is a globally competitive manufacturer and service provider of mining heavy equipment and complete engineering equipment. It is one of the largest heavy equipment manufacturing enterprises in China and a first-tier player in the domestic specialised robotics industry. Relying on its production base in Spain and overseas branches in Brazil, Australia, Peru, Europe, Malaysia, Vietnam and other regions, its products and services cover 68 countries and regions.

In 2025, adhering to its business model of “platform-based development and ecosystem-driven growth”, CITIC Heavy Industries made breakthroughs in high-end equipment manufacturing, emerging business expansion, innovative technology R&D and digital transformation, with its brand influence becoming increasingly prominent.

Enhanced advantages in the mining and heavy equipment business. Leveraging the cornerstone role of its mining capital equipment, CITIC Heavy Industries successfully secured supply contracts for the world’s largest semi-autogenous mills and ball mills, the world’s largest friction hoist with drive power, and the largest high-pressure grinding rolls applied domestically. Capital equipment is increasingly being supplied in complete batches. Complete sets of equipment, including gyratory crushers, semi-autogenous mills and overflow ball mills, were delivered in batches to the Qinghai-Tibet Plateau. CITIC Heavy Industries signed contracts for the batch supply of 9 mills in Turkey, 18 pieces of capital equipment (including mills and ore washers) in Indonesia and 16 mill hydraulic stations in Peru. The Morocco MPH drying line and Green Pilot Plant EPC projects were secured, while construction commenced smoothly on the Cambodia 5000 TPD clinker cement production line project. Overseas spare parts orders increased by 27%.



Mining capital equipment such as ball mills and semi-autogenous mills

Integrated development of the robotics and intelligent equipment businesses. Mine inspection robots achieved large-scale application in non-coal mines, while firefighting robots were exported to Eastern Europe and the Middle East. CITIC Heavy Industries applied belt anti-tear detection devices for the first time in the non-ferrous metal mining sector. Orders for mill liner replacement manipulators continued to rise both domestically and internationally, reaching a record high in order volume.

Continue to Enhance Core Competitiveness

<p>2 National-level specialised and sophisticated “little-giant” enterprises</p>	<p>8 High-tech enterprises</p>	<p>4 National manufacturing single champion products</p>	<p>1,151 Valid patents</p>
		<p>Mineral mill, intelligent explosion-proof robot, mine hoist, metallurgical rotary kiln.</p>	<p>550 are invention patents. In addition, CITIC Heavy Industries led and participated in formulating 129 national standards and 176 industry standards.</p>

As at the end of 2025

Opened up growth space in the new energy equipment business. Jackets for the Qingzhou V & VII offshore wind power projects were delivered in batches, marking the first application of high-toughness, fatigue-resistant offshore steel in jacket manufacturing. CITIC Heavy Industries secured the pile foundation project for the world's largest single-unit capacity deep-sea tension leg floating wind power platform. It won the bid for the Guazhou Green Methanol Integrated Demonstration Project and successfully entered the niche market for micro-wind power generation turbines.



The offshore wind power jacket was shipped

Specialisation and high-end development of special materials business. High-end castings and forgings continuously supported the Shenzhou spacecraft series. CITIC Heavy Industries fulfilled complete supply contracts for the pressuriser and core makeup tank forgings for the Guohe No 1 project and delivered the world's largest flywheel rotor core shaft for energy storage, leading the upgrade of energy storage technology. CITIC Heavy Industries delivered the world's largest ultra-high-pressure cylinder for an isostatic press, breaking technological monopolies. The wear-resistant materials business leveraged its solid foundation and accumulated momentum, further enhancing aftermarket customer loyalty and achieving a new high in orders for high-end wear-resistant liners.

Made breakthroughs in key technologies. The innovation capability of the Phase I experimental platform at the State Key Laboratory for Intelligent Mining Heavy Equipment reached industry-leading levels. CITIC Heavy Industries manufactured a batch of record-setting high-end equipment, including the $\Phi 8.84 \times 14.5\text{m}$ ball mill, GM280-160 high pressure grinding roll (HPGR), and JKM-6.75 \times 6P IV hoist, effectively driving the upgrading of traditional industries. It also successfully developed high-end nuclear forgings such as the million-level half-speed nuclear generator retaining ring and the pressuriser for the Bailong nuclear power unit. The seven-axis mining hydraulic robotic arm reached international advanced levels.

Accelerating intelligent transformation and digitalisation. CITIC Heavy Industries established a digital lean manufacturing platform, achieving 100% online availability for key production data and improving production management efficiency by 30%. It also completed the development and construction of "AI+Advanced Planning and Scheduling" and "AI+Safety Management" systems, increasing production planning and scheduling efficiency by 30% and achieving a high-risk identification and early warning rate of over 90%. It developed the integrated intelligent crushing and grinding technology for mines by deeply integrating big data analytics and AI with equipment to achieve dynamic and precise control of the grinding process, potentially increasing ore processing capacity by 15%. CITIC Heavy Industries was recognised as one of the first batch of data application demonstration enterprises in Henan Province.

CITIC Dicastal is the world's largest manufacturer of aluminium wheels. Its products include aluminium wheels and lightweight aluminium castings for powertrains, chassis and body systems for the automotive industry. The annual production capacity for aluminium wheels is approximately 100 million units, while the annual capacity for aluminium castings exceeds 210,000 tonnes. CITIC Dicastal operates 30 major manufacturing facilities across China, the Americas, Europe and Africa.

In 2025, CITIC Dicastal effectively navigated multiple challenges, including intensified industry competition, fluctuating trade tariffs, and global operations. It optimised its capacity layout and accelerated technological innovation. CITIC Dicastal achieved a sales volume of 95.17 million units for wheels, representing a year-on-year increase of 15.7%, and 173,000 tonnes for aluminium castings, up 13% year on year.

Cultivating lightweight business growth drivers. LEAF wheels achieved both lower weight and better performance, setting a benchmark for green high-end manufacturing. The first flying-car OEM order project completed prototype production and customer assembly, while the aluminium-alloy e-drive housing project made breakthroughs in product development and 3D-printing tests, cutting weight by 30% to 50% and enhancing the endurance and manoeuvrability of low-altitude aircraft. CITIC Dicastal also developed efficient lightweight solutions for humanoid robot frames and achieved small-batch supply of China's first vacuum high-pressure die-cast leg skeletal components for humanoid robots.



Lightweight framework skeleton for humanoid robots

Iterative upgrading of lightweight technologies. CITIC Dicastal improved its comprehensive "materials-process-design" integrated technological system and implemented a new generation of low-cost, lightweight forming technologies. This solidified the manufacturing capabilities for aluminium alloy lightweight materials and components, achieving full-process autonomy and control from material research to mass production. With the low-altitude economy as the focus, CITIC Dicastal strengthened its R&D layout across three sectors: aluminium-magnesium alloys, carbon fibre and polymers. Breakthroughs were made in achieving extreme lightweighting for robotic skeletons and surface skins, accelerating the transition of advanced lightweight materials from technological reserves to engineering applications.

Acceleration of integrated die-casting industrialisation. The Southern Jinhua manufacturing base was completed, focusing on ultra-large die-casting, high automation and intelligent control, which significantly improved production efficiency and product stability. Leveraging leading technical configurations and reliable production capacity, CITIC Dicastal secured mass production orders from new energy vehicle customers, laying a solid foundation for product diversification.

— In 2025, CITIC Dicastal secured 1 national and 3 provincial research approvals, completed 3 internationally leading achievements, and won 17 technology awards in materials, design, processes and equipment.



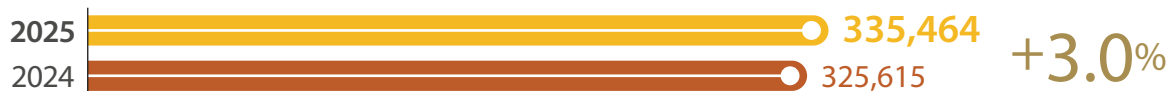
The Morocco factory employs AIGC technology for casting inspection

Continuous improvement of overseas production layout. CITIC Dicastal completed Africa's first Global Lighthouse, its third such project in CITIC Group. Construction of the aluminium castings production base in Mexico accelerated, with Phase II designed for an annual capacity of 2.5 million aluminium castings. The first thermal processing unit rolled off the production line in December 2025, with full-line operations expected in 2026.

Advanced Materials

REVENUE

RMB million



PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

RMB million



TOTAL ASSETS

RMB million



CAPITAL EXPENDITURE

RMB million



In 2025, the advanced materials segment recorded revenue of RMB335,464 million and profit attributable to ordinary shareholders of RMB10,549 million, representing year-on-year increases of 3.0% and 2.3% respectively. Despite challenges such as insufficient market demand and intensified industry competition, the **special steel business** achieved a full-year steel sales volume of 30.21 million tonnes, up 2.5% year on year. It generated revenue of RMB166.750 billion and net profit attributable to shareholders of the parent company of RMB5,412 million, reflecting a year-on-year decrease of 2.9% and an increase of 19.4% respectively. Both steel enterprises saw significant improvements in gross profit per tonne and net profit attributable to shareholders of the parent company, with synergistic effects becoming increasingly evident. Specifically, net profit attributable to shareholders of the parent company of CITIC Pacific Special Steel rose by 15.7% year on year to RMB5,929 million, while that of Nanjing Steel reached RMB2,867 million, a year-on-year increase of 26.8%. **CITIC Metal's** sales volumes of copper and niobium achieved double-digit growth year on year. It achieved revenue of RMB141.819 billion and net profit attributable to shareholders of the parent company of RMB2,689 million, representing year-on-year growth of 9.6% and 20.2%, respectively. The Las Bambas copper mine in Peru maintained stable operations, with shared earnings increasing by more than 100%. **CITIC Pacific Energy** actively promoted the commissioning of new energy power generation projects and participated in green electricity trading. Its green power generation increased by 94.0% year on year. Coupled with favourable factors such as declining coal costs in the traditional thermal power business, it achieved a record-high net profit attributable to shareholders of the parent company of RMB1,404 million, up 22.2% year on year.

CITIC Pacific Special Steel is a global leader that specialises in the manufacture of specialty steel, with an annual production capacity of approximately 20 million tonnes. Its six major products¹ are widely used in automotive components, energy, machinery manufacturing, oil and petrochemicals, transportation, shipbuilding and other industrial sectors.

In 2025, faced with a complex environment characterised by deep structural adjustments in industry supply and demand and pressures from transformation and upgrading, CITIC Pacific Special Steel continued to consolidate its leading position in the industry. It achieved a new record high in steel sales volume, took solid steps in advancing its internationalisation strategy, and promoted the deep integration of digital and intelligent technologies with its special steel business, striving to build a world-leading intelligent special steel enterprise.

Steady growth in scale and improved quality of steel production and sales. The annual steel sales volume reached 19.538 million tonnes, a year-on-year increase of 3.4%; exports reached 2.303 million tonnes, up 4.6% year on year. High-end new products, such as bearing steel for high-speed railways and steel for deep-well drilling, injected new momentum into profit growth. Sales of the three key wire rod products—steel for high-strength fasteners, bearing steel wire rods, and spring steel for automobiles—increased by 27%, 21% and 70%, respectively. Sixty-eight “little giant” projects² achieved a total sales volume of 7.81 million tonnes, representing a year-on-year increase of 6%. Among these, products such as ultra-high-strength steel plates increased by 91.7% year on year and 13Cr oil well pipes increased by 25.4% year on year. Sales of “Two Highs and One Special” products³ continued to grow, with a 21% year-on-year increase. Sales of “Three-New”⁴ varieties in fields such as wind power bearings and moulds for new energy vehicles increased by over 100% year on year, while orders for nickel-based superalloy GH4169 grew by 500% year on year.

Breakthroughs in R&D of new products across multiple fields. CITIC Pacific Special Steel successfully developed three world-first products, including 150mm-thick 460MPa high-performance ultra-thick steel plates for building structures. It overcame technical challenges regarding high-pressure corrosion environments for special steel plates and completed the first supply for hydrogen pipelines and other applications. Fifteen products, including steel for aviation fasteners, achieved self-sufficient domestic supply. It overcame key process technology challenges for high-nitrogen stainless steel for aviation pipelines and high-pressure pipelines for ethylene-vinyl acetate (EVA) units, and independently developed U165 steel-grade ultra-high strength and toughness drill pipes, filling a domestic gap. The market shares of steel for high-strength cables and steel for special welding wires remained the highest in China. Core technologies in key fields, such as high-temperature carburising control for gear steel and online controlled rolling and cooling for bearing steel bars, were successfully mastered. Cutting-edge products like 2460MPa ultra-high-strength pre-stressed steel strands were developed. The development of pipes for deep-earth engineering supported the “Shendi Chuanke 1 Well,” the world’s most challenging deep-earth exploration project, which exceeded a drilling depth of 10,000 metres. Bearing steel for aero-engines entered the supply chain of European and American aero-engine manufacturers and was successfully applied in the international civil aviation field, earning a Special Contribution Award from the American Society for Testing and Materials (ASTM).

Support for major engineering projects through independent R&D achievements. Ultra-high-strength steel cables for bridges were successfully applied in mega-projects, including the Changtai Yangtze River Bridge and the Huajiang Canyon Bridge in Guizhou. Breakthroughs in the industrialisation involving core technologies in key fields were achieved in five areas across critical sectors such as aviation, deep-sea engineering and high-end equipment manufacturing. Fifteen key projects were approved as national major science and technology projects.

1. Alloy steel bars, special medium and thick plates, special seamless steel tubes, special-metallurgy forgings, alloy steel wire rods and large round alloy steel billets.
2. “Little giant” project products are characterised by long certification cycles, high technical barriers, high quality standard requirements, high market share in niche sectors, and high average gross margins.
3. High-temperature corrosion-resistant alloy, high-strength steel and special stainless steel.
4. New knowledge, new technology, and new concepts.



Intelligent control hall

In-depth advancement of intelligent manufacturing. CITIC Pacific Special Steel constructed a special steel large language model platform with a “1+1+N” vertical model technical architecture. Its subsidiaries, Xingcheng Special Steel, Daye Special Steel and Qingdao Special Steel, passed the Level 4 assessment for intelligent manufacturing maturity. Core business systems, including the digital marketing centre and the centralised supervision platform, were completed. More than 120 applications were independently developed, achieving 100% digitalisation of core businesses. The numerical control rate of key processes reached 85.76%, while the digitalisation rate of production equipment reached 90.39% and industrial robot density increased to 240 units per 10,000 employees.

—● *CITIC Pacific Special Steel added one national-level single champion product and one special prize for metallurgical science and technology. It was granted 499 patents, issued 33 national or industry standards, and won 16 provincial or ministerial-level science and technology awards.*

Solid steps in international layout. CITIC Pacific Special Steel promoted a full industrial chain layout encompassing “Resources+R&D+Manufacturing+Trade+Service”. Its subsidiary signed the Property Rights Transaction Contract with Guangzhou Airport Industry Investment Group Co., Ltd. to acquire 100% of the equity interest in Prosperity Kingsfield Limited, and through Prosperity Kingsfield Limited, it wholly owns Stemcor Global Holdings Limited, one of the world’s three largest independent steel trading companies to create a global steel trading platform integrating warehousing, processing, distribution and trade services. Utilising an innovative “asset-light” model, CITIC Pacific Special Steel signed contract manufacturing agreements to establish overseas processing bases for high-end steel bars. The European R&D Centre was established to conduct R&D on cutting-edge spray materials, aiming to seize the global high ground in special steel technological innovation. Potential investment projects, such as overseas production and manufacturing bases, were advanced to solidify the project pipeline for the internationalisation strategy.

In 2026, CITIC Pacific Special Steel will deepen its strategic layout and focus on industry development bottlenecks. It will actively undertake major scientific research tasks in fields such as aerospace, high-speed rail and large-scale wind power, striving to break through technical bottlenecks in key steel materials and accelerate the domestic substitution of high-end imported materials. CITIC Pacific Special Steel will deeply align with the needs of major national engineering projects, focusing on serving national-level key projects such as the Yarlung Tsangpo downstream hydropower project, and supporting the implementation of major national strategies with high-quality products and professional services. Meanwhile, it will continue to strengthen original innovation and R&D in disruptive technologies, proactively positioning itself in emerging tracks such as commercial aerospace to strive for the high ground of industry development.

Nanjing Steel is an industry-leading, highly efficient and fully integrated steel complex with annual production capacity of over 10 million tonnes, primarily producing specialised plates and long steel products. R&D focuses on steel materials exhibiting high strength, high toughness, high fatigue resistance, high wear resistance, corrosion resistance and excellent weldability, widely used in oil and gas equipment, renewable energy, shipbuilding and marine engineering, automotive bearings and springs, construction machinery, rail transport and high-rise bridge structures.

In 2025, Nanjing Steel strengthened core competitiveness in “special steel materials+intelligent manufacturing,” supported by its specialised and sophisticated main business and driven by new quality productive forces. Its three business ecosystems—Industrial Chain, Intelligent Manufacturing Services and Green and Low-carbon Development—worked in synergy. The subsidiary Jin’an Mining won the bid for exploration rights to the Fanqiao Iron Mine, while Nanjing Steel actively integrated into the CITIC synergistic ecosystem, strengthening industrial chain synergy and resource integration. It was awarded the 2025 Jiangsu Governor’s Quality Award and honoured as one of the first batch of “Leading Standard Enterprises” under the MIIT’s Standard Conditions for the Steel Industry (2025 Edition).



Heavy plate production line

Innovative products for major national projects: Nanjing Steel was the first in China to complete the full-scale development and industrialisation of 600MPa, 800MPa and 1000MPa high-strength steel for large-scale hydropower projects. Its 1000MPa ultra-high-strength hydropower steel covers all thickness specifications from 24mm to 120mm, leading the breakthrough in key technologies for ultra-high-strength steel in the hydropower industry. High-manganese cryogenic steel, a new generation of cryogenic material for clean energy storage and transportation, was successfully applied in the 100m³ high-manganese steel Type-B tank demonstration project. Nanjing Steel won its first major bid for nuclear Class 1 equipment steel for the China Erzhong Bailong and Haiyang nuclear power projects.

— Core advanced steel materials sales reached 2.827 million tonnes in 2025 (+8.09% YoY), accounting for 30.5% of total steel sales (+2.42pp YoY). Gross margin: 20.88% (+3.71pp YoY). Gross profit contribution: 48.15% of total steel products.

Embracing AI to foster new quality productive forces. In partnership with Huawei, Nanjing Steel launched “YuanYe,” the steel industry’s first dedicated LLM architecture, spanning four core interfaces—raw materials to ironmaking, ironmaking to steelmaking, steelmaking to rolling and customer service—and supporting R&D, production, marketing and operations. It rolled out 20 AI pilot applications, driving data integration and intelligent upgrading across the full process and value chain. Digitalisation across all businesses reached 85%, while key equipment digitalisation and the numerical control rate of key processes both reached 100%; the new-product R&D cycle was cut by 50%. Aligned with the national “Data Element x” and “AI+” strategies, Nanjing Steel built a data management system for large steel enterprises, integrated over 95% of core data assets into its data lake, developed the proprietary “Data-to-Gold” platform and achieved RMB23.24 million in data asset capitalisation. It was designated as China’s inaugural pioneer-level smart factory and was the only steel company selected for the national pilot programmes on National Data Infrastructure investment and the Innovative Development of Trusted Data Spaces.

Deepening innovation-driven development to strengthen the technological moat. R&D expenses in 2025 totalled RMB2,312 million, or 4.03% of revenue. Nanjing Steel completed 30 appraisals for new products, technologies and scientific achievements, with 27 reaching internationally advanced levels or above. Four products—9%Ni steel, thick-walled X80 pipeline steel plates, high-grade wear-resistant plates and high-standard bearing steel—earned recognition as national patent-intensive products, while its acid-resistant pipeline steel was named a national champion product in manufacturing.

— Won 15 provincial/ministerial awards, including five Jiangsu Science and Technology Progress Awards and six metallurgical science and technology awards. Formulated or revised 20 international, national and industry standards, including one international standard.

Steady advancement of the overseas layout. Nanjing Steel’s first overseas project—a coke production base in Indonesia with annual capacity of 6.5 million tonnes—now has all ten ovens in operation, delivering coke sales of 3.83 million tonnes in 2025 (+33% YoY). Steel products were sold to more than 40 countries and regions, with annual exports reaching 1.63 million tonnes (+9% YoY).

CITIC Metal is primarily engaged in bulk commodity trading and mining investments, adhering to the strategic triangle of “Investment+Trade+Technology” to build a world-class resource investment, trade, and technology enterprise. CITIC Metal’s primary trading commodities include non-ferrous metal products such as niobium, copper, and aluminium, as well as ferrous metal products such as iron ore and steel and other trading products. Its investment portfolio mainly includes Companhia Brasileira de Metalurgia e Mineração (CBMM niobium mines), Ivanhoe Mines (IVN.TO, copper, zinc, and platinum-group metals mines), the Las Bambas copper mine in Peru, Western Superconducting Technologies Co., Ltd. (688122.SH) and China Platinum Co., Ltd..

In 2025, CITIC Metal adhered to the general principle of seeking progress while maintaining stability. It continuously optimised its operation and management strategies in a complex and volatile market environment. Backed by strong strategic resource security and numerous highlights in technological innovation, CITIC Metal’s operating results reached a new record high.

Investment portfolio strengthened resource reserves and saw steady growth in returns. The Las Bambas copper mine in Peru produced 410,834 tonnes of copper in 2025, representing a year-on-year increase of 27%. This production volume marked the second-highest record since the mine began operations and resulted in the first-ever dividend payment to shareholders. Ivanhoe Mines saw the official ignition and heat-up of the copper smelter at the Kamo-a-Kakula copper mine, with the project producing 389,000 tonnes of copper in 2025. The Kipushi zinc mine of Ivanhoe Mines completed its technical transformation, producing 203,000 tonnes of zinc in concentrate in 2025. Furthermore, the first phase of the Platreef mine of Ivanhoe Mines commenced production in the fourth quarter of 2025. Companhia Brasileira de Metalurgia e Mineração (CBMM) maintained stable production and operations, with its global market share remaining above 70%.



Kipushi zinc mine of Ivanhoe Mines



Kamo-a-Kakula copper mine of Ivanhoe Mines



Araxá niobium mine of CBMM

Proactive structural adjustments in the trading business and increasingly enhanced operational resilience.

CITIC Metal achieved comprehensive growth across multiple categories, including copper concentrate, blister copper, recycled copper and electrolytic copper continuing to improve profitability. The niobium business strengthened strategic cooperation, including strengthening high-level exchanges with CBMM, focused on industry upgrading requirements by coordinating technological R&D with commercial marketing, and enhanced technology promotion to drive consumption growth of niobium products, maintaining a market share of over 80% in the Chinese market. The ferrous metals business strengthened product research, flexibly adjusted business strategies and maintained stable operations.

Improvement of technological innovation platforms to build new business driver. CITIC Metal deepened the promotion and application of niobium technology, continuously expanding its R&D and applications in traditional steel sectors such as pipelines, bridges and construction, as well as in non-steel sectors like advanced battery materials for new energy vehicles and nanocrystalline magnetic materials. During the year, six invention patents were granted and CITIC Metal participated as a major contributor in the formulation and revision of nine standards. These efforts helped to drive domestic niobium-bearing steel production to exceed 100 million tonnes per annum and effectively accelerated the R&D process of applying niobium in non-steel fields. The CITIC Metal Advanced Materials Research Institute was successfully established and inaugurated, adopting an “independent innovation+collaborative R&D” model to conduct research on key material technologies and promote the implementation of scientific achievements.

Multi-point breakthroughs to further improve the global network. CITIC Metal’s Hong Kong platform continued to enhance its trade support functions. In 2025, it successfully participated in the first batch of LME Hong Kong delivery warehouse operations, with its revenue scale continuing to grow. The Singapore platform solidified the foundation for businesses such as specialty minerals while actively expanding into the Southeast Asian market. The Tanzania platform strengthened logistics development and business expansion in Africa, achieving logistics cost reductions and shorter lead times.

In 2026, CITIC Metal will build its foundation on the “Investment+Trade+Technology” strategic pillars, focusing on bulk commodity trading and mining investment to continuously enhance its overall competitiveness and accelerate its development into a world-class resource investment, trade and technology enterprise. The investment business will delve deeper into upstream resources and solidify post-investment project management. The trading business will consolidate its advantages in core trade varieties, explore new product varieties and continuously improve its international layout and business model innovation. As for technological innovation, CITIC Metal will leverage the Advanced Materials Research Institute, focusing on key materials across traditional, emerging and future industries, while adhering to both independent and collaborative R&D to advance the transformation of scientific achievements into new quality productive forces.

CITIC Resources is primarily engaged in the exploration, development, production and trading of oil. CITIC Resources also invests in coal mining, electrolytic aluminium, bauxite mining and alumina smelting. CITIC Resources operates in multiple nations including China, Australia, the Republic of Kazakhstan and Indonesia.

In 2025, CITIC Resources actively responded to the international market environment and pressures from cyclical industry fluctuations. Guided by its “Investment+Trading” dual-driver development strategy, CITIC Resources expanded its trading scale, strengthened operational management and solidified its developmental foundation. It focused on promoting the steady expansion of oilfield operations, oil and gas trading and metal mineral businesses, achieving significant results in lean management.

Steady oil and gas operations. KBM, Yuedong and Seram oilfields produced a combined 17.21 million barrels of crude oil during the year, largely maintaining stable output. KBM raised water injection and fluid production, improving quality and efficiency through better power support, focused R&D and deeper cost reduction. The CASPI BITUM asphalt plant expansion was completed and brought into operation. Yuedong advanced refined operations and technological innovation, made a key breakthrough in water-shutoff and oil recovery technology, and steadily pushed ahead with new drilling plans and development of the Hainan-20 well block to sustain output and add reserves. Seram boosted production through measures including shallow-well reperforation, tapping potential with new technologies and processes and exploring commercial gas production options for the Lofin area.



KBM Oilfield



Yuedong Oilfield

<i>Oilfield</i>	CITIC Resources' interest	Daily oil production in 2025 (share of output, barrels)	Proven oil reserve estimates as at the end of 2025 (share of output, million barrels)
KBM (Kazakhstan)	50%	19,300	55.9
Yuedong (China)	90%	5,814	19.1
Seram Block (Indonesia)	41%	288	1.0

Value enhancement in the trading business. During the year, the oil and gas trading volume exceeded 20 million barrels, generating trading revenue of approximately HK\$11.34 billion. Meanwhile, CITIC Resources broke the long-standing monopoly of the sales channel of crude oil, thereby enhancing the market value of its oil and gas properties.

Enhanced control over non-oil and gas businesses. Throughout the year, the sales volume of electrolytic aluminium was approximately 72,000 tonnes, representing a year-on-year increase of 13%. Coal sales reached approximately 618,000 tonnes, a year-on-year increase of 3.2%. Furthermore, the value of its shareholding of Alcoa Corporation increased by 46.3%.

CITIC Pacific Energy invests in, operates and manages multiple power plants, with a core mission of ensuring energy security and accelerating green transformation. It focuses on developing new energy businesses, actively expanding wind power, photovoltaic power generation and energy storage projects, while striving to promote comprehensive resource utilisation and technological innovation.

In 2025, CITIC Pacific Energy actively constructed a diversified and synergistic development model of “wind, solar, thermal and storage”¹ promoting a transformation from “sole reliance on traditional energy” to “synergistic drive of traditional and new energy”, achieving green and low-carbon development.

Steady growth of the thermal power business. Ligang Power’s installed capacity exceeded 6,000MW, solidly ranking first in Jiangsu Province and among the top five nationwide, with its profitability per unit of installed capacity leading amongst comparable units. Inner Mongolia Shenglu’s inter-provincial power transmission volume ranked among the top three in the $\pm 800\text{kV}$ Zhaoyi DC ultra-high voltage channel². As a benchmark for industry energy efficiency and smart power plants, the Ligang Phase V $2\times 1,000\text{MW}$ high-efficiency clean coal-fired power generation project achieved breakthroughs in clean, high-efficiency power generation and low-carbon transformation. Its carbon emission intensity per unit of power supply decreased significantly, providing a replicable solution for the upgrading of traditional energy.

Accelerated expansion of the new energy business. The sales volume of green electricity increased by over 500%, while the scale of new energy installed capacity and power generation expanded steadily. The installed capacity in operation was approximately 12.15 million kW, of which 2.05 million kW was from new energy sources, accounting for 17%. Total annual power generation reached 42.6 billion kWh, with new energy power generation reaching 3.7 billion kWh, representing a year-on-year increase of 94%. The contribution of new energy to total power generation rose from 4% to 9%. Key projects, such as the 400MW wind power project in Xilinhot, Inner Mongolia, and the 80MW/120MWp centralised agrivoltaic project of Tonglu Phase I, were successfully connected to the grid. CITIC Pacific Energy achieved significant technological results in fields such as high-efficiency clean power generation, new energy grid integration, and smart management.



Xilinhot Wind Power Project in Inner Mongolia



Agrivoltaic Project in Tonglu, Zhejiang Province

Breakthroughs in the energy storage business. The 115MW/230MWh grid-side energy storage project in Haian and the 120MW/240MWh user-side energy storage project at Jingjiang Special Steel were successively put into operation, significantly enhancing system regulation capabilities and new energy grid integration levels.

1. Wind power, photovoltaic, thermal power and energy storage.
2. The Zhaoyi DC project is a large-scale new energy power transmission project spanning from Ordos, Inner Mongolia to Linyi, Shandong.

CITIC Mining International is a major global magnetite producer and a leading supplier of imported iron ore concentrate to China. Committed to efficient, energy-saving and low-emission operations, it produces magnetite-based pellets that effectively enhance blast furnace efficiency while reducing energy consumption and carbon emissions. Its flagship asset, Sino Iron, is a large-scale overseas greenfield mining project.

In 2025, Sino Iron delivered resilient operating performance despite a challenging external environment marked by land access constraints, cyclones, labour shortages, softer iron ore prices and rising cost pressures. Annual magnetite concentrate production reached 14.69 million tonnes.

In June 2025, the 2023 Mine Continuation Proposals (2023 MCPs) received unconditional approval from the Western Australian State Government. These Proposals help mitigate the significant impact of land access constraints on the project's sustainable development on an interim basis. They support the project's efforts to restore production capacity and allow the use of additional areas for mining operations. Building on this foundation, Sino Iron is steadily advancing key enabling works, including pit expansion and tailings storage facility development to support a return to previous higher production levels.

Sino Iron continued to strengthen its focus on technological innovation and digital transformation. Sino Iron further embedded the MineStar Fleet management system, progressed deployment of the autonomous drilling program and continued optimisation of HPGR operations, collectively enhancing production efficiency and equipment utilisation. Alongside these initiatives, Sino Iron advanced on-site efficiency enhancement efforts, completing 32 continuous improvement projects during the year, with another 43 projects currently underway. These projects continue to unlock operational potential and support cost reduction and efficiency gains. In addition, Sino Iron further advanced its international patent portfolio under the Patent Cooperation Treaty (PCT), with patent filings and examination processes progressing in an orderly manner. During the year, 10 technical patents were granted by IP Australia, further strengthening Sino Iron's independent innovation capabilities.

Leveraging its international operating strengths, Sino Iron is exploring a strategic transition from a single-project operation to a multi-asset portfolio, and from a single operating entity to a more integrated mining group structure, with a view to building a globally competitive modern mining group.



Sino Iron mine site

New Consumption

REVENUE

RMB million



PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

RMB million



TOTAL ASSETS

RMB million



CAPITAL EXPENDITURE

RMB million



In 2025, the new consumption segment recorded revenue of RMB48.153 billion, a year-on-year decrease of 3.4%, while profit attributable to ordinary shareholders reached RMB530 million, a year-on-year increase of 1,161.9%. **CITIC Telecom International** completed the extension of CTM's concession contract, consolidating its leading position in the local market. It recorded revenue of HK\$9.567 billion, largely flat year on year and net profit attributable to shareholders of the parent company of HK\$920 million, a year-on-year increase of 1.1%. **CITIC Press** achieved good results from its digital, intelligent and IP-based operation strategies, with robust growth in newly incubated film, gaming and manga IP books and derivative businesses, recording revenue of RMB1.702 billion and net profit attributable to shareholders of the parent company of RMB130 million, representing year-on-year increases of 0.9% and 9.6% respectively. Facing pressures from declining profit margins in the automobile dealership industry, **Dah Chong Hong** took multiple measures to reduce operating expenses and interest costs, and dispose of underperforming businesses, achieving an 8.5-fold year on year increase in profit. **CITIC Agriculture** promoted Longping Development to optimise its marketing and operation systems, advanced cost reduction and efficiency enhancement, and replaced high-interest loans. Combined with exchange gains from the stabilisation of the Brazilian exchange rate, it reduced its losses by RMB400 million year on year.

CITIC Telecom International is primarily engaged in mobile sales and services, internet services, international telecommunications services, enterprise solutions and fixed-line services, holding a 99% equity interest in Companhia de Telecomunicações de Macau, S.A. (CTM). CITIC Telecom International has branches in 22 countries and regions, with nearly 170 points of presence (PoPs) globally and over 60 SD-WAN gateways. Its business covers 160 countries and regions, connecting more than 600 operators worldwide and serving over 3,000 multinational enterprises and more than 40,000 local enterprises.

In 2025, CITIC Telecom International adhered to its positioning of “With the backing of the Chinese mainland, establishing a foothold in Hong Kong and Macau, and connecting to the world”. It strengthened core technology research around cloud, networks, AI and computing power, accelerating its transformation toward cloud-based and intelligent operations. It also comprehensively upgraded its platform service capabilities, intensified overseas business expansion and quickened its pace to become a “leading digital and intelligent integrated telecommunications enterprise in the Asia-Pacific region.”

Consolidated the leading position in the Macau mobile market. As at the end of 2025, its market share in the Macus’s mobile market increased to 54.7%, firmly ranking first. Among its users, the number of 5G subscribers exceeded 810,000 and the penetration rate of 5G users reached 100%.

Promoted the technical upgrade of full-fibre networks. The number of Fiber-to-the-Room broadband customers continued to grow. As at the end of 2025, the proportion of users with high-speed broadband packages of 1Gbps or above surpassed 50%. CITIC Telecom International accelerated the deployment of advanced fixed-line broadband technologies such as 50G-PON and Wi-Fi 7, and successfully deployed Macau’s first “10-Gigabit Neighbourhood” solution.

Commercial exploration of GSMA Open Gateway capabilities. Leveraging Open Gateway APIs, CITIC Telecom International ventured into application scenarios such as enterprise identity verification and secure communication, aiming to explore new revenue streams. The “RJet” project jointly developed with partners received an award at the “Open Gateway Global Use Case Innovation Challenge” at the 2025 Mobile World Congress. The “Global Mobile Number Smart Authentication Service” has been commercialised at the Shenzhen Data Exchange.

Deepened AI-enabled business innovation. CITIC Telecom International promoted the implementation of innovative products such as the SmartCLOUD™ AI assistant, the AI penetration testing and AI Guardrail, building a multi-level information security protection system. The AI Databank achieved seamless integration with enterprise operation systems and was awarded a Silver Medal at the 50th International Exhibition of Inventions Geneva. In Southeast Asia region, deeply empowered the ServiceOne IT managed services platform with AI, accelerating digital transformation for local customers. As at the end of 2025, the platform had served more than 90 clients, with over 50,000 end users.

Strengthened AI technology R&D capabilities. CITIC Telecom International signed a framework agreement with The Hong Kong Polytechnic University to jointly establish the Interdisciplinary Mathematical Digital AI Joint Laboratory, integrating academic research resources with industrial needs. It also completed the installation and deployment of an AI computing platform and launched local AI agent applications based on open-source large models.

CITIC Press primarily engages in book publishing and distribution, digital intelligence services and urban cultural space operations. Its publishing scope covers major book categories such as thematic academics, economics and management, children’s literature, fiction, comics and animation, biographies, popular science, lifestyle and art.

In 2025, CITIC Press adhered to the philosophy of value-driven publishing, maintaining the top market share in the book retail market among individual publishing houses. New business segments, including film-game-manga IP book product lines and IP licensed products, achieved breakthrough development. CITIC Press accelerated its digital intelligence transformation, further solidifying its core advantages in value proposition design and price system management.

Outstanding performance in specialised categories. The market shares for economics and management, biography and art books ranked first in the industry; natural science books ranked second; and children’s books ranked third. CITIC Press launched numerous best-selling new books, such as *Investment Opportunities from a Global Perspective*, *The Way: Duan Yongping’s Investment Q&A*, *2049: Possibilities of the Next 10,000 Days*, *Let There Be Light*, *The Fairytale of All Things* and *Thinking Across a Thousand Years: Ancient China in 115 Cultural Relics*. As at the end of 2025, CITIC Press had nearly 50 book titles with cumulative sales exceeding one million copies. The newly incubated film, gaming, and manga IP publishing line focuses on anime, comics, games and novels culture and IP derivatives, with notable titles including the *Ne Zha* series and the official art book for *Black Myth: Wukong*. Through innovative storytelling, CITIC Press revitalised the value of traditional mythological IPs with its market share rising to first place in this sub-category. Using GOOODS as a brand to expand into IP derivative new retail, CITIC Press built a full-industry-chain operation system for IP derivatives by licensing popular IPs, sourcing products and self-developing in-house multi-category merchandise, alongside integrating diverse online and offline channels.

AI empowerment across the publishing process. CITIC Press’s proprietary “Kuaifu AI” digital intelligence publishing platform covers the entire process of publishing, production and promotion. It has built 122 AI assistant applications for 17 publishing types, helping to increase the error detection rate of translation and review processes by 15 percentage points. The generation time for marketing copy was shortened from three to five days to ten minutes and video production efficiency increased by five to ten times. The platform was designated a “Key Project of the 2025 Publishing Convergence Development Programme” by the National Press and Publication Administration. CITIC Press also developed an AI-powered book agent product, building a traceable, cross-disciplinary and evolutionary knowledge service system.

Accelerating the IP globalisation. CITIC Press participated in important cultural and academic platforms in several Belt and Road countries. Its traditional cultural IP books, such as *Wukong*, *Ne Zha* and *White Snake*, garnered high recognition from overseas readers, achieving a multi-dimensional leap from copyright export to content dissemination, brand building and international cultural exchange. It successfully hosted high-end events such as the International Partner Exchange Conference and the Land-Sea Economic Forum, actively promoting China’s development path, practices and theories. These efforts enriched the connotation of mutual learning among world civilisations and effectively enhanced the international recognition and communication influence of Chinese civilisation.



CITIC Bookstore

Promoting the nationwide reading campaign. Branded as “CITIC Books”, the urban cultural space operations of CITIC Press serve as core touchpoints to foster a nationwide reading culture. It strengthened the positioning and expansion strategies for different store formats. Business complex stores were dedicated to exploring service opportunities among enterprises in business districts; airport stores functioned as key showcases for brand presence; community stores capitalised on policy opportunities promoting nationwide reading initiatives by actively pursuing collaborations with local governments and enterprises.

CITIC Agriculture focuses on crop breeding, seed multiplication and promotion, and is committed to building a globally competitive agricultural technology enterprise. It possesses more than 60 breeding stations, over 900,000mu of high-standard seed production bases, a research and development team of over 700 specialists, five national and provincial science and technology innovation platforms, and one advanced seed industry biotechnology laboratory in South America. Its independently developed varieties are promoted across more than 200 million mu globally each year.

In 2025, CITIC Agriculture leveraged technological innovation as its growth engine and strong capital base as its bedrock. Through measures of deep integration between industry and finance, such as raising funds via private placements, introducing diversified capital and deploying industrial funds, CITIC Agriculture delved deep into the core seed industry business, advanced technological innovation and promoted the upgrade of governance efficiency, achieving overall strategic implementation and value enhancement.

Leveraging capital to drive growth. CITIC Agriculture contributed RMB1.2 billion to complete the private placement of Longping High-Tech, injecting strong momentum into its breeding R&D, industrial integration, and capital structure optimisation. It contributed RMB150 million to increase its shareholding in Higentec, further strengthening its control over and support for the shared technology platform for the seed industry. The maize seed segment introduced strategic investors and completed a capital increase of RMB1.0 billion. Additionally, CITIC Agriculture completed the fundraising of RMB1.0 billion for CITIC Agriculture Fund Phase II, reserving long-term momentum for the innovative development of the seed industry.

Improvement of business quality. Longping High-Tech secured its core position in the domestic staple grain business, with the market share of its key varieties continuing to increase. Among the top ten varieties in terms of promotion area for major crops nationwide, those selected and promoted by Longping High-Tech included six hybrid rice varieties, four hybrid maize varieties and one wheat variety.

Key breakthroughs achieved in breeding. Longping High-Tech independently selected and bred a batch of high-quality, insect-resistant and high-yield new rice varieties. The insect-resistant rice variety “Weiliangyou 2268” was recognised as a landmark achievement in domestic rice biological breeding. The independently developed thermo-sensitive genic male sterile (TGMS) rice line overcame major bottlenecks in two-line hybrid rice seed production. This achievement was honoured with the First Prize of the Shennong China Agricultural Science and Technology Award. In 2025, nine additional genetically modified (GM) maize varieties passed national approval. The independently developed “Yufeng 303D” became the only GM variety recommended by the Ministry of Agriculture and Rural Affairs in 2025, with its biological breeding commercialisation area ranking first in China for three consecutive years.



Longping High-Tech Changsha Guanshan Base

Enhancement of scientific and technological innovation capabilities. Longping High-Tech, in collaboration with the National Supercomputing Centre in Changsha, participated in the “Data Element x” competition organised by the National Data Bureau and won the first prize in the national finals of the modern agriculture track. Higentec’s high-throughput project won the first prize in the bio economics track of the BRICS Solutions Awards.

New-Type Urbanisation

REVENUE

RMB million



PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

RMB million



TOTAL ASSETS

RMB million



CAPITAL EXPENDITURE

RMB million



In 2025, the new-type urbanisation segment recorded revenue of RMB37.578 billion and profit attributable to ordinary shareholders of RMB125 million, representing year-on-year decreases of 20.0% and 97.6%, respectively. The significant decline in the segment's performance was primarily due to weak industry sentiment and the company's decision for provisions to solidify asset quality and enhance risk resilience. Affected by the continuous downturn in the real estate industry, the gross profit of existing projects in the **real estate development and operation business** declined, with revenue decreasing by 15.8% year on year to RMB12.385 billion and operating profit decreasing by 57.6% year on year to RMB1.314 billion. The **engineering construction and urban operation business** was constrained by the tightening of PPP project policies, resulting in a 20.7% year-on-year decrease in revenue to RMB27.067 billion; however, continuous efforts to push for receivables collection yielded substantive results, with operating profit increasing by 6.1% year on year to RMB1.625 billion.

CITIC Construction is a global integrated service provider in the engineering field. Its business scope includes the construction of housing, infrastructure and industrial facilities, while actively seeking development opportunities in agriculture, resources and energy sectors. Its overseas business covers more than 20 countries and regions, while its domestic business focuses on key regions such as the Beijing-Tianjin-Hebei region, the Yangtze River Economic Belt, the Guangdong-Hong Kong-Macao Greater Bay Area, and the Hainan Free Trade Zone. In recent years, it has implemented multiple large-scale projects under the industry-city integration model.

In 2025, CITIC Construction deepened its presence in key overseas markets and deeply integrated into major national regional development strategies. It achieved new results in market expansion and project implementation, earning the title of Class A Enterprise in the international engineering contracting industry.

Efficient implementation of large-scale international projects. Two highway reconstruction projects in Kazakhstan were completed and handed over; the asphalt plant reconstruction project was completed and put into operation ahead of schedule; the interchange of the 84km Highway Project of the eastern section of Algeria was opened to traffic; the Futungo community project in Angola met pre-sale conditions; and the Kipushi zinc mine project in the Democratic Republic of the Congo was handed over. CITIC Construction also completed contract signing for projects, with the Khuzam community housing in Saudi Arabia and five housing construction projects in the UAE becoming effective and commencing construction all within the same year.



Completion of the reconstruction project for the asphalt plant in Kazakhstan and its commencement of operations



SMPP supply and installation project for the Kipushi zinc mine in the Democratic Republic of the Congo

Integration into national and regional development strategies. All domestic PPP projects passed government performance assessments. 26 projects, including Phase I of the Nanjing Science and Innovation Base, were completed and delivered; four transportation projects, including the Wuhan Yangtze New Town roads, were opened to traffic; three projects, including the sewage treatment plant of the Jinan Eco-Port project, commenced operations. The Beijing Institute of Technology series of projects were recognised as Beijing Green and Safe Construction Sites and Quality (Great Wall) Structural Engineering Projects; the Shenzhen CITIC Financial Center project received the highest provincial honour for building structural quality.

Positive momentum in business growth. The Middle East market became a new highlight, with large-scale contracts signed in the field of new-type urban construction in Saudi Arabia and the UAE, laying a foundation for localised operations. Projects in multiple sectors in the Eastern European and Central Asian market continued to gain momentum and, with major engineering projects such as the gas petroleum, ethane and propane pipeline in Kazakhstan were signed or became effective. In the Latin American market, CITIC Construction tapped into projects in the livelihood sector, signing contracts for projects such as the additional procurement of train in Buenos Aires, Argentina.

CITIC Offshore Helicopter is a leading enterprise in China's general aviation industry, possessing full business operation qualifications and capabilities. It provides comprehensive general aviation development services, including offshore oil flight services, emergency rescue, general aviation maintenance, port piloting, offshore wind power, onshore flights and drone flights. It is the first and only main-board listed company in China's general aviation industry.

In 2025, CITIC Offshore Helicopter focused on expanding into the emerging field of the low-altitude economy and actively provided services for China National Offshore Oil Corporation's deep-sea strategy. It operated a total of 87 helicopters and three large fixed-wing drones, with cumulative annual flight hours exceeding 53,000, comprehensively strengthening its safety management defences.

Constructed new scenarios for the low-altitude economy. CITIC Offshore Helicopter led the industry in the operation of large drones and eVTOLs. It successfully completed offshore pilot flight missions for large eVTOLs, marking the world's first 2-tonne eVTOL material transport for offshore oil platforms. It also smoothly completed cross-city logistics test flights for large eVTOLs in Anhui Province and will continue to deepen commercial exploration of branch-line low-altitude logistics.

Explored new business in the low-altitude economy.

CITIC Offshore Helicopter successfully introduced and operated large fixed-wing drones specifically for weather modification, becoming an important participant in the field of weather modification and supporting drone-based cloud dispersal and rainfall enhancement operations in regions such as Xinjiang and Yunnan.

Created new models for the low-altitude economy. CITIC Offshore Helicopter participated in the construction of the national aviation emergency rescue system, achieving continuous breakthroughs in the integrated "helicopter+drone" operational model for emergency rescue. It also strengthened cooperative relationships with local governments in Sichuan, Shenzhen and Hefei, establishing low-altitude economy development models that align with operational and practical application needs.



Helicopter tours and shuttle services at ski resorts

CITIC Environment is one of China's leading environmental protection enterprises with the most complete industrial chain and the strongest comprehensive capabilities. It carries out businesses such as investment, design consulting, manufacturing, engineering contracting and project operations in fields including ecological environmental protection, urban and rural construction, and environmental protection equipment.

In 2025, CITIC Environment achieved significant results in business transformation, made new progress in overseas business and yielded fruitful technological innovation outcomes.

Further consolidation of green development. CITIC Environment operated and constructed a total of 177 environmental protection projects, with a total annual sewage treatment volume exceeding 800 million tonnes, including 187 million tonnes of high-difficulty industrial wastewater. It provided 47.95 million tonnes of high-quality water supply and 30.76 million tonnes of reclaimed water.

Implementation of multiple benchmark projects. Asia's largest underground waterworks—the High-quality Drinking Water Plant in Jiangdong New Area, Haikou—successfully commenced operations, meeting the high-quality water needs of 400,000 people in the near term and 1.2 million people in the long term. The largest wastewater treatment plant in the national liquor industry—the Sichuan Wuliangye Centralised Sewage Treatment Plant—commenced operations. CITIC Environment took over the Coloane Sewage Treatment Plant in Macau, bringing its market share in Macau's sewage services to over 70% and making it the largest sewage treatment service provider in Macau.

Significant results in business transformation. CITIC Environment signed new contracts for projects such as the capacity expansion and reconstruction of Dongxihu Avenue and surrounding road network improvement in Wuhan, the Smart Energy Industrial Park project in Wuhan Yangtze New Area and the entrusted operation of the Yudong Sewage Treatment Plant in Datong, Shanxi. The value of newly signed asset-light business contracts reached RMB11.857 billion, accounting for approximately 94.89% of the total value of newly signed contracts.

Brilliant technological innovation achievements. CITIC Environment was successfully approved as the "Pilot Project for High-quality Dataset Construction of Urban Digital Foundations" by the National Data Bureau. Two subsidiaries were approved as national-level specialised and sophisticated "little giant" enterprises. The tailwater recycling project of the Nanhu Lake Ecological Living Water Project in Wuhan, led by CITIC Environment, won the "Wastewater Reuse Project of the Year (Municipal & Industrial)" at the 2025 Global Water Awards.

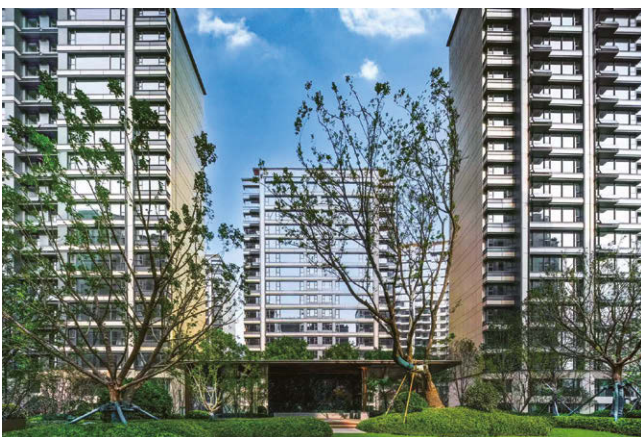


The tailwater recycling project of the Nanhu Ecological Living Water Project in Wuhan

CITIC Pacific Properties develops and manages premium properties, focusing on the development of urban complexes, commercial real estate and residential projects. Its business spans the entire real estate value chain, including investment, development, operation and management. Its projects are primarily located in major cities across the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area, the Middle Reaches of the Yangtze River Economic Belt and the Bohai Economic Rim.

In 2025, CITIC Pacific Properties maintained resilient development in the face of industry pressure. It made full efforts to promote inventory reduction and took multiple measures to revitalise existing assets. Construction of key projects progressed in an orderly manner and several projects achieved high-quality delivery. As at the end of 2025, CITIC Pacific Properties had a land bank of approximately 3.82 million square metres in Chinese mainland, with an attributable area of approximately 2.71 million square metres. Nearly 90% of this land bank is located in high-tier cities, including first-tier and core second-tier cities. The total floor area of investment properties held was approximately 1.185 million square metres, with nearly 80% concentrated in Shanghai.

Reduced inventory and revitalised high-quality existing assets. The annual contracted sales amount reached approximately RMB12.5 billion, a year-on-year increase of over 20%. The high-quality centralised delivery of approximately 1,500 residential units across seven projects, including Jinan Jiuzhu, Qingdao Jiuzhu and Suzhou Jiuyue, was successfully completed, with a first-visit centralised delivery rate of approximately 98%. According to sales data released by China Real Estate Information Corporation, CITIC Pacific Properties' ranking rose from 78th in 2024 to 54th in 2025.



Jinan Jiuzhu Project

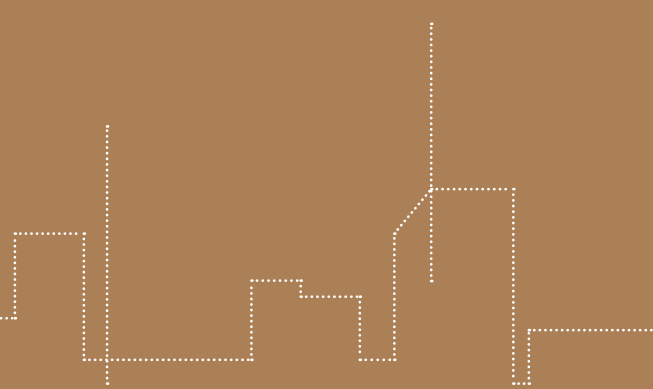


Suzhou Jiuyue Project

Deepened ecosystem construction to shape living experiences. CITIC Pacific Properties released the "WELLNESS Good House White Paper". Guided by forward-looking brand concepts and centred on "a sense of happiness," it utilises a four-sphere value system comprising "nourishing power, protective power, breathing power and evolutionary power" as pillars. Through 12 major scenarios and over 100 technical specifications, it comprehensively integrates health, green living and technology into the living experience, constructing a full-lifecycle CITIC Pacific Properties ecosystem of "Good Houses, Good Life and Good Communities."

Strategy and Operations Management

"Financial Core" Initiative	55
"Industrial Starlink" Initiative	61
"Technological Rock" Initiative	63
Lean Management	67
Business Collaboration	68
Talent Development	70
ESG Management	71



“Financial Core” Initiative



CITIC Limited has been steadily advancing its “Financial Core” Initiative. Leveraging the CITIC Financial Holdings platform, we introduced innovative models for comprehensive financial services, promoted the expansion of comprehensive financial service scenarios and continuously optimised our client mix. By strengthening holistic risk management and capital management capabilities, CITIC Limited has solidified the foundation for high-quality development. Its principal financial subsidiaries have focused on key areas to deliver improved operational performance and stronger growth momentum.

Focusing on “Five Major Tasks” in finance to support the real economy

We led our financial subsidiaries in formulating an implementation plan to set priorities and establish a coordination mechanism. We launched an information service platform to support the “Five Major Tasks” in finance and conducted a “Five-Legged” special operation¹, gradually forming a comprehensive financial practice model with distinctive CITIC characteristics.

Technology finance: We launched a dedicated techfin task force to serve over 15,000 enterprises among the first six batches of national-level specialised and sophisticated enterprises and the first eight batches of single-product champions in manufacturing, achieving full coverage of services.

—● *The balance of general purpose loans to technology enterprises reached RMB545.1 billion, representing an increase of 28.7% as compared to the end of 2024, with the growth rate ranking among the top of peers.*

—● *CITIC Securities and CSC Financial maintained the No 1 position in terms of equity underwriting scale on the STAR Market, ChiNext and Beijing Stock Exchange, and provided comprehensive financial services to emerging enterprise such as Moore Threads.*

Green finance: We deepened our comprehensive “Five-Sphere” green finance service system that integrates green financing, investment, consulting, living and carbon management. The balance of green loans exceeded RMB750 billion, representing an increase of 25.4%² as compared to the end of 2024. The underwriting scale of green bonds reached RMB166 billion, ranking first in the market. Our carbon repo business also ranked first among peers. We completed 25 flagship projects that are either the first or the largest in the market, including the first A+H IPO in the photovoltaic cell industry and the largest equity acquisition in the environmental protection industry in 2025.

Inclusive finance: We built a “Five-Dimensional” service system encompassing inclusive services for small and micro enterprises, rural revitalisation, consumption stimulus, wealth management and public convenience. The balance of agriculture-related loans exceeded RMB500 billion, earning the “Excellence” rating in the rural revitalisation assessment by the PBOC and NFRA. The underwriting scale of rural revitalisation bonds exceeded RMB26 billion, ranking first in the market and providing stable financial support for agricultural and rural projects.

Pension finance: We deepened our efforts in three key areas of pension funds, elderly care services and pension industry, strengthening six supporting systems encompassing products, services, channels, platforms, teams, and investment and financing, to build a quality pension service ecosystem. Our investment management scale for the three pension pillars exceeded RMB1 trillion. The enterprise annuity management scale reached RMB1.4 trillion, representing an increase of 16.15% as compared to the end of 2024. The sales of personal pension-related products amounted to RMB27.9 billion, representing a year-on-year increase of 253%. Innovating the service model, we introduced the “bank+insurance+trust+industry” trust-based elderly care service. To support industry financing, we issued the first pension-themed corporate bond and the first debt financing instrument for the pension industry in China.

1. One action plan, one SOP, one CITIC team, one series of achievements and one suite of business cases.

2. Data sources for the “Financial Core” Initiative section: compiled from publicly available data released by Wind and other third-party data providers.

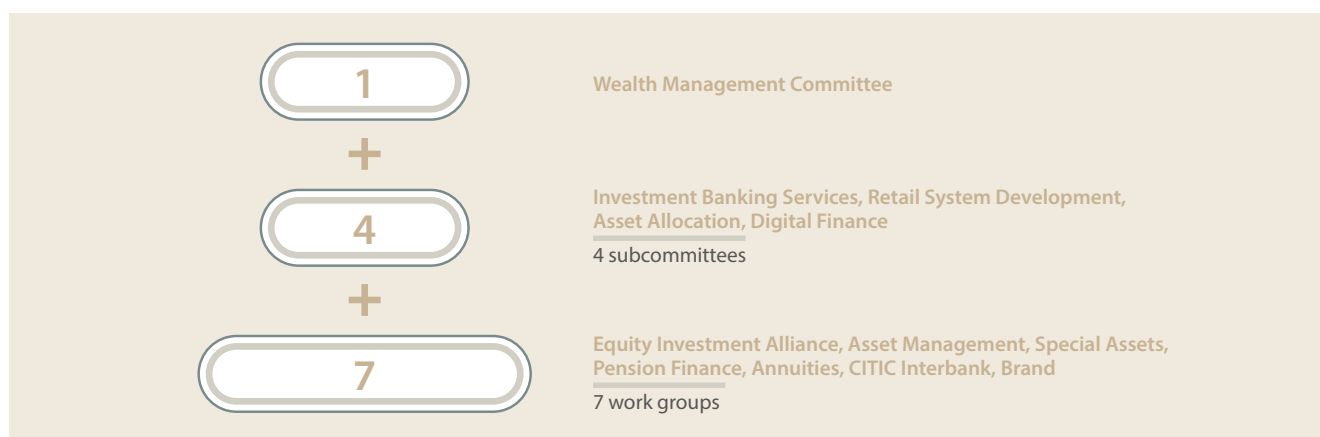
Strategy and Operations Management

Digital finance: We leveraged AI-powered digital intelligence to build a new paradigm for business development. By the end of 2025, we established over 1,400 AI application use cases, an increase of 49% compared to the end of the previous year. These applications served 107,000 internal users, an increase of 209% compared to the end of the previous year. Based on CITIC Fortune Plaza, an open service system across subsidiaries was created, enabling the reuse of nine capabilities including asset view, wealth information and point benefits of the Fortune Plaza.

Focusing on value creation and enhancing the wealth management framework

Guided by the principles of “platform development, mechanism establishment, rule formulation, coordination enhancement and risk management”, we continuously unlocks the potential of our full-suite of licences to deliver comprehensive financial services.

Capitalising on the supportive role of the wealth committee framework. In 2025, CITIC Financial Holdings continuously improved the “1+4+7” operation mechanism of the Wealth Management Committee, further implemented the dual rotating chairmanship system of its sub-committees, strengthened the driving force of the sub-committees, mobilised the initiative and enthusiasm of financial subsidiaries to a greater extent and facilitated its subsidiaries in maintaining domestic market leadership in areas such as equity financing, bond underwriting and public REITs in terms of scale.



Innovating the comprehensive financial service model: CITIC Financial Holdings continued to advance integrated services and developed tailored dedicated service plans for major clients, delivering flagship projects including the largest IPO in Hong Kong stock market in recent years and the largest M&A restructuring transaction on the A-share market. It enhanced the “People-Family-Enterprise-Society” service system of the CITIC Entrepreneurs Office and established a total of 19 regional centres. It formulated 12 comprehensive solutions such as supporting enterprises in “going global” and organised the “CITIC Wealth Cup” Comprehensive Financial Service Model Case Competition. Eight types of models including “integration of asset management and wealth advisory” and “integrated client services” were distilled, providing references for replication and promotion.

Consolidating the strengths in AUM: CITIC Financial Holdings coordinated product innovation, research sharing, investment collaboration, and risk prevention and control through the Asset Allocation Sub-Committee and the Asset Management Work Group. In 2025, the AUM of CITIC’s comprehensive financial services segment approached RMB11 trillion, representing an increase of 27% as compared to the end of the previous year, outperforming the industry average growth rate. The cumulative number of



Official Commencement of New Ecosystem in Global Asset Allocation

individual and corporate clients served exceeded 200 million. Our subsidiaries ranked among the industry leaders in segmented sectors including bank wealth management, securities asset management and public funds, while the asset management trust scale achieved rapid growth.

Building the “international version” of comprehensive finance. CITIC Financial Holdings deeply engaged in cross-border finance and established a cross-border service system underpinned by overseas investment banking leadership, trade settlement support, and integrated domestic and overseas linkage. The cross-border loan scale of CITIC Bank reached a new high. CITIC Securities developed a global one-stop investment and trading service system, with the trading volume of foreign exchange and interest rate businesses surging more than threefold year on year. It deeply participated in the “Connect” schemes, achieving breakthroughs and multiple market-leading positions in areas including cross-boundary wealth management connect, bond connect, Shanghai-Hong Kong & Shenzhen-Hong Kong Stock Connect, and cross-border wealth management.

Focusing on risk mitigation and value creation to strengthen risk management

CITIC Financial Holdings is establishing a cross-entity risk management system tailored to its financial holding business needs, continually enhancing risk management quality and effectiveness. Leveraging the strengths of integrated industry and finance, it provides systematic solutions to defuse risks in key areas. Financial subsidiaries have proactively improved their digital and intelligent risk control capabilities and intensified efforts to mitigate risks in key sectors. The overall asset quality remains sound, major risk indicators have improved and the ability to manage on- and off-balance-sheet risks has been continuously enhanced.

Optimising risk management mechanisms. CITIC Financial Holdings intensified efforts to reduce institutional risks by reinforcing the role of risk appetite and revising subsidiary’s customised key monitoring indicators on a “one-company-one-policy” basis, strengthening risk monitoring on subsidiaries, and implementing penetrating management of key risks. It improved the concentration limit management plan for the comprehensive financial services segment, strengthened rigid control over limits and promoted the implementation of the consolidated limits management mechanism at subsidiaries.

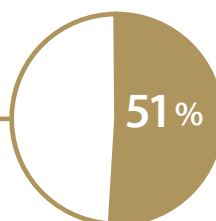
Effective risk control in key areas. CITIC Financial Holdings capitalised on favourable real estate policy windows to expedite the resolution of key risk projects. By seizing opportunities presented by the implicit debt swap policy, CITIC Financial Holdings intensified its efforts to tackle existing risks. It improved its overseas risk prevention and control mechanism and enhanced risk response capabilities. It replicated and promoted the Dongjiadu risk resolution model, promoted the substantive risk resolution of more real estate projects and expanded the scope of risk resolution work. It established and improved mechanisms including elevated promotion, regional task forces, and assessment and incentives.

Technology Finance

As one of the first licensed financial holding companies in China, CITIC Financial Holdings integrates all licence resources from its financial subsidiaries and pioneers in building a unique, diversified interconnected service support system featuring “direct investment-oriented with integration of equity, loans, bonds and insurance”, forming an interconnected service mechanism of investment-loan, investment-insurance and investment-securities, which can use financial “liquidity” to precisely empower technological innovation and accelerate the cultivation of new quality productive force.

100 % service coverage

For enterprises recognised in the first six batches of national-level specialised and sophisticated enterprises and the first eight batches of single-product champions in manufacturing
As at the end of 2025



+14 percentage points

The proportion of customers served jointly by two or more subsidiaries exceeded 51%, an increase of 14 percentage points as compared to the end of 2024.



Equity: Be patient capital with technology innovation

The CITIC Equity Investment Alliance continued to expand, connecting with technology companies to meet equity financing needs and deepening the integration of technology, industry and finance. In 2025, 13 portfolio companies completed IPOs, of which 12 were sponsored by CITIC Securities or CSC Financial, reinforcing investment-to-investment banking synergy.

• In 2025, the Alliance established 16 new funds, with total AUM exceeding RMB340 billion (over RMB20 billion added during the year). Cumulatively invested in and incubated more than 1,200 tech enterprises.



Loan: Targeted lending of technology loans

CITIC Bank optimised credit approval with a focus on forward-looking indicators such as patents and research achievements, launching innovative products including loans for the commercialisation of sci-tech achievements, Torch Loans and IP financing, establishing a distinctive portfolio of technology-focused financial products. It piloted M&A loans for technology enterprises in Anhui and Hubei, creating role models. The Alliance strengthened investment-lending synergy and client referral to CITIC’s financial subsidiaries. Service coverage rate was over 88%.



Bond: Consolidating market leading position

CITIC Securities and CSC Financial underwrote technology innovation bonds of over RMB430 billion, ranking first in the market, helping clients reduce financing costs through consolidated internal investment resources, cross-institutional coordination and broadened funding sources. Following the launch of bond market’s “Sci-Tech Board” in China, CITIC Bank covered over 40% for the first batch of 36 projects. CITIC Securities and CSC Financial secured issuance quotas of RMB15.0 billion and RMB8.0 billion respectively.

• Flagship transactions included the first and largest-scale sci-tech innovation bonds, the first medium- to long-term sci-tech “Panda Bonds” in the interbank market and the first sci-tech “Belt and Road” energy supply corporate bonds.



Insurance: Enhancing service capacity with innovation

CITIC-Prudential Life launched tailored group insurance for 176 specialised and sophisticated enterprises, enhancing employee benefits and providing comprehensive protection for employees and their families. Through risk-sharing partnerships with local governments and guarantee institutions, it introduced “Industry and Information e-Loan” and “Songhu Loan”, broadening financing channels for early-stage enterprises.

Cross-Border Finance

CITIC Financial Holdings pools its financial resources to build a full-spectrum service matrix spanning banking, securities, trust and beyond. Using Hong Kong as a core hub, it leverages CITIC's strengths in cross-sector resource integration and full-chain services for the real economy along Belt and Road countries, advancing RMB internationalisation and corporate globalisation to create an "international edition" of comprehensive finance.

Full-chain services for Chinese enterprises going global

CITIC Financial Holdings joined the MIIT SME Overseas Service Alliance as the sole vice chair unit from the financial sector. It formulated overseas service plans for SMEs and the auto industry, focusing on core scenarios such as funding, capital markets, sales and supply chains, providing full-chain services to facilitate corporate globalisation. It also organised a series of "Into HKEX" events, reaching over 100 listed companies.

Strengthening cross-border financing

Leveraging onshore and offshore "dual markets and expertise", we sponsored landmark transactions on HKEX—including firsts and record-sized deals such as CATL IPO, BYD's lightning placement and Lens Technology IPO—building a bridge for cross-border capital connectivity.

We completed flagship deals such as the privatisation of Hong Kong-listed companies by A-share-listed offerors. Through professional services, CITIC Securities achieved a 12% market share in M&A in Asia (ex-Japan) to support industry upgrade and optimise global resource allocation. CITIC Bank ranked first among joint-stock banks in cross-border loan balance growth. The underwriting volume of Chinese offshore bonds held firmly at first place in the market. Panda bond underwriting volume ranked third in the market, continuously broadening financing channels for overseas issuers in China.

— In 2025, our Hong Kong IPO underwriting volume accounted for 24% of the market, ranking first for the first time.

Enriching cross-border asset allocation

We built a comprehensive and efficient platform for global asset allocation and cross-border capital flows. We established a strong presence in both QDII and QFII businesses. China AMC (Hong Kong) continued to see growth in its assets under management, launched digital asset and renminbi money market products, expanding its China-linked products into 11 markets worldwide. CITIC Futures' Hong Kong operations ranked first among Chinese institutions by business volume.

— As at the end of 2025, CITIC Bank ranked first among joint-stock banks in QDII custody scale, while CITIC Securities served QFII institutions with a market share exceeding 35%.

Deep participation in financial interconnectivity

We ranked among industry leaders in Bond Connect Northbound market-making, Swap Connect Northbound market-making, Stock Connect trading services and Cross-boundary Wealth Management Connect fund-transfer volumes. Our Southbound Bond Connect custody volume ranked first among custodian and clearing banks, providing critical support for RMB asset investment management and market liquidity. We received honours including "Bond Connect Outstanding Market Maker", "Bond Connect Market Promotion Award" and "Cross-Border Subscription Excellence Award" for multiple consecutive years.

— 10 financial subsidiaries in Hong Kong served approximately 97% of top public QDII fund clients.

Financials Synergy

CITIC Limited has aggregated the professional strengths of its affiliated financial institutions, as the synergetic value of these institutions has become even more prominent in joint client development, co-creation of products, risk resolution, talent development and brand co-building.

Strengthening coordination in client services

We have consolidated the internal coordination mechanism, provided integrated solutions tailored to client needs, and built an integrated financial service system featuring the “commercial banking+investment banking+private banking+investment+think tank” model. The “CITIC Equity Investment Alliance” has further refined its client referral mechanism.

Strengthened synergy between investment and lending

The bank account opening rate of the Alliance's portfolio companies at CITIC Bank exceeded **88%**, an increase of more than **30** percentage points from the Alliance's inception.
2025/as at the end of 2025

Strengthened synergy between “Investment and Investment Banking”

13 portfolio companies of the “CITIC Equity Investment Alliance” completed their IPOs, **12** of which were sponsored by CITIC Securities or CSC Financial.

Strengthened cross-subsidiary business coordination

The joint underwriting volume of domestic bonds reached RMB**209.6** billion, and the joint implementation scale of cross-border businesses hit RMB**54.6** billion.

Accelerating product co-creation

We have integrated the channel and client resources of all subsidiaries, driving the issuance of “CITIC Premium Products” to RMB162.8 billion, a year-on-year increase of 74%. The issuance of “CITIC Innovation Product” rose by RMB15 billion. The average performance of fixed-income “CITIC Premium Products” outperformed the performance benchmark by 33 basis points and equity “CITIC Premium Products” have ranked among the top 32% of their peers since their launch.

Promoting the synergistic risk resolution model

CITIC's unique collaborative risk management system provides systematic solutions for real estate and local government financing vehicle debt risks and expands conventional disposal to “integrated operation of special assets”. In 2025, we revitalised RMB31.3 billion and recovered RMB16.7 billion from disposals. This model is being replicated nationwide. The Shenzhen Xinyuewan Project, jointly undertaken by CITIC Bank and CITIC Urban Development & Operation, exceeded RMB10 billion in pre-sale volume within two hours of launch.



Promoting the synergistic risk resolution model

Enhancing the brand value of “CITIC Wealth”

We hosted “The 2nd CITIC Wealth Management Conference” with 42 leading onshore and offshore asset management firms, co-creating a global asset allocation ecosystem. The CITIC Wealth brand matrix was further advanced, with growing influential sub-brands. It appeared at the 5th China International Consumer Products Expo, the 3rd China International Supply Chain Promotion Expo and the 2025 World Artificial Intelligence Conference.



Enhancing the brand value of “CITIC Wealth”

“Industrial Starlink” Initiative



CITIC Limited has continued to advance the “Industrial Starlink” Initiative across its industrial businesses with three key operations—“Star Renewal”, “Star Creation” and “Star Exploration”. Through these programmes, we promoted the transformation and upgrading of our industrial subsidiaries towards high-end, intelligent and green development, accelerated the deployment of strategic emerging and future industries, and steadily shifted our business structure towards the mid- to high-end segments of the value chain, significantly enhancing innovation and technological capabilities of the company.

Advancing the “Star Renewal” operation to build new advantages

Champion businesses: The scale of our equipment manufacturing, auto components, special steel, niobium and copper businesses continued to expand steadily, with further strengthening of their market positions.

Specialised businesses: The low-altitude economy business continued to broaden application scenarios and achieved new breakthroughs. The publishing business consolidated its industry-leading position. The digital economy business and intelligent factory development achieved new breakthroughs, while the capability of resource and energy supply chains continued to improve.



CITIC Dicastal lightweight automotive parts

Flagship projects: Landmark constructions were delivered in Saudi Arabia, the United Arab Emirates and other locations. In China, major projects including the Shanghai Yalong Project and the Shenzhen Dongjiaotou Project achieved breakthroughs in sales, while key infrastructure and real estate development projects progressed steadily, representing a series of demonstration in industry transformation and development.

Promoting the “Star Creation” and “Star Exploration” operations to create new growth engines and explore frontiers

Star Creation: To expand, complement and strengthen industrial value chains and facilitate developments of strategic emerging sectors, a reserve pool of investment and M&A projects has been established under CITIC’s industrial companies, investment platforms and financial resources. Due diligence on multiple key projects is underway.



CITIC Heavy Industries’ special material forging for the new energy field

Star Exploration: Closely following the development trends of new technologies such as AI to identify high-quality projects. CITIC Securities and CSC Financial have mapped niche sectors around AI and embodied AI, as well as manufacturing, advanced materials and energy for the future, and established a pipeline of shortlisted enterprises. Leveraging the advantages of their direct investment and fund businesses, they have added a total of more than 100 investments in the above-mentioned sectors.

Under the “Industrial Starlink” Initiative, we will establish a strategy-oriented resource allocation mechanism to enhance the multiplying effect of investments, concentrate resources on strategic emerging sectors and industries for the future, identify key areas and priorities, and rationally allocate investment budgets, serving as long-term and patient capital for the real economy.

Industrial Upgrading

CITIC Metal's practice in revitalising and upgrading traditional industries

Bulk commodity trading. The "Star Businesses" of niobium and copper achieved double-digit sales growth, continuously consolidating its industry-leading position. "Niobium Star" led the industry by adhering to the "technology-led sales" approach. CITIC Metal consolidated key clients in traditional sectors and strengthened expansion in emerging fields. The domestic market share remained above 80%, helping drive niobium consumption in the Chinese market to multiple new records. "Copper Star" demonstrated resilience in the face of multiple challenges such as US tariff policies, copper price fluctuations and power shortages in Africa. CITIC Metal adjusted its business plan and seized market opportunities, achieving annual sales of over 1.2 million metric tonnes of copper and maintaining a leading position in the copper trading sector.

Mining investments. Amid complex environments, CITIC Metal continued to strengthen its management to ensure the supply of critical mineral resources. The Las Bambas copper mine in Peru produced 410,834 metric tonnes of copper for the full year, representing a year-on-year increase of 27%. The Kamo-a-Kakula copper mine of Ivanhoe Mines ranked among the world's largest copper producers by annual output. The Kipushi zinc mine of Ivanhoe Mines commenced production ahead of schedule and has operated steadily. The Platreef mine of Ivanhoe Mines produced first concentrate from Phase 1 and accelerated its expansion. CITIC Metal focused on enhancing research capabilities by improving its investment research system, intensifying regional scanning, and continuously enriching its pipeline of domestic and overseas projects to lay the groundwork for future resource deployment.

CITIC Dicastal's practice in expanding its presence emerging industries

Low-altitude economy. CITIC Dicastal has established a trinity lightweight capability encompassing "materials, process and design" to lay a foundational common technology for the development of the low-altitude economy industry. Leveraging cumulative experience in lightweight technologies, CITIC Dicastal has established an R&D framework centred on the low-altitude economy, encompassing three key segments: aluminium-magnesium alloys, carbon fibres and polymers. It has also carried out design and process development for a range of component products.

Embodied AI. CITIC Dicastal achieved breakthroughs in lightweight technologies for robotic skeletons and surface skins, accelerated the development of a standardised, modular R&D system for joint modules and fostered new growth drivers in embodied AI. CITIC Dicastal completed the development of robotic skeletal frame models and independently developed and manufactured carbon-fibre surface skins.

“Technological Rock” Initiative



In 2025, CITIC Limited has launched the “Technological Rock” Initiative to establish a technology innovation system with CITIC’s distinctive characteristics and build a “2+4+N” technology innovation cluster, vigorously advancing breakthroughs in core technologies in key fields and promoting the deep integration of technology innovation and industrial innovation.

Top-level design continuously strengthened

Adhering to the strategic direction of the “Four Orientations” and the quest for excellence, we have specifically formulated the Technology Innovation Plan and the Digital and Intelligent Development Plan for the 15th Five-Year Plan period. A “1+11” technology innovation system has been established, comprising one top-level policy and a series of supporting implementation rules to cover the entire chain of technology innovation activities including platform management, project management and commercialisation. *The Implementation Opinions on Advancing the State Council’s “AI+” Initiative* was issued and targeted initiatives were rolled out to foster AI innovation. A refined assessment and incentive mechanism has been implemented based on principal objectives and key results for technology innovation and a special policy treatment on the I&T expenditure of subsidiaries.

— In 2025, CITIC Limited’s R&D investment totalled HK\$23.2 billion in 2025, with an R&D intensity of 3.0%.

The “2+4+N” technology innovation cluster moved ahead

Focusing on key areas and weak links in the modernisation of industrial development and targeting high-value technology sectors, we have established a three-tiered “2+4+N” technology innovation cluster. This comprises two state key laboratories in intelligent mining heavy equipment and digital steel as the leading forces, four Group-level technology innovation centres in seed industry, fintech, advanced materials and lightweight technology as the backbone, and N sectoral-level R&D centres as the foundation, with the first batch focusing on cutting-edge fields such as AI and specialised robotics. We actively promoted collaboration between industries, universities and research institutes, joining forces with renowned institutions including the Institute of Automation of Chinese Academy of Sciences, the Institute of Computing Technology of Chinese Academy of Sciences, Beihang University, Tianjin University, The Hong Kong Polytechnic University and The University of Hong Kong. Joint research efforts are directed towards areas such as AI for Science, financial digital twins, embodied AI, virtual reality, synthetic biology, multi-agent systems and data mining.

— As at the end of 2025, eight technology innovation platforms were fully established. The CITIC HK AI Technology Innovation Center entered the substantive research phase.



CITIC hosted a forum on innovation and development of technology, industry and finance at the World AI Conference 2025



The CITIC HK AI Technology Innovation Center unveiled

The foundation for technology development continuously solidified

A Group-level “Three Centres, One Platform, One Cloud¹” digital and intelligent infrastructure has been established, significantly enhancing centralised management and autonomous control. The two data centres in Haidian and Changping Districts, Beijing, achieved “Same City Redundancy²” for business continuity. The Intelligent Computing Centre deployed 36 mainstream LLMs and traditional AI models, providing full-stack intelligent computing services to the headquarters and 22 subsidiaries. The Cybersecurity Operations Platform covers all CITIC enterprise network units, with thousands of internet assets under routine monitoring and penetrating oversight. The Private Cloud provides autonomous cloud services, further safeguarding data security.

A paradigm shift in research methodologies, the CAS Panshi Scientific Foundational Model was introduced for subsidiaries with access to scientific literature review and research tools. One Group-level agent development platform was established for rapid construction and cross-institutional reuse. Six subsidiaries obtained DCMM certification, with CITIC Bank and CITIC Securities achieving Level 5, where CITIC Bank was the first among joint-stock banks. Nanjing Steel Group was selected for the National Data Administration’s first Trusted Data Spaces pilot.

“Operation Galaxy” further advanced

We intend to fully unleash the innovation and creativity of our technological talents, with the aim of building a team of experts who master core technologies in key fields and lead technological innovation. The first cohort of Chief Scientists, Senior Experts and Young Technological Innovation Talents was selected, establishing a talent structure of “strategic leaders, core backbones and high-potential reserves”. The inaugural technology talent meeting was convened for systematic deployment. We focused on strengthening technological talent teams in key enterprises and critical sectors, CITIC Bank, CITIC Pacific Special Steel, CITIC Heavy Industries and CITIC Dicastal were selected as pilot companies with detailed implementation plans. And the pilot collaboration with key universities to cultivate postgraduate engineering talents in AI, new materials and biological breeding is progressing well.

1. “Three Centres” refers to two group-level data centres and one intelligent computing centre; “One Platform” refers to the cybersecurity operations platform; and “One Cloud” refers to CITIC private cloud.
2. “Same City Redundancy” means two data centres in the same city operate simultaneously as mutual backups; when one data centre is interrupted due to failure or maintenance, the other can immediately take over business operations.

Technological Innovation

Empowering management efficiency through digital and intelligent technologies



AI digital employee team of CITIC Securities

CITIC Limited has completed the construction of "Pioneering Platform", a group-level digital and intelligent management platform. Horizontally, it has covered 38 management functions at the headquarters. Vertically, it has achieved penetrating management of tier-one subsidiaries with 14 key use cases, including financial budgeting, human resources and office operations. This allows the management to "see clearly, calculate accurately and manage effectively" the operation of subsidiaries, thereby enhancing overall management efficiency. Seizing the trend of AI agents, we deployed digital employees to improve office efficiency. The headquarters has launched its first six digital

employees, including regulatory, meeting and writing assistants, to share basic and repetitive tasks of our staff. CITIC Securities now has 27 digital employees on board, demonstrating value across various business scenarios such as intelligent investment research, intelligent investment banking and wealth management. Related technologies have been granted 12 national invention patents.

Emergence of a number of industry-leading scientific and technological achievements

In 2025, CITIC Limited and its subsidiaries received 97 national, provincial, ministerial and industry-recognised technological awards. We secured 18 awards in the People's Bank of China's 2024 Financial Technology Development Awards, including 2 first prizes, remaining the enterprise with the most accolades; over half of the winning projects were achievements in artificial intelligence. In the national finals of the "Data Elements x" competition, jointly organised by the National Data Bureau and multiple departments, we won 4 awards, including first prize, ranking among the top enterprises by number of awards. Nanjing Steel Group was selected for the first batch of pioneer-level smart factory cultivation list by the Ministry of Industry and Information Technology (MIIT), representing the highest level of intelligent manufacturing in China. CITIC Heavy Industries and CITIC Pacific Special Steel saw 4 projects included in the MIIT's list of excellent-level smart factories, bringing the total number of excellent-level smart factories within CITIC Limited to 6. As at the end of 2025, we held nearly 13,800 intellectual property rights and over 9,300 valid patents.



Nanjing Steel Group was selected for the first batch of pioneer-level smart factory cultivation list by the MIIT

Two projects were awarded the first prize in the PBOC's 2024 Financial Technology Development Awards

CITIC Bank's "Cang Qiong Project" built the core technological foundation for digital transformation. Following its "Ling Yun Project" in 2020 and the "Inclusive Finance Digital Innovation Ecosystem" project in 2022, CITIC Bank has won the first prize in the People's Bank of China's Financial Technology Development Awards for the third time with its "Cang Qiong Project" which was constructed based on the cloud-native, financial technology middle platform system. This achievement makes it the joint-stock commercial bank with the most first prizes. The "Cang Qiong Project" provides robust technological support for rapid product delivery and stable business operations, both essential for digital transformation of enterprises. It has achieved multiple domestic firsts in technology and application, and has been granted 11 invention patents. Based on cloud-native technologies such as service mesh and containers, this project enables modular development, out-of-the-box shared capabilities, refined service governance, agile application delivery and intensive resource utilisation, creating a new ecosystem for R&D and operations covering the entire application lifecycle. This shared technical architecture now supports over 500 systems, resulting in a cost reduction of over RMB200 million and a replicable practice case for the industry.



CSC Financial developed the “Gatekeeper” smart integrated business platform for investment banking. This project is the first representative initiative in the securities industry’s investment banking business system to win the first prize in the FinTech Development Awards. By constructing a unified data foundation, integrated process management and a suite of intelligent applications, it promoted a transformation in the investment banking compliance and risk control system from traditional “human intervention” to “technical detection” and “intelligent control”. Its core breakthrough lies in the deep integration of new technologies such as AI models into more than 10 key scenarios that relied on manual effort, including financial fraud verification, potential related party screening and fund flow verification. This significantly enhances investment banking professionals’ capabilities to identify fraud, information disclosure defects and compliance vulnerabilities. It helps CSC fulfil its core function as a “gatekeeper” of the capital market efficiently. The platform has supported the full-cycle progression of over 10,000 investment banking projects, saving CSC more than RMB72 million and has formed a replicable and scalable industry-level comprehensive solution.

CITIC Pacific Special Steel contributed to the opening of the “World’s Highest Bridge”

In September 2025, the Huajiang Canyon Bridge in Guizhou was officially opened to traffic. This bridge, ranking first in the world “vertically and horizontally”, has set new world records for both bridge span and height, with a breathtaking height of 625m from the bridge deck to the water surface and a main span of 1,420m. The complex geological conditions and extreme climate of the Huajiang Canyon demands exceptionally high strength and toughness of the bridge’s cable materials. The research team at Qingdao Special Steel, a subsidiary of CITIC Pacific Special Steel, hence developed ultra-high-strength wire rods. By precisely adjusting the alloy composition and optimising both the controlled rolling and cooling process, the wire rods exhibit excellent high strength and plasticity in their hot-rolled state. The bridge cables of this technology possess greater strength and single-wire load-bearing capacity, enabling them to easily withstand immense tensile forces and ensure the safety and stability of the bridge under harsh conditions such as strong winds and heavy loads.



Researchers conducting field work

CITIC Agriculture conquered rice blast, the “Cancer of Rice”

Rice blast is a major factor limiting rice yields. Discovering broad-spectrum resistance genes for rice blast and cultivating resistant varieties is not only the most economical and effective measure to control the disease but also a significant theoretical and technical challenge in crop breeding. Since 2007, Longping High-Tech, a subsidiary of CITIC Agriculture, has collaborated with the CAS Center for Excellence in Molecular Plant Sciences. Utilising molecular breeding tech for rice blast resistance, they improve the blast resistance of high-yield and high-quality varieties with targeted insertion of Pigm gene. This effort has created a batch of parent lines with excellent comprehensive traits such as blast resistance, high quality and high yield, and has bred new rice varieties with blast resistance, including Zhenliangyou 8612, Zhenliangyou 5438 and Longliangyou 3189. During the 14th Five-Year Plan period, the promotion area for Longping High-Tech’s blast-resistant rice varieties reached 11.26 million mu, reducing pesticide application by 670,000kg and generating revenue of RMB700 million, achieving significant economic and social benefits. The project outcome, in collaboration with the CAS team, was awarded the First Prize of the 2024 Shanghai Science and Technology Progress Award.



“Zhenliangyou” 8612 rice variety

Lean Management



Consolidating the fundamental management of the headquarters

Focusing on revenue increase and expenditure reduction around financial statements. We have improved our profitability with focus on our main business on the revenue side, continuously improving asset operational efficiency and strengthening fund settlement management. On the cost side, we continued to deepen all-factor cost reduction and efficiency enhancement, taking targeted measures for weak links to achieve a simultaneous year-on-year decrease in both the cost-to-income ratio and total expenses. We also accelerated the standardisation of the chart of accounts to establish multi-dimensional alignment in our accounting system to further strengthen the consolidated reporting and penetrating oversight.

Improving the refined institutional management. By adopting an urgency-based modular design in the system planning, we successfully deployed Phase One of CITIC Management Information System, which focused on bolstering the completeness, accuracy and timeliness of enterprise data through business registration data validation, field logic controls and human verification. The CMIS enables real-time monitoring of our subsidiaries to track the progress of the “slimming and fitness” (divestment and restructuring) programme, laying the foundation for full lifecycle management of institutional information.

Comprehensive improvement in procurement management. We have strengthened the procurement management system, established key procurement data metrics and enhanced oversight. We have also tightened control over single-source procurement and improved information transparency, significantly increasing the share of open procurement across the company.

Deepening capital and financial management of financial subsidiaries

Strengthening the exploration of existing capital potential and forward-looking planning. We enriched indicator settings and refined scoring standards, pushing financial subsidiaries to optimise holistic and granular capital management framework through a “one-company-one-policy” approach. Anchored in existing capital, we launched a campaign to tackle high capital consumption, channelling resources towards low-consumption, high-return areas and achieving RMB11.2 billion in capital conservation. Additionally, we advanced the compilation of the “15th Five-Year” capital plan to coordinate future capital demand, allocation, replenishment and management.

Improving the comprehensive financial analysis system to boost revenue and reduce costs. We improved the on-and-off-balance-sheet benchmarking system for comprehensive finance integrated with business and finance. By deepening performance benchmarking for financial subsidiaries and analysis of business development in key regions, it better served management decision-making.

Intensifying governance across industrial subsidiaries

Rigorously enforcing the principle of “control is essential for subsidiaries, exercising of rights is essential for equity participation. We improved corporate governance and the authorisation system. Guidance for the management of appointed directors were issued to encourage their deep involvement in the board decisions of subsidiaries and to strictly regulate the process of exercising rights.

Optimising investment decision-making. We leveraged the CITIC Think Tank to enhance the professionalism of investment decisions. We strengthened the full lifecycle management of investment projects, updated the mandate of subsidiaries and began post-investment evaluations of overseas projects.

Optimising resource allocation. We steadily advanced internal asset integration and adjustment plans, optimising management mechanisms for larger companies such as CITIC Pacific Special Steel, CITIC Pacific Energy, and Sino Iron. By focusing on primary responsibilities and core businesses while continuing “slimming and fitness” efforts, we overachieved in reducing corporate hierarchies, the number of legal entities and exposure to discrete sectors.

Optimising risk assessment mechanisms. We implemented “look-through” comprehensive risk governance for industrial sectors, deploying management tools—such as risk reports, risk profile views, key risk indicators, and comprehensive risk management ledgers—down to the bottom.

Strengthening financing management. We advanced a significant reduction in financing costs for non-financial businesses, achieving a decline that was notably greater than the downward trend of market interest rates over the same period.

Business Collaboration



CITIC Limited has established a “1+N+N” regional synergy organisational system, comprising the “Headquarters Synergy Committee+Onshore Regional Branches+Offshore Regional Branches”. Through a full-process closed-loop synergy mechanism, we promoted mutually beneficial cooperation with strategic partners including local governments, enterprises and financial institutions, continuously enriching and refining CITIC’s unique business model and core competitiveness that distinguishes it from other large enterprises and financial institutions.

Harnessing CITIC’s distinctive strengths to build “a bridge” connecting the world in the new era

Guided by the service brand of “CITIC, Your Trusted Partner for Going Global and Coming to China”, we build on CITIC’s international strengths to promote Chinese high-level opening-up and build “a bridge” connecting the world in the new era. By introducing high-quality global resources to support regional development, we spearheaded a range of collaborative projects aligned with local positioning and facilitated cross-industry cooperation. These efforts have earned strong recognition from local governments and foreign enterprises. By driving local development, we unlocked significant opportunities and strengthened our market presence. As a result, CITIC has developed a distinctive synergy model and competitive advantages.

Deepening partnership with strategic customers

Adhering to the “One CITIC, One Customer” philosophy, we continue to advance a synergy-driven model in which multiple subsidiaries pool their strengths to deliver initiatives that cannot be undertaken by a single subsidiary alone. Through concerted efforts and complementary advantages, this model fosters win-win outcomes while continuously empowering our subsidiaries to drive business development.

We have worked with our corporate clients to carry out a number of projects including the industrial chain integration model for COSCO Shipping, the complementary advantages and mutual support model for China Energy Engineering Corporation, the strategic alignment-driven financial services model for China Railway Signal & Communication Corporation, the strategy-led joint innovation model for Huawei and the ecosystem development model for the robotics industry. We deepened strategic cooperation with China Yajiang Group, leveraging our edge in comprehensive financial services, industry integration and technology empowerment, and tailor-made a “Yajiang Solution” for the construction of the Yajiang Hydropower Project. In our collaboration with local governments, we have established a model for central SOE–local cooperation by carefully planning joint initiatives and addressing the core needs of our subsidiaries. Through multi-dimensional initiatives, including financial opening and innovation, industrial synergistic development, green energy cultivation, technology integration and empowerment, and global resource connectivity, we are comprehensively contributing to the construction of Hainan Free Trade Port.

Foreign Enterprises' China Tours

In 2025, CITIC collaborated with various local governments to jointly host a series of events, namely the Nanjing Tour for German Enterprises, the Guangdong Tour for Japanese Enterprises, Multinational Corporations Invest in China — Choose Shaanxi and the Chongqing Tour for European Advanced Manufacturing Enterprises. We also continued to advance the implementation of outcomes from the 2024 events including the Chongqing Tour for German Advanced Manufacturing Enterprises and the Hunan Tour for Strategic Shareholders, providing tangible and effective support for the high-quality development of local economies.

CITIC Limited adheres to the principle of “Give-and-Take for Shared Prosperity”. Focusing on local development positioning and the development direction of strategic industries, we leverage CITIC’s strengths to meet local development needs and deliver precision empowerment. We have developed a portfolio of innovative synergy models including services across “Four-Sphere Financial Consulting”, “Chongqing Autos Going Global Partnership”, “Specialised and Sophisticated Enterprises Collaboration”, “Fast Track for the Introduction of Foreign Brands” and “Ecosystem for Multinational Enterprises”. These models help local governments stabilise foreign trades and investments to create business opportunities for our subsidiaries in terms of key accounts, capital, clients and projects.



6 sessions of the “Foreign Enterprises’ China Tours” facilitated over 180 projects

Total value exceeded



RMB340 billion

Over



750 foreign enterprises attended the events



German Enterprises' Nanjing Tour for German Enterprises



Multinational Corporation Industrial Cooperation Conference

Talent Development



In 2025, CITIC Limited has implemented a comprehensive set of initiatives aimed at talent development, such as open selection, launching the “Talent Ladder Programme”, promoting the development of international talent, continuously optimising the entire talent management process, encompassing selection, training, management and utilisation, and consistently advancing the strategy of “building a strong enterprise through talent”.

Continuously advancing the talent pipeline and reinforcing the foundation of our cadre ranks

We continuously advance the “Talent Ladder Programme” and the “Leadership Talent Programme”, deepening reforms in the cadre selection mechanism and broadening the horizon for identifying and appointing talents by integrating organisational selection with competitive selection. The coverage of open selection has been further expanded, with the inclusion of principal positions for the first time, enabling a group of outstanding young cadres to stand out. Emphasis is placed on grassroots experience, practical capability and professional competence. Cross-institutional exchanges and assignments between headquarters and subsidiaries, financial and industrial sectors, as well as domestic and international operations, have been further promoted, resulting in a rejuvenated and restructured cadre team.

Focusing on the development of international talent to enhance international business growth

We place a strong emphasis on building a high-quality international talent team. We implemented the “Ten-Hundred-Thousand” Initiative along with the creation of a tiered, categorised international talent pool. The goal is to cultivate 10 leading international talents, 100 core talents and 1,000 foundational talents. By implementing a dedicated international talent development programme, we gave full play to the strengths of its international business, formulated personalised development plans, and provided broad opportunities for international talent to grow through a comprehensive, multi-position, end-to-end development model. By focusing on attracting “cutting-edge and scarce” international professionals, we enhanced recruitment efforts for overseas talent.

Promoting the reform of the incentive system to inspire enthusiasm for innovation and entrepreneurship

We continuously improve the incentive mechanism. We continued to strengthen the linkage between total wages and operating performance. We upheld the principle of balancing incentives and constraints, reinforced the policy of performance-linked floating compensation and provided dedicated wage incentives for transformation and upgrading, risk resolution, technological innovation and international talent development, thereby fully energising our management and employees.

Refining the employee training to enhance capabilities and competencies

We continuously improve our training system to empower employee development. Based on the “Leadership Class, Excellence Class, Talent Class and Young Talent Ignite Class”, we provide training for outstanding young employees at all levels, with an increased focus on international and technology talents. We have implemented rotational training for management trainees, training for newly appointed personnel and professional skills upgrading training so as to provide targeted, tiered and categorised training for all employees. By utilising a variety of training methods—including executive coaching, intensive lectures, on-site teaching, forum communications and project research—we aim to enhance individual capabilities and our management level in areas such as strategic execution, technological innovation, management improvement and international operations.

Promoting talent exchange through job rotation to utilise group talent resources

We uphold the principle of headquarters-level coordination and optimise the selection and assignment mechanism to stimulate the initiative and autonomy of various employing entities in selecting candidates. We have increased efforts in special job rotation to improve the mutual empowerment and efficiency between the headquarters and its subsidiaries, among financial subsidiaries and among industrial subsidiaries. This will provide robust talent support for the implementation of the “Financial Core” Initiative, the “Industrial Starlink” Initiative and the “Technological Rock” Initiative. We arranged for exchanged personnel to fully engage in key projects, continuously enhancing their comprehensive qualities and professional competencies. Outstanding personnel are encouraged to remain in their placements, promoting orderly mobility of cadres within the system.

ESG Management



CITIC Limited is committed to pursuing sustainable development, and has integrated Environmental, Social and Governance principles as an integral part of its reform and development. It is dedicated to advancing the green and low-carbon transition, fulfilling corporate social responsibilities, enhancing its corporate governance structure, and ensuring compliant and stable operations. The company's MSCI ESG rating was upgraded from BB to A and then to AA, marking a significant improvement in its ESG management and overall performance.

Environmental chapter

The company actively implements the national "dual carbon" strategy, formulating a low-carbon development strategy focused on "Two Increases and One Reduction" and establishing clear goals for "carbon peaking and carbon neutrality." It has issued the "2024-2025 Action Plan for Energy Conservation and Carbon Reduction" and published the "White Paper on Actions to Achieve Carbon Peaking and Carbon Neutrality" for four consecutive years. These efforts aim to promote the green and low-carbon transition of its industrial operations and guide financial businesses in innovating green products and services. A "Panoramic Carbon Management Platform" has been established to achieve precise monitoring, scientific analysis, and dynamic management of carbon emissions. The company is deeply engaged in water treatment and water environment remediation, as well as solid waste disposal, processing 800 million tonnes of sewage annually. By advancing the digitalisation, systematisation, and intelligentisation of ESG efforts, the company has created CITIC Dicastal, CITIC Pacific Special Steel, Nanjing Steel and other industry benchmarks for digital low-carbon transition in the industrial sector, leading to a significant reduction in comprehensive energy consumption.



Low-carbon industrial campus of CITIC Pacific Special Steel



Green factory of Nanjing Steel

Social chapter

CITIC actively fulfils corporate social responsibility by serving and giving back to society through tangible actions. The company continuously improves the corporate democratic management system, with the staff and workers' congress as its basic form, promotes gender equality in the workplace and facilitates the signing of special collective contracts for the protection of female employees' rights and interests. New achievements have been made in pension finance and inclusive finance. In 2025, approximately RMB1 billion was invested and introduced into one district and three counties under its designated support, with RMB160 million allocated for consumption support, precisely implementing over 40 support projects. Overseas, the company has launched a series of public welfare projects benefiting local communities, including the CITIC Angola vocational school, Longping High-Tech agricultural assistance and Sino Iron community aid fund.

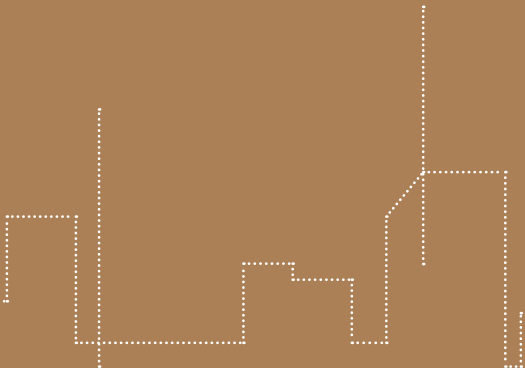
Governance chapter

The company is dedicated to enhancing corporate governance in accordance with law and has established the role of "Lead Independent Non-executive Director" to better leverage the supervisory function of independent directors. Great importance is attached to the protection of consumer rights and interests, with the consumer protection work of financial subsidiaries being elevated to the board level of the headquarters for review. The management requirements for dispatched directors have been enhanced in line with the principle of "control is essential for subsidiaries, exercising of rights is essential for equity participation." The company has promulgated and implemented corporate governance assessment management measures. A comprehensive risk management organisational structure characterised by "Four Levels" and "Three Lines of Defence" has been established, along with a risk control process that ensures "comprehensive coverage with key focuses", firmly guarding against systemic risks. Overseas compliance and internal control management have been strengthened, with joint inspection organised on overseas investment, financial and economic disciplines, and other related matters. Procurement management has been improved and a supplier code of conduct has been formulated to mitigate ethical and corruption risks in procurement. The company adheres to the principle of comprehensive audit coverage, intensifying audit efforts in key areas. Routine inspections on matters related to business ethics are conducted, ensuring audit coverage of all subsidiaries is completed every three years. The broader supervision system is continuously refined and the development of an integrated supervision platform is actively advanced.

Risk Management

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Risk Management

Comprehensive Risk Management System

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, implements targeted improvements to various risk management mechanisms, and strengthens the development of risk and compliance culture, effectively creating a robust “protective net” and solid “firewall” to safeguard the company’s high-quality development.

Risk management strategy

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 introduced the Risk Strategy (2025), defining the work plan for the “Year of Comprehensive Deepening” and driving its implementation. Efforts were intensified to enhance the risk and compliance control mechanisms. By adhering to the principle of “early identification”, “early warning”, “early exposure” and “early disposal” of risks, the company strengthened consolidated and penetrated management, alongside the establishment and improvement of a hard-constraint early risk correction mechanism. It focused on reinforcing risk control in overseas operations, actively advanced the resolution and mitigation of risk projects, and ensured the comprehensive risk management system delivered tangible results at the business frontline. These efforts continuously improved the effectiveness of risk and compliance management. By the end of 2025, the five-year risk strategy was successfully concluded, achieving its pre-set work goals.

Risk management organisational framework

The company has established a comprehensive risk management organisational structure characterised by “Four Levels” and “Three Lines of Defence”. The board of directors holds overall responsibility for maintaining a robust and effective risk management system. The Audit and Risk Management Committee, representing the board, oversees the company’s financial reporting and risk management systems, reviews the effectiveness of the internal audit function, and evaluates the company’s corporate governance policies and practises. The Audit and Compliance Department plays a leading role in risk management, while relevant functional departments act as specialised units for managing various types of risks. Each subsidiary identifies and effectively manages its risk status within the framework of the comprehensive risk management system, ensuring timely reporting.

The company utilises CITIC Financial Holdings to strengthen the specialised management of financial risks. Subsidiaries in banking, securities, trust, and insurance have established risk management committees, which are led by the risk management department to implement comprehensive practises. Each subsidiary forms dedicated departments or assigns specific personnel to handle risk management activities based on its business nature and organisational capacity.

Risk management policy framework

The company establishes a tiered and categorised risk management policy framework to systematically regulate risk management efforts. It continuously advances the “establishment, revision, abolition, and interpretation” of policies, consistently enhancing their applicability and effectiveness. In 2025, in response to changes in the internal and external environment, the company revised its comprehensive risk management measures and supplemented major risk categories as appropriate. It also formulated country-specific risk management measures to strengthen country-specific risk management.

Risk management process mechanism

Focusing on the characteristics of key business areas and associated risks, the company progressively develops a standardized, regulated and tiered control mechanism. A series of control mechanisms, including unified credit and concentration management, risk identification and assessment, risk monitoring and early warning, risk reporting, major risk response, comprehensive risk management, and risk supervision and accountability, are functioning in an orderly manner, with an emphasis on delivering tangible results.

Risk Management

Risk digitalisation

The company deeply implements the philosophy of “no digitalization, no work” and systematically advances the digital transformation of risk management to strengthen technical support for risk management activities. In 2025, the company focused on fulfilling the requirements of “early identification”, “early warning”, “early exposure” and “early disposal” of risks, actively solidified internal and external data foundations, promoted the upgrade of digital applications, enhanced process control, and explored intelligent applications, so as to improve the forward-looking and penetrating nature of risk management.

Risk and compliance culture development

The company promotes the principle that “effective risk management creates value” and actively leverages the guiding role of risk and compliance culture. In 2025, the chairman of the board of the company issued the Risk Compliance Culture Initiative, putting forward the “Three Persistences, Three Enhancements, and Two Balances” (namely, persisting in legal awareness, bottom-line thinking, and strategic focus; enhancing risk anticipation awareness, risk mitigation capabilities, and risk prevention mechanisms; and balancing development planning with risk prevention, and balancing innovation with safety promotion). This further articulates the cultural ethos of “adhering to compliance and mastering risks”, seamlessly integrating risk compliance culture into the entire process of business management, including management mechanisms, policies, business rules, and codes of conduct. The objective is to transform the concept of risk management into voluntary actions embraced by all employees.

Major Risk Management

CITIC Limited faces various risks, including but not limited to financial and liquidity risk, market risk, credit risk, strategic risk, investment risk, legal and compliance risk, reputation risk, work safety risk, and information technology risk. The company 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.

Financial and liquidity risk

CITIC Limited monitors the financial and liquidity risk of the Group in accordance with relevant financial risk management policies.

The objective of liquidity risk management is to ensure that CITIC Limited always has sufficient cash to repay its maturing debt, perform other payment obligations and meet other funding requirements for normal business development.

CITIC Limited’s liquidity management involves the regular cash flow forecast for the next three years and the consideration of its liquid assets level and new financings necessary to meet future cash flow requirements.

CITIC Limited centrally monitors and graded manages its own liquidity and that of its major non-financial subsidiaries and improves the efficiency of fund utilisation. With flexible access to domestic and overseas markets, CITIC Limited seeks to diversify sources of funding through different financing instruments, in order to raise low-cost funding of medium and long terms, maintain a mix of staggered maturities and minimise refinancing risk.

As at 31 December 2025, consolidated debt of CITIC Limited⁽¹⁾ was RMB1,765,611 million, including loans of RMB245,710 million and debt instruments issued⁽²⁾ of RMB1,519,901 million. Debt of CITIC Bank⁽³⁾ accounted for RMB1,211,428 million. CITIC Limited attaches importance to cash flow management, the head office of CITIC Limited had cash and deposits of RMB1,835 million and available committed facilities of RMB74,935 million.

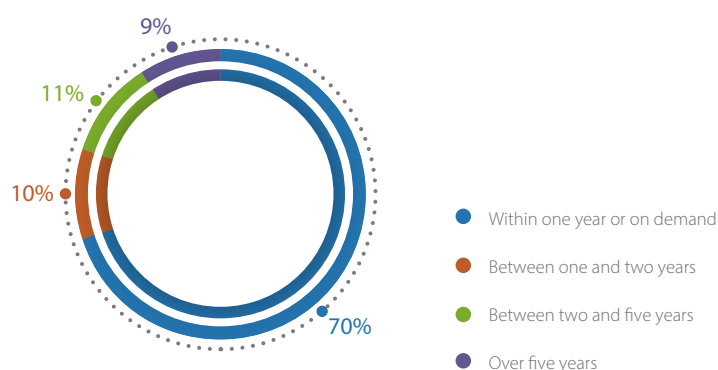
The details of debt are as follows:

As at 31 December 2025	<i>RMB million</i>
Consolidated debt of CITIC Limited	1,765,611
Among which: Debt of CITIC Bank	1,211,428

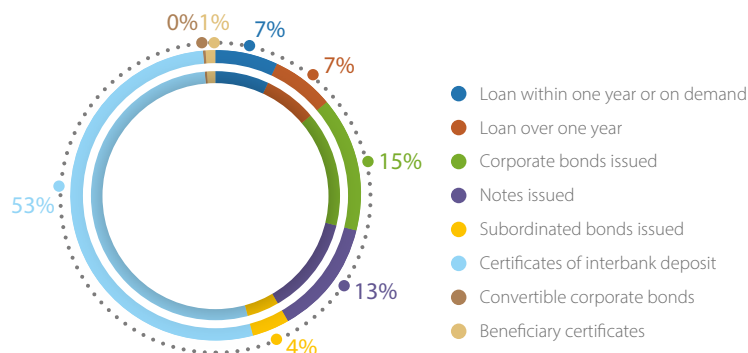
Notes:

- (1) Consolidated debt of CITIC Limited is the sum of "bank and other loans" and "debt instruments issued" in the Consolidated Statement of Financial Position of CITIC Limited excluding interest accrued;
- (2) Debt instruments issued include corporate bonds, notes, subordinated bonds, certificates of interbank deposit issued, convertible corporate bonds and beneficiary certificates excluding interest accrued;
- (3) Debt of CITIC Bank refers to CITIC Bank's consolidated debt securities issued, including debt securities, subordinated bonds and certificates of interbank deposit excluding interest accrued.

Consolidated debt by maturity as at 31 December 2025



Consolidated debt by type as at 31 December 2025



The debt to equity ratio of CITIC Limited as at 31 December 2025 is as follows:

<i>RMB million</i>	Consolidated
Debt	1,765,611
Total equity ⁽⁴⁾	1,496,661
Debt to equity ratio	118%

Note:

- (4) Total consolidated equity is based on the "total equity" in the Consolidated Statement of Financial Position.

Risk Management

Market risk

CITIC Limited is exposed to varying degrees of market risks, including fluctuations in interest rates, exchange rates and commodity prices, due to its comprehensive financial services, cross-border and overseas operations, and commodity-related businesses.

Adhering to the principle of a prudent and low-risk appetite, CITIC Limited continuously identifies, monitors, and manages various risk exposures while ensuring that market risks are identifiable, controllable and tolerable. To mitigate the adverse effects of market fluctuations and enhance operational stability, the company prioritizes natural hedging methods and prudently utilizes financial derivative instruments.

- **Interest rate risk**

CITIC Limited regularly monitors current and projected interest rate changes, with each of the operating entities of the Group implementing its own interest rate risk management system covering identification, measurement, monitoring and control of market risks. Interest rate risk is managed by taking into account market conditions and controlled at a reasonable level.

For our financial subsidiaries, repricing risk and benchmark risk are the main sources of interest rate risk. Observing the principle of prudent risk appetite, they closely track changes in the macroeconomic situation and internal business structure, continue to optimise the maturity structure of deposits, make timely adjustments to the loan repricing lifecycle, and take the initiative to manage sensitive gaps in interest rates for the overall objective of achieving steady growth both in net interest income and economic value within a tolerable level of interest rate risk.

For our head office and non-financial subsidiaries, the interest rate risk arises primarily from debt. Borrowings at floating rates expose CITIC Limited to cash flow interest rate risk, while borrowings at fixed rates expose CITIC Limited to fair value interest rate risk. Based on its balance sheet and market conditions, CITIC Limited and its non-financial subsidiaries will conduct analysis and sensitivity testing on interest rate risk, adopt a flexible approach in choosing financing instruments at floating and fixed rates, or choose to employ, at the suitable time, the interest rate swaps and other derivative instruments approved for use by the Group to manage interest rate risk.

- **Currency risk**

CITIC Limited has major operations in Chinese Mainland, Hong Kong SAR and Australia, with Renminbi ("RMB"), Hong Kong dollar ("HKD") and United States dollar ("USD") as functional currencies respectively. The Group's member companies are exposed to currency risk from gaps between financial assets and liabilities, future commercial transactions and net investments in foreign operations that are denominated in a currency that is not the member company's functional currency. The reporting currency of the consolidated financial statements of CITIC Limited is RMB. Translation exposures from the consolidation of subsidiaries, whose functional currency is not RMB, are not hedged by using derivative instruments as no cash exposures are involved.

CITIC Limited measures its currency risk mainly by currency gap analysis. Where it is appropriate, the Group seeks to lower its currency risk by matching its foreign currency denominated assets with corresponding liabilities in the same currency or using forward contracts, cross currency swaps and other derivative instruments, provided that hedging is only considered for firm commitments and highly probable forecast transactions.

- **Commodity risk**

Some businesses of CITIC Limited involve the production, procurement, and trading of commodities, and they face exposure to price risks of commodities such as iron ore, crude oil, gas and coal.

To manage some of its raw material exposures such as supply shortages and price volatility, CITIC Limited has entered into long-term supply contracts for certain inputs or used plain vanilla futures, forward contracts and other derivative instruments for hedging. While CITIC Limited views that natural offsetting is being achieved to a certain extent across its different business sectors, it performs a continual risk management review to ensure commodity risks are well understood and controlled within its business strategies.

- **Market price risk**

CITIC Limited holds investments in financial assets classified as Derivative financial instruments or Investments in financial assets in the Consolidated Statement of Financial Position, including shares of listed company. To control price risks arising from such investments, the Group actively monitors the price changes and diversifies the relevant investment risks through appropriate asset allocation.

Credit risk

Credit risk refers to the potential loss incurred when a debtor or counterparty fails to fulfil their obligations as agreed. The company primarily faces credit risk associated with activities such as issuing loans and advances, bond investments, debt plans, investments in debt-like financial products, accounts receivable, margin financing, financial guarantees, and loan commitments.

CITIC Limited adheres strictly to regulatory guidelines on credit risk management. Under the leadership of the board and senior management, the company utilises the CITIC Financial Holding platform to conduct unified monitoring, analysis, and control of credit risk exposures related to loans, investments and other financial activities: 1. Guiding its subsidiaries in establishing and enhancing their credit risk management systems: This includes improving the tracking and assessment of credit risks, refining due diligence, review, approval, and post-lending management processes, optimising credit risk rating tools, clarifying risk asset classification standards, and prudently provisioning for credit asset losses. 2. Enhancing control of unified credit and concentration limits: A risk limit management mechanism ensures coordination between the parent company and its subsidiaries. The company adheres to the principle of “One CITIC, One Client”, creating a cross-entity concentration limit management system to effectively control large risk exposures. Subsidiaries are required to establish risk limits based on industry, region, and client dimensions, ensuring proper asset portfolio management to prevent risk concentration. 3. Coordinating risk mitigation in key areas: CITIC implements central government’s policy requirements by actively supporting the funding of “white list” projects in real estate and local government debt management. It establishes risk disposal strategies for real estate and local government debt businesses and formulates risk resolution plans while increasing efforts in risk management. 4. Leveraging the benefits of integrated industry and financial services to enhance collaborative risk mitigation efforts: By enhancing resource integration and innovation and establishing of the CITIC collaborative risk mitigation fleet, the company provides comprehensive risk management services for risk projects, including incremental funding, asset operation, and brand enhancement. This creates a distinctive CITIC model for collaborative risk management, working together to effectively address significant project risks.

In 2025, key credit risk indicators in the comprehensive financial services segment showed continued improvement, with asset quality steadily enhancing. CITIC Bank’s year-end non-performing loan (NPL) ratio was 1.15%, down 0.01 percentage points from the start of the year, representing seven consecutive years of decline. CITIC Securities and CITIC Trust maintained stable asset quality. The company demonstrated effective risk management in critical areas. Seizing the favourable window for real estate policy, the company expedited its efforts to address key risk projects within the sector. Additionally, the company capitalised on opportunities from the hidden debt replacement policy to accelerate the disposal of existing risks. The concentration and NPL ratios in these two key areas dropped continuously, leading to a narrowing risk exposure. The risk of large clients remains contained. The implementation of the large client limit management mechanism has yielded tangible results. The business proportion accounted for by the top twenty clients remained stable, and the customer structure continued to optimise.

Strategic risk

Strategic risk management aims to effectively respond to changes in external policies and the macroeconomic environment, mitigate the risk of deviation from strategic objectives, and ensure the scientific implementation and dynamic optimisation of strategic planning. Based on the strategic framework, the company aligns its development goals with the “14th Five-year Plan” targets. It seeks to deepen industry-finance collaboration, enhance core business competitiveness, and accelerate the transformation towards high-end, intelligent, and green development, thereby strengthening strategic resilience. The company conducts regular in-depth analyses of internal and external environments, paying particular attention to key variables such as domestic and international industrial policies and geopolitical shifts. This process facilitates continuous updates on the progress of annual strategic implementation and enables proactive identification of deviation risks. By integrating medium-term planning adjustments with budgeting mechanisms, the company promotes the effective decomposition and execution of strategic objectives. This approach aims to maintain controllable risks and ensure sustainable development in complex environments, ultimately creating long-term value for shareholders.

Risk Management

Investment risk

The investment risk management at CITIC Limited aims to ensure that investments align with national policies and adhere to the group's strategic planning and business strategy. The focus is on continuously enhancing the management of investment projects while mitigating significant investment risks. The company concentrates on national strategic priorities and industrial policies, actively engaging in sectors such as comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption, and new-type urbanisation, meanwhile accelerating the development of strategic emerging industries. The company strictly follows a primary business list and a negative list for investment projects, enhancing pre-investment approvals and post-investment management to effectively meet investment risk control requirements.

Legal and compliance risk

CITIC Limited is committed to operating in full compliance with laws and regulations, ensuring a stable and compliant business operation. The company focuses on enhancing the prevention and management of legal risks, conducting thorough legal reviews of major investment projects, and effectively addressing significant litigation and arbitration cases. Additionally, it reinforces the protection of intellectual property, including the "CITIC" trademark. The company has established and refined a comprehensive compliance management and internal control system, continuously optimising policies, processes, and systems in key business and management areas. Regular evaluations of the effectiveness of the compliance management system are conducted. CITIC Limited actively supervises subsidiaries to meet their compliance obligations, improve reporting mechanisms and enhance early-warning capabilities of compliance risks. With the objectives of "risk-based, comprehensive coverage, accountability enforcement, stable operations, and value creation", CITIC Limited continually refines its anti-money laundering management framework and internal control mechanisms, as well as supervises subsidiaries to achieve effective closed-loop management of money laundering risks, implement tailored and scenario-specific risk classification and control measures, and balance money laundering risk management with the optimisation of financial services, supporting sustainable development.

Reputation risk

CITIC Limited follows the guiding principles of "source prevention, comprehensive management, tailored strategies, and systematic implementation" to effectively mitigate major negative reputation risk events. The company emphasises full-cycle and full-process management, focusing on preventing and mitigating reputation risks at the operational management level to continuously enhance predictability and proactivity of public opinion management. CITIC Limited encourages participation across all entities to integrate its reputation risk management with the overall risk management and comprehensive oversight frameworks. The company promotes coordinated responses by creating a public opinion monitoring mechanism that facilitates collaboration both internally and externally. Furthermore, CITIC Limited prioritises education and training, enhancing education for employees and management on media-related awareness. It intensifies professional training to enhance capability to handle public opinions.

Work safety risk

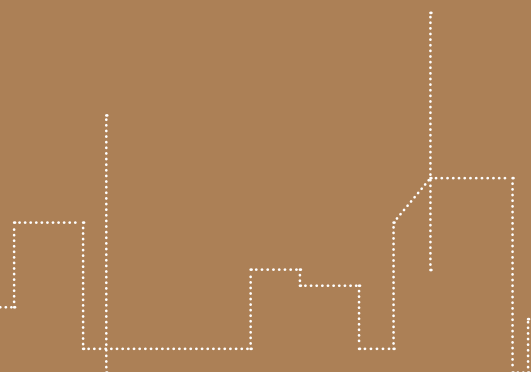
CITIC Limited strictly complies with work safety laws, regulations and standards, holding the notion of people-oriented, upholding the supremacy of the people and the life. The company has established and improved the work safety responsibility systems and work safety polices and rules in all personnel, implemented a double-prevention mechanism featuring graded management and control of work safety risks and the screening and treatment of potential hazards. To improve risk prevention and mitigation mechanisms, CITIC Limited continuously improves the level of standards and information technology of work safety. The company is dedicated to prevent and reduce work safety accidents, with a strong commitment to prevent major accidents. By ensuring the health and safety of employees and protecting corporate assets, CITIC Limited supports the sustainable development of its operations.

Information technology risk

CITIC Limited steadfastly balances development with security, with the core objective of rigorously upholding the bottom line of cybersecurity and data security, thereby strengthening its capabilities in information technology risk prevention and control. The company continuously optimizes its cybersecurity and data security management systems, enriches the dimensions and methods of risk assessment, and constructs a full-chain, defence-in-depth security mechanism. It regularly conducts tracking, monitoring, and notification of technology and digital risk postures, organizes security attack and defence drills, and strengthens the timely discovery and closed-loop management of risk vulnerabilities. Key efforts include conducting special targeted risk inspections both internally and externally, as well as systematic security risk capability assessments to ensure the continuity of core business operations. An administrative measure for generative artificial intelligence has been issued, carrying out risk assessments for AI applications based on large model risk detection and security protective guardrails, gradually establishing an AI security management system. Through multiple rounds of risk governance, the company deepens its security foundation, thereby building a solid digital security barrier for its high-quality development.

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Corporate Governance Report

Corporate Governance Practices

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. We attach importance to our people, our code of conduct, and our corporate policies and standards, which together form the basis of our governance practices. We respect and are committed to comply with the laws, rules and regulations of each country and area in which we operate, and we strive to ensure for our people a healthy and safe working environment which is our paramount concern. We endeavour to contribute to the sustainable development of CITIC Limited, with particular focus on our accountability to shareholders and stakeholders. This report describes how CITIC Limited has applied its corporate governance practices to its everyday activities.

CITIC Limited has applied the principles and complied throughout the year ended 31 December 2025 with all applicable code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), other than code provision B.3.5 with respect to the requirement of having at least one director of a different gender on the Nomination Committee, as Ms Yu Yang resigned as a member of the Nomination Committee of CITIC Limited on 5 December 2025. Effective from 30 December 2025, Ms Li Yi was appointed as a member of the Nomination Committee of CITIC Limited. Since then, CITIC Limited meets the requirement under code provision B.3.5 and is in full compliance with the code provisions of the CG Code.

For the year 2025, CITIC Limited made further progress with its corporate governance practices, which including:

- designation of Mr Anthony Francis Neoh, an independent non-executive director, as the Lead Independent Non-executive Director;
- updating the Terms of Reference for the Nomination Committee;
- adopting the revised Board Diversity Policy.

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.

Corporate Strategy, Business Model and Culture

CITIC Limited is one of China’s largest conglomerates and a constituent of the Hang Seng Index. CITIC has built a remarkable portfolio of businesses and our platform is unique in its diversity and scale, allowing CITIC to capture emerging opportunities in China and around the world.

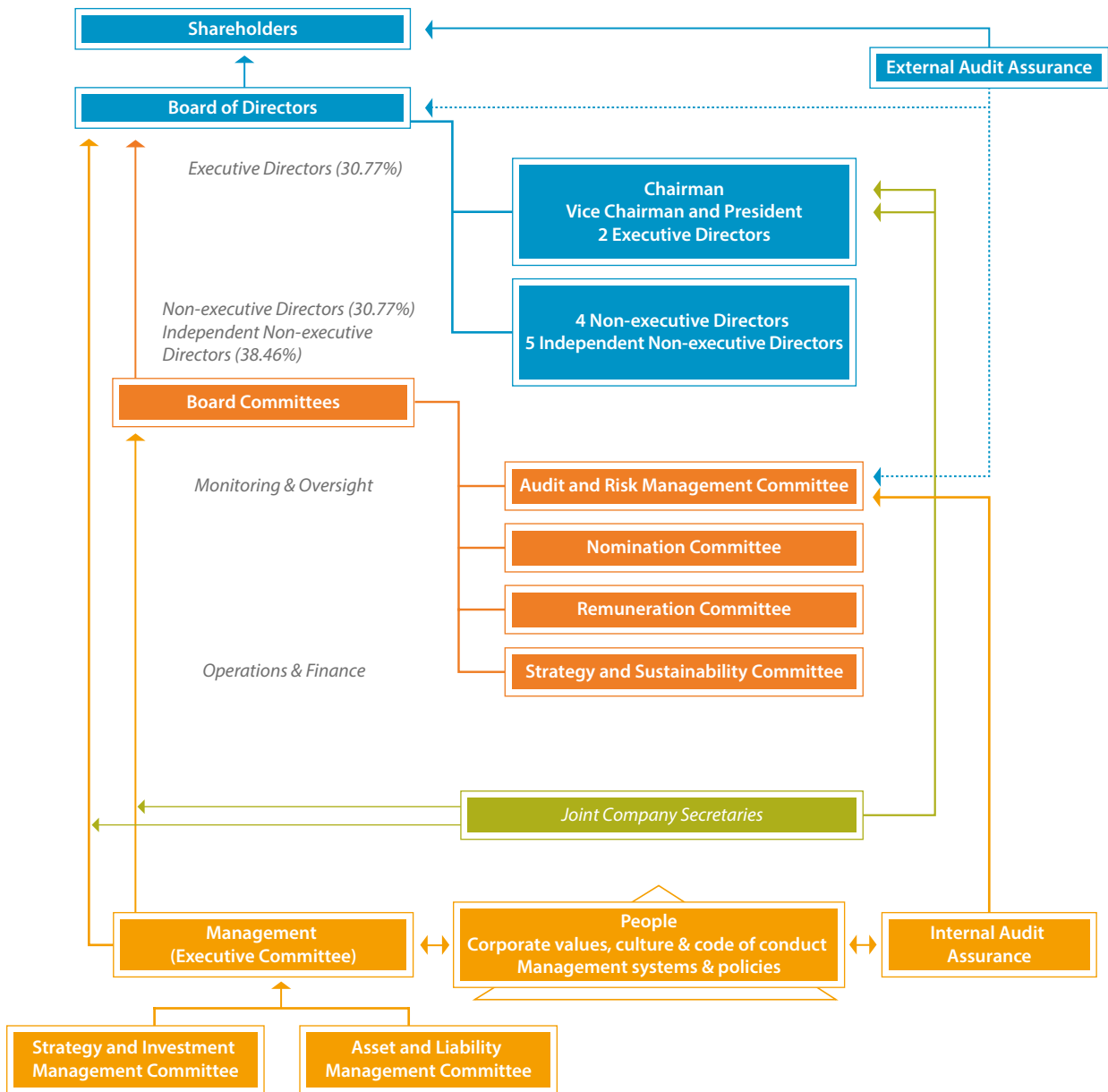
In the years ahead, we take “honesty and trustworthiness, to seek interest without compromising moral principles, to be prudent and cautious in work, to uphold fundamental principles and break new ground, to be compliant with law and regulations” as the fundamental guidance of corporate culture construction, continue to emphasise the CITIC-Style as well as our values of Honesty, Innovation, Cohesion, Harmony, Dedication and Excellence. We look forward to an exciting chapter of high-quality development, with a focus on creating value and prosperity for society and sustainable returns for our shareholders.

Board's Role

The board plays a leading role in defining the purpose, values and strategic direction of the Group and in fostering a culture that is forward looking, change embracing and competitiveness focused. Further, the board has taken up the roles such as reviewing the progress report on business operations and key projects/developments of CITIC Limited at each regular board meeting; promoting the long-term sustainable success of CITIC Limited so as to enhance the shareholders' value; ensuring ongoing effective communication with shareholders and engagement with key shareholders for developing the purpose and value of CITIC Limited. A strategy and sustainability committee has been established to consider the strategic development of CITIC Limited. At the strategy and sustainability committee and board retreat meeting held each year, the board discussed about CITIC Limited's strategic development, business plan and corporate governance taking into account the internal and external changing environment. These discussions allow the board members to share their insights on the culture of CITIC Limited and raise awareness of shareholders perspectives which in turn support the board to create greater alignment between culture and strategy of CITIC Limited.

Taking into account the corporate culture in a range of contexts, the board considers that the culture and the purpose, value and strategy of CITIC Limited are aligned.

Corporate Governance Structure



Board of Directors

Overall accountability

The members of the board of directors are individually and collectively accountable to the shareholders for the success and sustainable development of CITIC Limited. The board provides direction and approval in relation to matters concerning CITIC Limited's business strategies, policies and plans, while the day-to-day business operations are delegated to the executive committee. In discharging their corporate accountability, directors of CITIC Limited are required to pursue excellence in the interests of the shareholders and fulfil their fiduciary duties by applying the required levels of skill, care and diligence to a standard in accordance with the statutory requirements.

During the year under review, CITIC Limited maintained its current approach to the board self-evaluation. The board conducted a self-assessment of its performance and reviewed the contribution required from a director to perform his/her responsibilities. The new requirements under the revised CG Code mandate that CITIC Limited undertake a formal evaluation of the board's performance at least every two years. As such, a formal evaluation will be arranged before the end of 2026, with specific disclosures included in the 2026 Corporate Governance Report. For the board meeting which Mr Gregory Lynn Curl was not available to attend, he conveyed his feedback to a Joint Company Secretary prior to the meeting, expressing his approval of the agenda items that were put to vote and confirmed that he had no comments on the various reports. The board is of the view that all directors have given sufficient time and attention to CITIC Limited's affairs and the board operates effectively as a whole. The board also noted the time involved by the directors in CITIC Limited and other public companies held by the directors.

Lead Independent Non-executive Director

Mr Anthony Francis Neoh, an independent non-executive director as well as the chairman of remuneration committee, a member of each of audit and risk management committee, nomination committee and strategy and sustainability committee of CITIC Limited, has been designated as the Lead Independent Non-executive Director (the "Lead INED") of CITIC Limited, effective from 29 August 2025. Mr Neoh's primary responsibility as the Lead INED is to facilitate and strengthen communication (i) among independent non-executive directors; (ii) between independent non-executive directors and the rest of the board; and (iii) with shareholders (in particular, minority shareholders). CITIC Limited believes that the designation of the Lead INED can strengthen the effectiveness and diversity of the board, and further enhance good corporate governance practices across CITIC Limited.

Board composition and changes

CITIC Limited announced the following changes in board and board committees composition.

On 5 December 2025, Ms Yu Yang resigned as a non-executive director of CITIC Limited and a member of both the nomination committee and the strategy and sustainability committee of CITIC Limited.

On 24 December 2025, Mr Zhang Lin resigned as a non-executive director of CITIC Limited and a member of both the audit and risk management committee and the remuneration committee of CITIC Limited.

On 30 December 2025, Ms Li Yi, a non-executive director, was appointed as a member of the nomination committee of CITIC Limited.

Corporate Governance Report

On 27 March 2026, Mr Gregory Lynn Curl resigned as an independent non-executive director of CITIC Limited and a member of the nomination committee of CITIC Limited, and Mr Chen Yuyu, an independent non-executive director, was appointed as a member of the nomination committee of CITIC Limited.

The board currently has 13 directors, comprising four executive directors, four non-executive directors and five independent non-executive directors. Non-executive directors (including independent non-executive directors) comprise more than two-thirds of the board, of which independent non-executive directors satisfy the Listing Rules requirement of representing at least one-third of the board. CITIC Limited believes that the board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of CITIC Limited's business.

In relation to the four non-executive directors who are not independent (as considered by The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange")), Ms Li Yi and Mr Yue Xuekun are both non-executive directors of CITIC Group Corporation (the controlling shareholder of CITIC Limited) whilst Mr Yang Xiaoping is the senior vice chairman of CP Group and Mr Li Zimin is an executive director and president of China CITIC Financial Asset Management Co., Ltd. (a shareholder of CITIC Limited).

Pursuant to the code provision of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The requirement under this code provision is clearly stipulated in Article 104(A) of CITIC Limited's articles of association. All directors, including the non-executive directors, shall hold office for not more than three years since his/her re-election by shareholders at the general meeting. In accordance with Article 95 of CITIC Limited's articles of association, any director appointed by the board subsequent to the last annual general meeting either to fill a casual vacancy or as an additional director shall hold office only until the next following annual general meeting of CITIC Limited and shall then be eligible for re-election at such meeting. Most board members of CITIC Limited will voluntarily retire at each annual general meeting. All retiring directors are eligible for re-election at the annual general meeting during which they retire. Separate resolutions are proposed for the election of each director and his/her re-election is subject to a vote of shareholders. Each director has entered into an appointment letter with CITIC Limited. Induction materials are provided to the newly appointed directors upon their appointment.

CITIC Limited maintains on its website and on the website of Hong Kong Exchanges and Clearing Limited ("HKEX") an updated list of directors identifying their roles and functions and whether they are independent non-executive directors. The bio data of the current directors together with, if any, information about the relationships (including financial, business, family or other material relationships) amongst the directors, are set out on pages 119 to 123 and on the website of CITIC Limited.

Board Independence

The independent non-executive directors of CITIC Limited have the required integrity and experience in bringing to the board independent advice and judgement. The majority of members of all governance related committees are independent non-executive directors.

The independent non-executive directors, namely, Mr Anthony Francis Neoh, Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Toshikazu Tagawa and Mr Chen Yuyu, have given written confirmation to CITIC Limited confirming their independence as regards all the factors set out in Rule 3.13 of the Listing Rules. CITIC Limited considers that all independent non-executive directors are independent having regard to their annual independence confirmation.

The board, when it considers necessary, has the right to seek advice from independent professionals at CITIC Limited's expense in order to facilitate proper discharge of their duties and responsibilities. Besides, the chairman shall meet with the independent non-executive directors in a separate meeting without the presence of executive directors and non-executive directors once a year. At every board meeting, the chairman encourages all directors including the independent non-executive directors to express their views in an open and candid manner.

Any director who holds interest as a connected person or has a material interest in the connected transaction will abstain from voting on the board resolutions to approve the connected transaction, i.e. only independent directors shall give their views/opinions and approve the transactions whether they agree to the terms and conditions of the transactions. Independent non-executive directors provide to the board a wide range of skills and a balanced perspective as well as international business experience and, through their contribution to the board meetings and board committee meetings, give their opinions on the proposals, strategies and bring independent judgement on issues of business performance and risk.

At the end of 2025, the board performed a self-evaluation of its performance and reviewed each director's contribution and their time commitment to the board. The performance and time contribution of the independent non-executive directors are assessed as part of the board's performance self-evaluation. Independence of independent non-executive directors is assessed upon appointment and annually to ensure that they remain independent and are able to provide independent, balanced and impartial views to the board.

The board reviewed and considered that the features and mechanisms described above are effective in ensuring that independent views and input are provided to the board.

Board responsibilities and delegation

The board collectively determines the overall strategies of CITIC Limited, monitors performance and the related risks and controls in pursuit of the strategic objectives of CITIC Limited. Day-to-day operation and management powers are delegated to the executive committee which reports to the board. All board members have separate and independent access to the management, and are provided with full and timely information about the conduct of the business and development of CITIC Limited, including reports and recommendations on significant matters. All board members are provided with monthly management updates on the latest development of CITIC Limited's businesses. Should separate independent professional advice be considered necessary by the directors, independent professional services would be made available to the directors upon request.

The board is responsible for CITIC Limited's risk management and internal control systems and for reviewing their effectiveness. The audit and risk management committee which acts on behalf of the board conducts a review of the effectiveness of the risk management and internal control systems annually and reports to the board on such review. Details are set out in the section below headed "Overview of risk management and internal control".

The board is committed to overseeing the Environmental, Social and Governance ("ESG") matters. Details of the board's overall responsibility for ESG-related strategy, performance and reporting are set out in the standalone ESG Report which is published on the same date of this annual report and available on the websites of both HKEX and CITIC Limited.

Corporate Governance Report

The board has delegated certain functions to the respective committees, the details of which are set out below. Matters specifically reserved for the board include approval of financial statements, dividend policy, significant changes in accounting policies, material contracts, changes to appointments such as directors, company secretary and external auditor, remuneration policy for directors and senior management, terms of reference of board committees and shareholders' communication policy.

CITIC Limited has arranged Directors & Officers Liability and Company Reimbursement Insurance for its directors and officers.

Details of the responsibilities, membership, attendance and activities during the year under review of each board committee are set out on pages 90 to 101.

Board meetings and attendance

The board meets regularly to review the financial and operating performance of CITIC Limited and to discuss future strategy. Four regular board meetings and one special board meeting were held in 2025. At the board meetings, the board reviewed significant matters including CITIC Limited's annual and half-year financial statements, proposals for final and interim dividends, annual report and half-year report, change of share registrar and non-exempt continuing connected transactions. At each regular board meeting, the board received a written report from the president on CITIC Limited's major businesses, investments and projects, and corporate activities. A special board meeting was held in December 2025 to approve the 2025 annual budget of CITIC Limited, the appointment of a nomination committee member and non-exempt continuing connected transactions in relation to (i) new financial assistance framework agreement with CITIC Group Corporation (a controlling shareholder of CITIC Limited); and (ii) new comprehensive information services framework agreement with CITIC Guoan Industry Group Co., Ltd. (a non wholly-owned subsidiary of CITIC Group Corporation) during which detailed information of the transactions was presented to the board and relevant directors abstained from voting as required under the Listing Rules. Details of the aforesaid transactions are set out in CITIC Limited's announcement dated 30 December 2025.

A schedule of board meeting dates is fixed for each year in advance. At least 14 days' formal notice of all regular board meetings is given to all directors, and all directors are given the opportunity to include matters for discussion in the agenda. The agenda and board papers for each meeting are sent to all directors at least three days in advance of every regular board meeting. All minutes of the board meetings are kept at the company secretariat office. Copies are provided to directors and the original minutes are available to all directors for inspection. During the year under review, in addition to the board meetings, the chairman also met with the independent non-executive directors without the presence of executive directors and non-executive directors.

The attendance record of each director at board meetings and general meeting in 2025 is set out below:

	Attendance	
	Board Meetings in 2025 (including a Special Board Meeting held in December 2025)	Annual General Meeting on 25 June 2025
Total Number of Meetings	5	1
Current Directors		
<i>Executive Directors</i>		
Mr Xi Guohua (Chairman)	5	✓
Mr Zhang Wenwu (Vice Chairman and President)	5	✓
Mr Liu Zhengjun	5	✓
Mr Wang Guoquan	5	✓
<i>Non-executive Directors</i>		
Ms Li Yi	5	✓
Mr Yue Xuekun	5	✓
Mr Yang Xiaoping	5	✓
Mr Li Zimin	5	✓
<i>Independent Non-executive Directors</i>		
Mr Anthony Francis Neoh (Lead Independent Non-executive Director) ⁽¹⁾	5	✓
Mr Francis Siu Wai Keung	5	✓
Dr Xu Jinwu	5	✓
Mr Toshikazu Tagawa	5	✓
Mr Chen Yuyu	5	✓
Resigned Directors		
<i>Non-executive Directors</i>		
Ms Yu Yang ⁽²⁾	4	✓
Mr Zhang Lin ⁽³⁾	4	✓
<i>Independent Non-executive Director</i>		
Mr Gregory Lynn Curl ⁽⁴⁾	4	✓

Notes:

- (1) designated with effect from 29 August 2025
(2) resigned with effect from 5 December 2025
(3) resigned with effect from 24 December 2025
(4) resigned with effect from 27 March 2026

Chairman and the president

Mr Xi Guohua serves as the chairman of CITIC Limited. Mr Zhang Wenwu is the president of CITIC Limited. The chairman and the president have separate defined responsibilities whereby the chairman is primarily responsible for leadership and effective functioning of the board, ensuring key issues are promptly addressed by the board, as well as providing strategic direction for CITIC Limited. The president is responsible for the day-to-day management of CITIC Limited and the effective implementation of corporate strategy and policies.

Directors' continuous professional development programme

CITIC Limited has a continuous professional development programme ("CPD Programme") for directors with an aim to improve their general understanding of CITIC Limited's businesses, to refresh their knowledge and skills as well as to receive updates on developments in corporate governance practices. Directors may also choose to attend external courses, conferences and luncheons organised by various local organisations.

In addition, each newly appointed director is provided with a package comprising comprehensive induction materials such as the duties and responsibilities of directors under the Listing Rules and the Companies Ordinance, guidelines for directors issued by the Companies Registry of Hong Kong, legal and other regulatory requirements and the governance policies of CITIC Limited to ensure that he/she has a proper understanding of his/her responsibilities under the relevant laws, rules and regulations. During the year under review and up to the date of this report, there was no new appointment of directors.

Under the CPD Programme of CITIC Limited for the year 2025, directors were provided with the monthly business updates and other reading materials concerning the latest developments in corporate governance practices and relevant legal and regulatory developments. Further, directors attended the strategy and sustainability committee and board retreat meeting held in November 2025 to discuss the corporate strategy and business development of CITIC Limited. Directors also made site visits to Chongqing Sanfeng Environment Group Corp., Ltd. (a joint venture company of CITIC Limited) and other projects in Chongqing on 19 November 2025 organised by CITIC Limited. Arrangements were made for some non-executive directors to make site visits to CITIC Limited's certain subsidiaries to conduct research on the subsidiaries' corporate governance, strategic development, operational management, and international development. They also provided recommendations to the relevant companies regarding development strategies, potential corporate governance risks, and other matters for consideration.

In compliance with the new Listing Rules requiring mandatory director training and the revised CG Code mandating disclosure in the corporate governance report, CITIC Limited will continue to make arrangements to conduct physical and/or online training and provide training materials covering specified topics to all directors for the year 2026 and make enhanced disclosure in 2026 Corporate Governance Report of CITIC Limited.

According to the record of the directors' participation in CITIC Limited's CPD Programme kept at the company secretariat office, a summary of training received by the directors for the period from 1 January 2025 to 31 December 2025 is as follows:

	Reading Materials/ Regulatory Updates/ Monthly Management Updates	Strategy and Sustainability Committee and Board Retreat Meeting
Current Directors		
<i>Executive Directors</i>		
Mr Xi Guohua (Chairman)	✓	✓
Mr Zhang Wenwu (Vice Chairman and President)	✓	✓
Mr Liu Zhengjun	✓	✓
Mr Wang Guoquan	✓	✓
<i>Non-executive Directors</i>		
Ms Li Yi	✓	✓
Mr Yue Xuekun	✓	✓
Mr Yang Xiaoping	✓	✓
Mr Li Zimin	✓	✓
<i>Independent Non-executive Directors</i>		
Mr Anthony Francis Neoh (Lead Independent Non-executive Director)	✓	✓
Mr Francis Siu Wai Keung	✓	✓
Dr Xu Jinwu	✓	✓
Mr Toshikazu Tagawa	✓	✓
Mr Chen Yuyu	✓	✓
Resigned Directors		
<i>Non-executive Directors</i>		
Ms Yu Yang ⁽¹⁾	✓	
Mr Zhang Lin ⁽²⁾	✓	✓
<i>Independent Non-executive Director</i>		
Mr Gregory Lynn Curl ⁽³⁾	✓	

Notes:

- (1) resigned with effect from 5 December 2025
(2) resigned with effect from 24 December 2025
(3) resigned with effect from 27 March 2026

Board Committees

The board has appointed a number of committees to discharge the board functions. Sufficient resources are provided to enable the board committees to undertake their specific roles. The respective roles, responsibilities and activities of each board committee are set out below:

Audit and risk management committee

The audit and risk management committee oversees the relationship with the external auditor, and reviews CITIC Limited's financial reporting, annual audit and half-year report. The committee acts on behalf of the board in providing oversight of CITIC Limited's financial reporting system, risk management and internal control systems and environmental, social, and governance practices, reviews and monitors the effectiveness of the internal audit function, and reviews CITIC Limited's policies and practices on corporate governance. The committee currently consists of one non-executive director and three independent non-executive directors. The chairman of the committee is Mr Francis Siu Wai Keung, an independent non-executive director. Mr Siu has the relevant professional qualification and expertise in financial reporting matters. The audit and risk management committee holds four regular meetings each year (at least two of which are with CITIC Limited's external auditor). At the invitation of the audit and risk management committee, other directors, senior management and other relevant persons, as well as experts or consultants with relevant experience or expertise may also attend the meetings.

Duties of the audit and risk management committee

The authority, role and responsibilities of the audit and risk management committee are set out in written terms of reference. The committee reviews its terms of reference at least once a year to ensure they remain in line with the requirements of the CG Code. Any amendments to the terms of reference are submitted to the board for approval. The terms of reference are available on CITIC Limited's website (<https://www.citic.com/uploadfile/2022/1230/20221230438469.pdf>) and HKEX's website.

Under its terms of reference, the audit and risk management committee shall

- review and monitor the integrity of CITIC Limited's financial information and provide oversight of the financial reporting system;
- monitor the effectiveness of external audit and oversee the appointment, remuneration and terms of engagement of CITIC Limited's external auditor, as well as its independence;
- oversee CITIC Limited's internal audit, risk management and internal control systems, including the resources for CITIC Limited's internal audit, risk management, accounting and financial reporting functions, staff qualifications and experience, as well as arrangements for concerns raised by staff on financial reporting, internal control and other matters ("whistle-blowing");
- undertake corporate governance functions delegated from the board, including
 - (a) reviewing CITIC Limited's policies and practices on corporate governance and making recommendations to the board as well as CITIC Limited's compliance with the CG Code and disclosure in the corporate governance report;

- (b) reviewing and monitoring
 - (i) the training and continuous professional development of directors and senior management;
 - (ii) CITIC Limited's policies and practices on compliance with legal and regulatory requirements;
 - (iii) the code of conduct and compliance manual (if any) applicable to employees and directors;
 - (iv) CITIC Limited's whistle-blowing policy and guidelines on implementation; and
 - (v) CITIC Limited's code of anti-corruption.
- oversee CITIC Limited's environmental, social, and governance practices; and
- undertake other authorities delegated by the board.

Committee composition and meeting attendance

The composition of the audit and risk management committee during the year under review as well as the meeting attendance of the committee members are as follows:

Membership and Attendance

The bio data of audit and risk management committee members are set out in the section "Board of Directors" on pages 119 to 123.

Members	Attendance/ Number of Meetings	Date of Resignation
Independent Non-executive Directors		
Mr Francis Siu Wai Keung (Chairman)	4/4	
Mr Anthony Francis Neoh	4/4	
Dr Xu Jinwu	4/4	
Non-executive Directors		
Mr Yang Xiaoping	4/4	
Mr Zhang Lin	4/4	Resigned with effect from 24 December 2025
Other Attendees		
Representatives of Audit and Compliance Department	4/4	
Representatives of Financial Management Department	4/4	
Representatives of Office of the Board of Directors	4/4	
External Auditor	4/4	

Corporate Governance Report

The joint company secretary, Mr Ricky Choy Wing Kay acts as the secretary to the committee. The committee is supported by a working group which consists of representatives from Audit and Compliance Department, Financial Management Department, Office of the Board of Directors and other departments of CITIC Limited. The working group provides services to the committee to ensure that sufficient resources are made available for the committee to perform its duties. An agenda and committee papers are sent to the committee members at least three days prior to each regular meeting. The draft and final version of minutes are circulated to all committee members for their comments and records within a reasonable time after the meeting. Full minutes of the meetings are kept by the joint company secretary.

The chairman of the committee summarises the activities of the committee and issues arising and reports to the board after each audit and risk management committee meeting.

Work done in 2025

The audit and risk management committee performed the following in 2025:

Financial reporting	Reviewed the 2024 annual financial statements, annual report and results announcement
	Reviewed the 2025 half-year financial statements, half-year report and results announcement
	Recommended to the board approval of the 2024 annual report and 2025 half-year report
	Examined checklists for compliance with statutory and Listing Rules requirements for ensuring the integrity of the financial statements
External audit and interim review	Reviewed report provided by the external auditor on their statutory audit of the 2024 annual financial statements and their independent review of the 2025 half-year financial statements
	Discussed financial reporting and control matters set out in the report submitted by the external auditor or addressed in representation letters issued by management to the external auditor, and reviewed the status of assurances provided by the business and functional management with respect to the integrity of the financial statements
	Reviewed the external auditor plans for their independent review of CITIC Limited's 2025 half-year financial statements and their statutory audit of the 2025 annual financial statements, including the audit scope and the nature of their work
	Considered the independence of the external auditor of CITIC Limited

Internal control and internal audit	Examined management’s annual self-assessments of the effectiveness of the risk management and internal control of the Group, including adequacy of the staff resources, qualifications and experience of CITIC Limited’s internal audit, risk management, accounting and financial reporting functions
	Approved annual internal audit plan and reviewed the overall audit work progress in each committee meeting
	Reviewed internal audit’s quarterly reports on risk management and internal control findings, recommendations, progress in rectification and other matters
	Noted any significant changes in financial or other risks faced by CITIC Limited and reviewed management’s response to them
	Reviewed the effectiveness of the risk management and internal control systems including material risks relating to environmental, social, and governance
Corporate governance and code requirements	Reviewed reports submitted by the management on CITIC Limited’s compliance with the code of conduct, regulatory and statutory obligations, and internal policies regarding the conduct of business and corporate governance work
	Reviewed the training and continuous professional development of directors
	Reviewed CITIC Limited’s compliance with the CG Code and disclosure in the corporate governance report

At the meeting held on 24 March 2026, the audit and risk management committee reviewed and approved CITIC Limited’s consolidated financial statements for the year ended 31 December 2025 and annual report and considered reports from the external auditor. The audit and risk management committee recommended to the board for approval of CITIC Limited’s 2025 consolidated financial statements, annual results and annual report.

Nomination committee

The nomination committee was established by the board with written terms of reference in compliance with the CG Code. During the year under review, the committee has made certain amendments to the terms of reference to align with the new requirements of the CG Code. These amendments were approved by the board during the meeting in November 2025. The revised terms of reference are available on CITIC Limited's website (<https://www.citic.com/uploadfile/2025/1120/20251120756164.pdf>) and HKEX's website.

The nomination committee reports directly to the board and its principal duties are:

- to review the structure, size, composition and diversity of the board at least annually, assist the board in maintaining a board skills matrix, and make recommendations on any proposed changes to the board;
- to identify and nominate qualified candidates to become board members and/or to fill casual vacancies for the approval of the board;
- to assess the independence of independent non-executive directors;
- to make recommendations to the board on the appointment or re-appointment of directors and succession planning for directors;
- to review and assess the time commitment and contribution to the board by each director as well as the director's ability to discharge his or her responsibilities effectively;
- to support regular evaluation of the board's performance; and
- to review the board diversity policy annually and the director nomination policy, and make recommendations on any required changes to the board.

Director Nomination Policy

The nomination committee is authorised by the board to determine the policy for the nomination of directors. The Director Nomination Policy which was adopted in 2018 sets out the nomination procedures and the process and criteria adopted to select and recommend candidates for directorship which shall take into consideration the principle of diversity. A summary of the Director Nomination Policy including the objectives and the selection procedures is set out below:

- The policy is for both nomination of directors and recommendation for re-election of retiring directors.
- The nomination committee shall identify individuals from a number of sources including, without limitation, through referrals and recommendations by the management of CITIC Limited, Human Resources Department and external independent professionals.

- In the identification and evaluation process, the nomination committee shall have regard to the selection criteria which include but not limited to:
 - (i) qualifications, skills, expertise, independence which contribute to the effective carrying out of the board responsibilities;
 - (ii) commitment in respect of sufficient time and relevant interest devoted to the business and affairs of CITIC Limited; and
 - (iii) board diversity including but not limited to skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service.
- The potential candidates are requested to provide the nomination committee with biographical details.
- The nomination committee shall review the qualification, experience, skills, expertise and the factors of the above selection criteria for the nomination of directors, and shall take into account the factors and requirements as set out in the Listing Rules in the case of nominating or recommending for re-election of independent non-executive directors.
- After the assessment and evaluation, if the nomination committee considers the potential candidate is suitable to be nominated as a director, it will make recommendation for the board's consideration and approval.
- The board shall approve the nomination and appoint the proposed qualified candidate as director if it agrees with the nomination committee's recommendation.
- The ultimate responsibility for selection and appointment of directors rests with the entire board.

The nomination committee shall monitor the implementation of the policy and conduct a review on an annual basis.

Board Diversity Policy

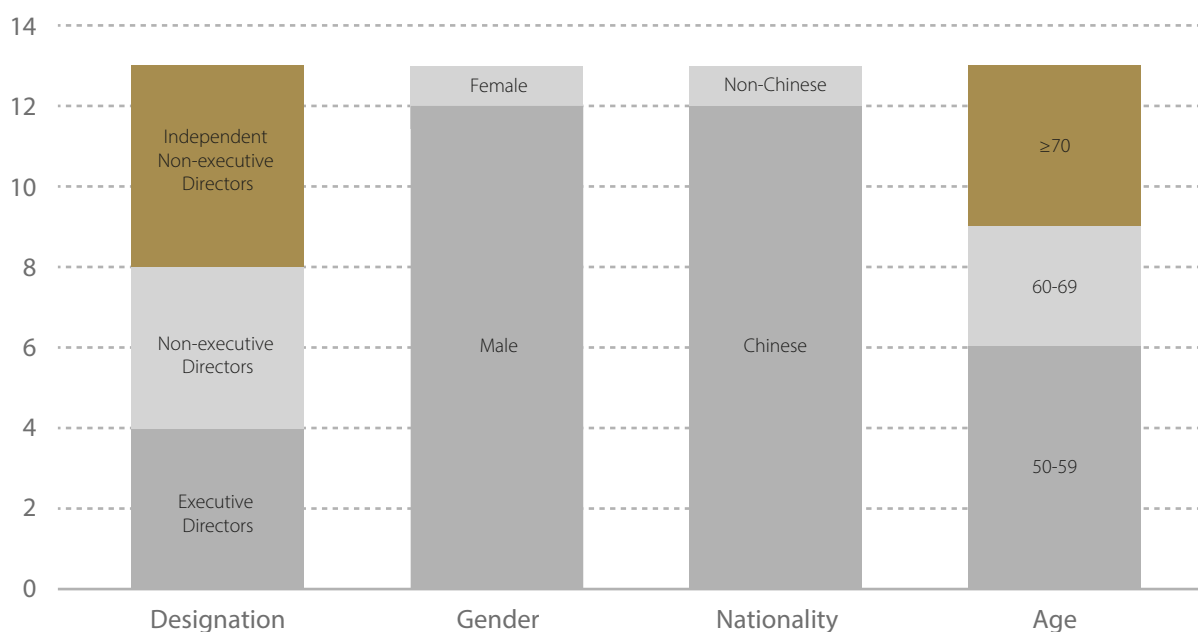
CITIC Limited recognises and embraces the benefits of diversity in board members. CITIC Limited sees diversity as a whole concept and believes that diversity in all aspects, including experience and expertise, provides CITIC Limited with a high level of corporate governance and penetrating insights into CITIC Limited’s businesses and industry.

The Board Diversity Policy was adopted in 2013 and further updated in December 2022, adding a measurable objective of gender diversity. During the year under review, additional updates were made to align with the relevant amendments made to the revised terms of reference for the Nomination Committee which including the additional duties to assist the board in maintaining a board skills matrix and review the Board Diversity Policy annually. The updated Board Diversity Policy is available on CITIC Limited’s website (<https://www.citic.com/uploadfile/2025/1120/20251120677465.pdf>).

The Board Diversity Policy sets out the approach to achieve diversity in the board, which includes and makes good use of the difference in skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service and other qualities of the members of the board. These differences will be considered in determining the optimum composition of the board and all board appointments will be based on merit, having due regard to the overall effective functioning of the board as a whole. CITIC Limited believes that diversity can strengthen the performance of the board, promote effective decision-making and better corporate governance and monitoring. The nomination committee discusses and agrees annually the relevant measurable objectives that the board has set for implementing this policy and makes recommendation to the board for approval. It also monitors the implementation and effectiveness of this policy and reports to the board on the achievement of the measurable objectives for achieving diversity under this policy.

The following chart shows the diversity profile of the current board members:

Number of Directors



The board consists of experienced senior management from diverse backgrounds, including accounting, banking, financial management, tax professionals and academia. Nationalities of the directors are diverse, spanning Chinese and Japanese. Such composition serves to enrich the perspective and deliberations of the board.

As at the date of this report, there is only one female director, representing 7.69% of the board. The nomination committee will pursue opportunities to increase the proportion of female members when selecting and making recommendations on suitable candidates for board appointments. The goal will be to maintain at least the current level of female representation or improve gender diversity as appropriate.

In considering the board's succession, the nomination committee shall regularly review the composition of the board and status of succession and, as and when appropriate, identify potential candidates in particular qualified female candidates through referrals and recommendation by management, human resources department and external independent professionals. The nomination committee acknowledges the importance of gender diversity when considering potential appointments.

The board sees the increasing importance of gender diversity across the workforce (including senior management) for contribution to the sustainable development of the Group. Currently female representation across the workforce is approximately 36.14%. There is one female representation in senior management.

The nomination committee currently comprises two executive directors, one non-executive director and four independent non-executive directors, and is chaired by Mr Xi Guohua, the chairman of the board. The committee meets at least annually and at such other times as it shall require. The joint company secretary, Mr Ricky Choy Wing Kay acts as the secretary to the committee. The committee is provided with sufficient resources enabling it to perform its duties, and it can seek independent professional advice at CITIC Limited's expense if necessary.

Committee composition and meeting attendance

The composition of the nomination committee during the year under review as well as the meeting attendance of the committee members are as follows:

Membership and Attendance

The bio data of nomination committee members are set out in the section “Board of Directors” on pages 119 to 123.

Members	Attendance/ Number of Meetings	Date of Appointment/ Resignation
Executive Directors		
Mr Xi Guohua (Chairman)	1/1	
Mr Zhang Wenwu	1/1	
Non-executive Directors		
Ms Yu Yang	1/1	Resigned with effect from 5 December 2025
Ms Li Yi	N/A	Appointed with effect from 30 December 2025
Independent Non-executive Directors		
Mr Anthony Francis Neoh	1/1	
Mr Francis Siu Wai Keung	1/1	
Dr Xu Jinwu	1/1	
Mr Gregory Lynn Curl	1/1	Resigned with effect from 27 March 2026
Mr Chen Yuyu	N/A	Appointed with effect from 27 March 2026

Work done in 2025

The nomination committee completed the following work in 2025:

- approved the designation of the Lead Independent Non-executive Director and reported it to the board;
- made recommendations to the board on re-election of the directors retiring at the annual general meeting of CITIC Limited held on 25 June 2025;
- reviewed the structure, size, composition and diversity of the board;
- reviewed the revised terms of reference of the nomination committee and the revised board diversity policy, and put them forward for recommendation to the board for approval, and discussed the measurable objectives; and
- reviewed the director nomination policy.

During the year under review, one nomination committee meeting was held and two sets of written resolutions were passed by all the committee members. The joint company secretary prepared full minutes of the nomination committee meeting and the draft minutes were circulated to all committee members within a reasonable time after the meeting.

Remuneration committee

The principal role of the remuneration committee is to determine the remuneration packages of individual executive directors and senior management including salaries, bonuses, benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of office or appointment). The remuneration committee reviews and approves the management's remuneration proposals with reference to the board's corporate goals and objectives, salaries paid by comparable companies, regulations promulgated by national regulatory authorities on the remuneration of directors and senior management, time commitment and responsibilities and employment conditions elsewhere in the Group, so as to align management incentives with shareholder interests.

Remuneration Policy for Directors

The remuneration committee, with delegated responsibility from the board, is to determine the remuneration policy for the directors of CITIC Limited. The Remuneration Policy is a formal and transparent policy and was adopted in December 2022. A summary of the Remuneration Policy is set out below. The remuneration committee shall review the Remuneration Policy from time to time to ensure its effectiveness.

Remuneration of executive directors

- Principle: salary verification is linked to performance appraisal; the interests of shareholders, CITIC Limited and the directors are consistent; and the salary standard is open, fair and transparent.
- Remuneration composition: consists of three parts, i.e. basic annual salary, performance annual salary and tenure incentive income. Basic annual salary is determined according to a certain multiple of the average salary of the on-the-job employees of the central enterprises. The annual performance salary is based on the basic annual salary and is linked to the performance evaluation score of CITIC Limited. The tenure incentive income is based on a certain proportion of the total annual salary within three years of the term, and is linked to the term assessment and evaluation.

Directors' fee and additional remuneration of non-executive directors (including independent non-executive directors)

- In view of high complexity of CITIC Limited's business in terms of scope, diversity and geographic spread, the accountability of the role of non-executive directors (including independent non-executive directors) has been expanded substantially. CITIC Limited shall make payment of directors' fees to non-executive directors (including independent non-executive directors) to attract and retain top-notch talent.
- Directors' fees of non-executive directors (including independent non-executive directors) are determined according to their responsibilities and by reference to market comparables. Such directors' fees and any adjustment thereto are subject to the approval of the shareholders. Non-executive directors (including independent non-executive directors) who serve on the relevant committees of CITIC Limited are entitled to receive additional remuneration.

The committee currently comprises three independent non-executive directors. The chairman of the committee is Mr Anthony Francis Neoh, an independent non-executive director. The committee meets at least once a year. A joint company secretary serves as the secretary of the committee. The terms of reference are available on CITIC Limited's website (https://www.citic.com/en/investor_relation/corporate_governance/RC_ToR_Eng.pdf) and HKEX's website.

Committee composition and meeting attendance

The composition of the remuneration committee during the year under review as well as the meeting attendance of the committee members are as follows:

Membership and Attendance

The bio data of remuneration committee members are set out in the section “Board of Directors” on pages 119 to 123.

Members	Attendance/ Number of Meetings	Date of Resignation
Independent Non-executive Directors		
Mr Anthony Francis Neoh (Chairman)	1/1	
Mr Francis Siu Wai Keung	1/1	
Dr Xu Jinwu	1/1	
Non-executive Director		
Mr Zhang Lin	1/1	Resigned with effect from 24 December 2025

Work done in 2025

The remuneration committee completed the following work in 2025:

- reviewed the proposal for 2024 remuneration for executives in charge (including executive directors and senior management) of CITIC Limited.

During the year under review, one remuneration committee meeting was held. A joint company secretary prepared full minutes of the remuneration committee meeting and the draft minutes were circulated to all committee members within a reasonable time after the meeting.

The remuneration paid to the directors, by name, for the year ended 31 December 2025 is set out in Note 13 to the consolidated financial statements.

The remuneration of senior management, by band, for the year ended 31 December 2025 is set out below:

Remuneration of senior management other than directors for the full year 2025

Total Remuneration Bands	Number of Executives
Below HK\$500,000	0
HK\$500,001 – HK\$1,000,000	5
	5

Note:
Although the discretionary bonuses have yet to be confirmed by the relevant regulatory authority, it is expected that the unsealed remuneration will have no material impact on the consolidated financial statements of CITIC Limited for 2025.

Strategy and sustainability committee

The strategic committee was renamed as the strategy and sustainability committee and accordingly the terms of reference were revised to incorporate ESG-related responsibilities, all of which were effective from 19 September 2024. The committee has been established to accommodate the strategic development of CITIC Limited and enhance its core competitiveness, make and implement the development plan of CITIC Limited, improve the investment-related decision making procedures and procure well-advised and efficient decision making.

The strategy and sustainability committee shall be accountable to and report to the board and its powers and functions are:

- considering the major strategic directions of CITIC Limited and making proposals to the board, and promoting the integration of sustainability concepts into the CITIC Limited's management system and business operations;
- considering the mid-to-long term development plan of CITIC Limited and making proposals to the board;
- considering the impact of the macro economic conditions on the development of various business sectors of CITIC Limited and making proposals to the board;
- coordinating and directing sustainability matters, researching and proposing major plans and schemes in ESG, and making proposals to the board;
- directing the management in coordinating and optimizing ESG matters, including but not limited to ESG management processes, ESG metrics, ESG ratings, and annual ESG report preparation;
- assisting the audit and risk management committee in identifying and assessing major ESG risks and their impacts;
- paying attention to important information on sustainability matters relevant to CITIC Limited, reviewing CITIC Limited's annual ESG reports, supervising and evaluating the implementation of sustainable development plans, and making proposals to the board; and
- other matters in connection with strategy planning and ESG pursuant to authorisation of the board.

The committee is chaired by Mr Xi Guohua, the chairman of the board and other members include an executive director, Mr Zhang Wenwu (being vice chairman and president of CITIC Limited), two non-executive directors, Ms Li Yi and Mr Yang Xiaoping, and three independent non-executive directors, Mr Anthony Francis Neoh, Mr Toshikazu Tagawa and Mr Chen Yuyu. Mr Li Rucheng (being a former non-executive director of CITIC Limited) serves as a consultant to the committee. During the year under review, one strategy and sustainability committee meeting was held. The strategy and investment management department and office of the board of directors are responsible to prepare full minutes of the strategy and sustainability committee meeting and the draft minutes were circulated to all the committee members within a reasonable time after the meeting. A joint company secretary is responsible for keeping all the minutes of the meetings.

Management Committees

Executive committee

The executive committee is the highest management body of CITIC Limited accountable to the board. The functions and powers of the executive committee are:

- to formulate CITIC Limited's material strategic plans;
- to formulate CITIC Limited's annual material investment and financing plans (including reviewing material investment plans, feasibility studies, proposed disposals/divestments, mergers and acquisitions and other significant transactions of CITIC Limited);
- to review CITIC Limited's annual business plan and finance plans;
- to review monthly reports and submit the previous month's report to the board on a monthly basis;
- to manage and monitor CITIC Limited's core activities;
- to appoint and remove mid-level and above key personnel (other than personnel above the level of Assistant to the President, and those appointed and removed by the board);
- to approve internal rules on day-to-day operations of CITIC Limited;
- to review and approve proposals to establish and adjust CITIC Limited's management and organisational structure; and
- to discharge other powers and functions conferred on it by the board.

The first three items and other matters within the authority of the board should be submitted for approval by the board, and thereafter implemented by the executive committee.

The committee is chaired by Mr Xi Guohua, the chairman of the board, and other members are Mr Zhang Wenwu (being executive director, vice chairman and president of CITIC Limited, and serves as vice chairman of the committee), Mr Liu Zhengjun (being executive director, vice president of CITIC Limited), Mr Wang Guoquan (being executive director, vice president of CITIC Limited), Mr Zhang Shixin, Mr Fang Heying (being vice president of CITIC Limited), Ms Zeng Qi (being vice president of CITIC Limited) and Mr Benjamin Bao (appointed since May 2025, being vice president of CITIC Limited).

Strategy and Investment Management Committee

CITIC Limited has established the strategy and investment management committee as a sub-committee under the executive committee to enhance strategy management, to prevent investment risks and to promote high quality development. The principal responsibilities of the strategy and investment management committee are to:

- improve and perfect the investment management system, responsible for the establishment and implementation of investment authorisation management system;
- based on the approved subsidiary development strategy, main business list, and negative list of investment by the CITIC group, review the investment and matters reported by the subsidiary, and provide decision-making recommendations to the CITIC group's general office, party committee, and board of directors;
- review other major matters.

The committee is led by Mr Benjamin Bao (the chairman of the committee, being vice president of CITIC Limited) and Mr Liang Huijiang (the vice chairman of the committee, being Chief Investment Officer of CITIC Limited), and other members of the committee include the main responsible persons of the strategy and investment management department, financial management department, risk and compliance department and relevant experts.

Asset and Liability Management Committee

CITIC Limited has established the asset and liability management committee (the "ALCO") as a sub-committee under the executive committee to be in charge of monitoring and controlling the financial risks of CITIC Limited. The principal responsibilities of the ALCO are to:

- monitor and control the asset and liability financial position of CITIC Limited on a regular basis;
- monitor and control the following issues of CITIC Limited:
 - asset and liability structure
 - counterparties
 - currencies
 - interest rates
 - commodities
 - commitments and contingent liabilities
- review financing plans and manage the cash flow of CITIC Limited on the basis of the annual budget; and
- establish hedging policies and approve the use of new financial instruments for hedging.

The chairman of the committee is Mr Zhang Wenwu, the vice chairman of the committee is Mr Liang Huijiang, and other members of the ALCO include the relevant responsible persons of the financial management department, the office of the board of directors, strategy and investment management department and risk and compliance department.

Accountability and Audit

Financial reporting

The board recognises the importance of the integrity of its financial information and acknowledges its responsibility for preparing financial statements that give a true and fair view of the Group's affairs, its results and cash flows in accordance with HKFRS Accounting Standards and the Hong Kong Companies Ordinance. The board endeavours to present to shareholders a balanced and understandable assessment of CITIC Limited's performance, position and prospects. Accordingly, appropriate accounting policies are selected and applied consistently, and judgments and estimates made by the management for financial reporting purposes are prudent and reasonable.

New or revised accounting standards became effective during the year under review, and those most significant and relevant to the Group are disclosed in Note 2 to the consolidated financial statements on page 150.

The responsibilities of the external auditors with respect to the accounts for the year ended 31 December 2025 are set out in the Independent Auditor's Report on pages 300 to 310.

External auditors and their remuneration

The external auditors perform independent reviews or audits of the financial statements prepared by the management. PricewaterhouseCoopers ("PwC") was engaged as CITIC Limited's external auditor since 1989 and retired at the close of annual general meeting held on 16 May 2013. KPMG was engaged in place of PwC as CITIC Limited's external auditor and subsequently retired at the close of the annual general meeting held on 2 June 2015 ("2015 AGM"). PwC was appointed as CITIC Limited's external auditor in place of KPMG with effect from the close of the 2015 AGM as its largest listed subsidiary, China CITIC Bank Corporation Limited, was required to change its external auditor. Since then, PwC has been the auditor of CITIC Limited until it retired at the close of annual general meeting held on 21 June 2023 ("2023 AGM") due to restrictions in respect of the years of continuous appointment by a state-owned financial enterprise of an accounting firm. KPMG was appointed as CITIC Limited's external auditor in place of PwC with effect from the close of 2023 AGM.

For 2025, KPMG's fees were approximately as follows:

Statutory audit fee: RMB134 million (2024: RMB129 million).

Fees for other services, including special audits, advisory services relating to systems and tax services: RMB27 million (2024: RMB7 million).

Other audit firms provided statutory audit services at a fee of approximately RMB53 million (2024: RMB83 million) as well as other services for fees of RMB33 million (2024: RMB63 million).

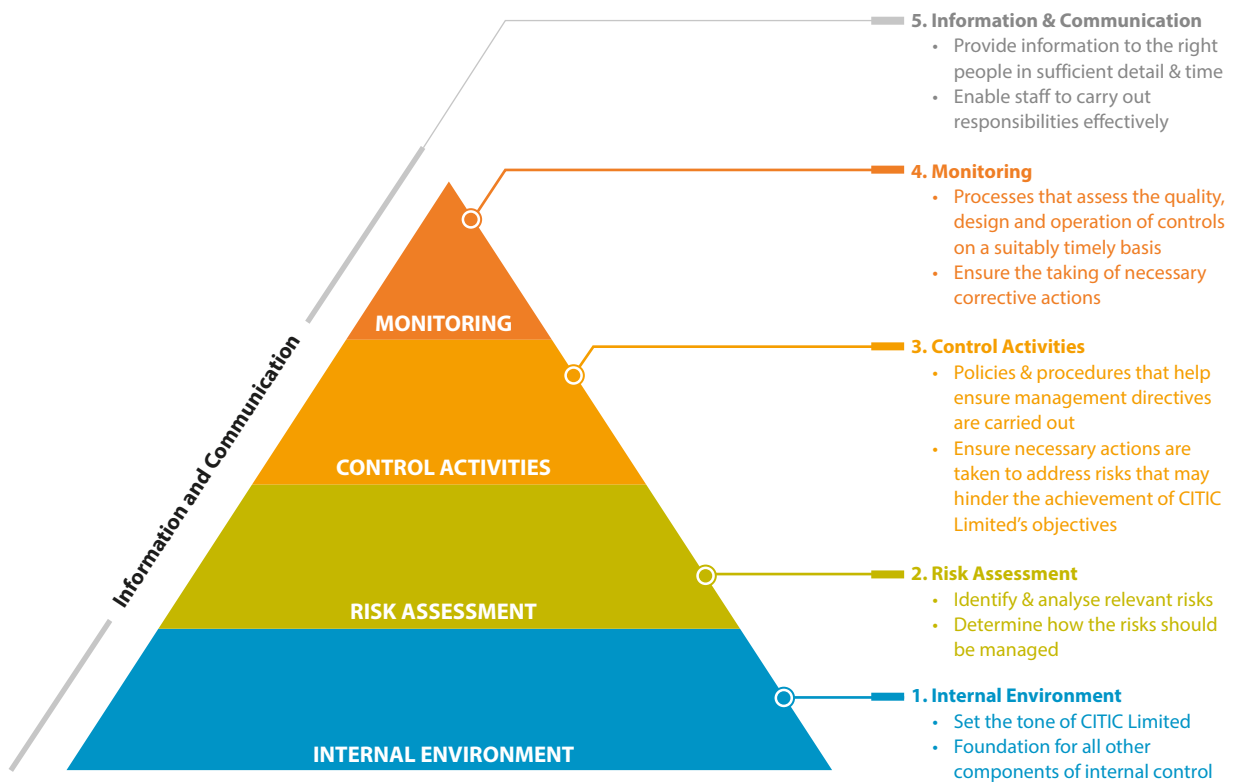
Overview of risk management and internal control

The Group’s risk management and internal control systems are designed to reduce or manage risk to an acceptable level for the Group. They do not eliminate the risk of failure to achieve business objectives, however, can only provide reasonable assurance that the business objectives of CITIC Limited in the following areas are achieved:

- effectiveness and efficiency of operations, including the achievement of performance and operating targets and the safeguarding of assets;
- reliability of financial and operating information provided by the management, including management accounts and statutory and financial reports available to public; and
- compliance with applicable laws and regulations by business units and functions.

The risk management and internal control system of CITIC Limited is established along the core concepts of risk management and internal control released by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), and the Basic Standard for Enterprise Internal Control, as well as relevant guidelines and governmental policies.

The framework of risk management and internal control adopted by CITIC Limited is illustrated below:



Corporate Governance Report

The risk management and internal control system of CITIC Limited comprises “Four Levels” and “Three Lines of Defence” under the corporate governance structure. The “Four Levels” are the (i) board of directors and several committees, (ii) management and several committees, (iii) risk management functions of CITIC Limited, and (iv) member companies. The “Three Lines of Defence” are the (i) first line of defence comprised by business units of each level of CITIC Limited, (ii) second line of defence comprised by the risk management functions of each level of CITIC Limited, and (iii) third line of defence comprised by the internal audit departments of each level of CITIC Limited.

The board has overall responsibility for maintaining a sound and effective risk management and internal control system. The audit and risk management committee acts on behalf of the board in providing oversight of the Group’s financial reporting system, risk management and internal control systems, reviewing and monitoring the effectiveness of the internal audit function, and reviewing the Group’s policies and practices on corporate governance.

Relevant departments of CITIC Limited are responsible for communicating and implementing the decisions, monitoring the adherence of the management policies and preparing relevant reports. All units have the responsibility for identifying, effectively managing and reporting risks on a timely basis, in accordance with the overall risk framework under the management policies and within the scope of authorisation.

CITIC Limited is committed to constantly improving its risk management and internal control framework at all levels; strengthening the risk assessment and monitoring of major projects and key businesses; staying fully informed of the operations, financial condition and major business progress of its subsidiaries through off-site monitoring, on-site inspections and other means to assess the risks that may arise; reporting on a timely basis any weaknesses and potential risks; supervising and implementing management and control measures; and improving the completeness and effectiveness of its risk management and internal control practices across the Group.

Key control policies and measures

The Group's risk management and internal control are primarily the collective responsibilities of management and the employee. For consistent compliance by every person in the Group, the following key control policies and measures have been implemented:

Key control policies and measures

Internal environment	<ul style="list-style-type: none"> • The Group has corporate governance policy, human resources policy and code of conduct for its business operation and governance, as well as periodic reviews and refresher training sessions on important ethical practices. • A whistle-blowing policy has been implemented for facilitating internal reporting of suspected malpractice. • An inside information and price sensitive disclosure policy is in place covering the reporting and dissemination of price-sensitive information.
Risk assessment	<ul style="list-style-type: none"> • The executive committee of CITIC Limited constantly monitors the business, operational and other risks of the business units. • The risk management function identifies and assesses the risks that CITIC Limited is facing through conducting regular risk assessments. It also controls the risks of subsidiaries through regular risk management reporting and risk assessment as well as the monitoring of major projects and businesses. • Risk management reports are collated, prepared and submitted to the board/the audit and risk management committee for deliberation, and corresponding risk management measures will be adopted immediately. • In addition to the departments with risk management function, relevant functions of CITIC Limited will also identify and assess financial and other risks in terms of investment review, strategic planning, financial management and compliance with laws. The long-term objective is to further promote and monitor formal business-wide risk management processes. Further information in this regard is set out in the Risk Management section of this annual report.
Control activities	<ul style="list-style-type: none"> • Major control systems and processes include budgetary and cost controls, relevant reporting systems and processes for management reporting, corporate policies and procedures for approval, review and segregation of duties across the Group.

Key control policies and measures

Monitoring

- Constant monitoring of compliance and review of risk management and internal control are conducted under the supervision of the audit and risk management committee. (Please refer to the section “Monitoring of risk management and internal control effectiveness”).
 - The joint company secretaries of CITIC Limited and related functions are responsible for the overall assessment and monitoring of established procedures to ensure compliance with the Listing Rules and supervision of compliance matters related to applicable laws and other major requirements.
 - The internal audit function reports directly to the audit and risk management committee, and is responsible for examination of risk management and internal control.
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Information and communication

- Implementation, maintenance and constant development of business and management information systems support CITIC Limited’s businesses and operations, including finance, information disclosure and collaborative supervision.
 - Corporate information is disseminated in a timely manner through the intranet, collaborative office system and corporate email system of CITIC Limited.
 - A corporate website and shareholders communication policy ensure that shareholders receive complete and clear information about CITIC Limited and are encouraged to participate in general meetings of CITIC Limited.
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Monitoring of risk management and internal control effectiveness

During the year, the audit and risk management committee assessed the effectiveness of the risk management and internal control systems on behalf of the board. The reviews covered material controls, including financial, operational and compliance controls, the adequacy of the resources, qualifications and experience of employees in the internal audit, risk management, accounting and financial reporting functions, as well as the sufficiency of training sessions and related budgets.

The main risk management and internal control reviews during the year were as follows:

Monitoring of risk management and internal control	Particulars of major tasks completed	Observations
Internal audit	<ul style="list-style-type: none"> • Reviewed the internal audit report. • Reviewed the progress and outcomes of internal audit in accordance with the approved annual internal audit plan. 	<ul style="list-style-type: none"> • Internal audit findings and recommendations, and management's remedial actions taken were considered at each audit and risk management committee meeting. • Reported to the board on such reviews when necessary.
Compliance assessment	<ul style="list-style-type: none"> • Reviewed the establishment of compliance management system, compliance risk control and management of key compliance projects made by CITIC Limited and its business units; reported on an annual basis any matters subject to criminal convictions, administrative punishments and other punitive measures as a result of non-compliance with laws and regulations, listing rules, provisions under industry regulation; rectified non-compliance and ongoing supervision to ensure completion of such rectification. 	<ul style="list-style-type: none"> • No major non-compliance cases were noted during the year, the construction of compliance system still needs to be constantly improved.

Monitoring of risk management and internal control	Particulars of major tasks completed	Observations
Review of risk management and internal control system	<ul style="list-style-type: none"> • Reviewed the business operation and risk management, the changes of risks, and ability to respond in several meetings during the year. • Reviewed and confirmed the results of self-assessment on risk management and internal control effectiveness, and the written statements issued by senior management. • Reviewed the results of the comprehensive assessment of the major control and risk management activities undertaken by business units and head office functions. Ensured that the supporting documents of the self-assessments on risk management and internal control by the management were reviewed by the internal audit function or risk management function. • Reviewed the written statements issued by senior management of business units to confirm that their self-assessments remained correct and that their accounts were prepared in accordance with the financial reporting policies of the corporation. 	<ul style="list-style-type: none"> • No material issues were identified during the year, but business units and the Group's head office functions indicated certain areas of risk management and internal control meriting improvement. • Management issued a positive confirmation.
Review of the internal audit, risk management, accounting and financial functions	<ul style="list-style-type: none"> • Reviewed the self-assessments made by business units and the finance, audit and compliance functions on the adequacy of the resources, qualifications and experience of employees in the internal audit, risk management, accounting and financial reporting functions, as well as the sufficiency of training sessions and budget. 	<ul style="list-style-type: none"> • Resources in the internal audit, risk management, accounting and finance functions were adequate. • On the whole, the qualifications and experience of the staff of the internal audit, risk management, accounting and finance functions were satisfactory. • Training activities and budgets were given constant attention and remained satisfactory during the year.

The board and the management will establish sufficient and effective supervision, management and controls through the risk management and internal control framework of CITIC Limited, which will ensure compliance with the Listing Rules and other legal or regulatory requirements of the jurisdictions in which the Group operates, in order to constantly improve the risk management and internal control system.

Internal Audit

CITIC Limited regards internal audit as an important part of the supervisory function of the board and the audit and risk management committee. The primary objective of internal audit, which is set out in the internal audit charter, is to provide independent and objective internal assurance and consulting services, evaluate and improve the effectiveness of risk management and internal control processes for the Company so as to add value and improve the Company's operations and accomplish its objectives.

Authority

Under the internal audit charter of CITIC Limited, the internal audit department can obtain and access all records, personnel and physical properties relevant to internal audit. The head of the internal audit department has unrestricted access to the board and senior management.

Responsibility

The responsibilities of the internal audit are set out in the internal audit charter, which stipulates that (a) examination and assessment are conducted in respect of risk management and internal control to evaluate whether risks related to the following are effectively controlled: achievement of strategic objectives, reliability and integrity of financial and operational information, efficiency and effectiveness of operations, safeguarding of assets, and compliance with the laws, regulations and policies of the Company; (b) track and examine corrective actions in respect of audit findings; (c) special audits are conducted when required by the board and senior management.

Internal audit staffing and tasks completed in 2025

At 31 December 2025, CITIC Limited had approximately 700 internal audit staff members in the internal audit departments of the head office and major subsidiaries, providing audit services to various business units and functions of the Company.

During the year, the internal audit department prepared an annual internal audit plan in accordance with risk-based principles. Pursuant to the approved annual plan, detailed audit planning for each audit was devised, followed by field audits and discussions with management. Audit reports addressed to the management were prepared by the internal audit department after completion of the audits. Work reports were also tabled for review at each meeting of the audit and risk management committee, which included audit findings and follow-up results, work progress and staffing of internal audit. The internal audit department issued audit reports on various business segments and subsidiaries of the Company.

Corporate Governance Report

Other tasks performed by the internal audit department during the year included the following:

- Implementation of internal audit assessment to evaluate the quality of the audit work of major subsidiaries in terms of management, quality, performance and coordination, in order to facilitate the effective execution of internal audit.
- Professional training and sharing sessions for internal audit staff to enhance their audit skills and knowledge.

Business Ethics

Code of Conduct

We are committed to upholding “The CITIC-Style 中信風格” which is the fundamental code of the Company for guiding the business practice and conduct of our people:

Compliance	遵紀守法
Integrity	作風正派
Veracity	實事求是
Innovation	開拓創新
Modesty	謙虛謹慎
Cooperation	團結互助
Diligence	勤勉奮發
Efficiency	雷厲風行

We think highly of employees’ integrity, morality and professional integrity. The company’s Code of Conducts requires employees to strictly obey the laws, regulations and disciplines in their operational activities. It is a code that the employees must abide by and a standard for assessing professional conducts of employees. In 2025, we organised trainings in terms of professional integrity, anti-fraud and anti-corruption based on the types of industries and levels of posts. Various publicizing platforms including the internal network, official accounts of Wechat and APP were utilised to educate and guide employees to establish and maintain their excellent conducts and behaviors. The heads of every branches were required to conduct education, supervision and assessment regarding employees’ conducts. The company developed the system of regular self-criticism to detect the risks to honesty and justice, to investigate and punish all sorts of illegal behaviors, to analyse and evaluate the effective implementation of this system, to propose advices for further improvement and correction, and to stably improve the levels of internal control management.

Code of Anti-Corruption

CITIC Limited upgraded the code of anti-corruption (“Anti-corruption Code”) in December 2022. CITIC Limited believes that honesty, integrity and fair play are important assets. CITIC Limited will respect and adhere to the laws of the countries in which it operates and all directors and employees of the Group must ensure that the Group’s reputation is not tarnished by dishonesty, lack of integrity or corruption. The Group fully supports the global campaign against corruption and has zero tolerance for corruption and any fraudulent practices. The Anti-corruption Code and the code of conduct for employees of CITIC Limited stipulate the Company’s policy on matters of personal conduct of all employees (including directors, employees and anyone working on the business or affairs of the Company). The Anti-corruption Code applies to the Company and to its subsidiaries and all businesses the Company manages or controls wherever they are located.

The audit and risk management committee, with delegated authority from the board, shall review the Anti-corruption Code from time to time, recommend changes and evaluate its effectiveness.

Whistle-blowing policy

CITIC Limited is committed to achieving and maintaining high standards of integrity and ethical business practices. The whistle-blowing mechanism is an important part of the Company’s internal control and risk management system, and an effective way to detect misconducts or significant risks within the Company.

The whistle-blowing policy aims to safeguard the interests and reputation of the Company, to strengthen the corporate governance and internal control, and to prevent acts that harm the interests of the Company and its shareholders. The whistle-blowing policy was updated in December 2022.

The internal whistle-blowing mechanism sets out a series of principles and procedures to (i) encourage the reporting of actual or suspected inappropriate behavior, misconducts or violations occurring within the Company or involving the Company itself or its employees; (ii) guide the Company’s senior management and employees in handling reports in a fair and appropriate manner; and (iii) prevent malicious allegations and protect whistleblowers from retaliation.

The audit and risk management committee, with delegated authority from the board, shall review the whistle-blowing mechanism periodically to improve its effectiveness.

Inside information/price sensitive information disclosure policy

CITIC Limited has adopted an inside information/price sensitive information disclosure policy setting out the practices and procedures for monitoring business and corporate developments and events so that any potential inside information/price sensitive information is promptly identified and relayed to the board to enable it to make timely decisions on disclosure, if necessary, and for taking appropriate measures to preserve confidentiality of inside information/price sensitive information until proper dissemination of the inside information/price sensitive information via the electronic publication system operated by the Hong Kong Stock Exchange.

Good employment practices

In Hong Kong, CITIC Limited has followed the guide to good employment practices issued by the Employers' Federation of Hong Kong to ensure legally compliant, non-discriminatory and professional employment practices are implemented.

Directors' and relevant employees' securities transactions

CITIC Limited has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules as the code for dealing in securities of CITIC Limited by the directors ("Model Code"). Having made specific enquiry by CITIC Limited, all directors and senior management confirmed that they complied with the required standard set out in the Model Code throughout the year ended 31 December 2025. The interests of directors in the securities of CITIC Limited as at 31 December 2025 are set out in the Report of the Directors on page 135 of this annual report.

In addition to the requirements set out in CITIC Limited's code of conduct, the joint company secretaries regularly write to executive management and other relevant employees who are privy to unpublished inside information/price sensitive information, as reminders of their responsibility to comply with the provisions of the Model Code and keep the matter confidential until announced. They are also specifically reminded not to engage in any insider dealings as stipulated under Section 270 of the Securities and Futures Ordinance.

Joint Company Secretaries

Mr Zhang Yunting and Mr Ricky Choy Wing Kay (being a qualified solicitor in Hong Kong) are the joint company secretaries of CITIC Limited during the year under review. All directors have access to the advice and services of the joint company secretaries on board procedures and corporate governance matters as and when required. The joint company secretaries report to the chairman and/or vice chairman/president of CITIC Limited. Mr Zhang and Mr Choy took no less than 15 hours of relevant professional training respectively during the year under review.

Investor Relations

CITIC Limited aims to generate sustainable shareholder value. We recognise that effective management of stakeholder relationships, including those with investors, is key to realising that value. We believe that our objectives and shareholder objectives should be aligned for long-term value creation and hope that our shareholders agree with our conviction that sustainable long-term growth is more important than short-term gains.

CITIC Limited acknowledges its responsibility to engage with shareholders and respond respectfully to their questions. We aspire to transparent and open communications and are committed to timely disclosure of relevant and material information. We meet with investors regularly to update them on our business progress and strategy. In addition, we respond promptly to questions received from the media and individual shareholders. We endeavour to share financial and non-financial information that is relevant and material, and clearly communicate our business strategy through biannual and other timely communications. In all cases, great care is taken to ensure that price sensitive information is not disclosed selectively. When announcements are made through the Hong Kong Stock Exchange, the same information will be made available on CITIC Limited's website.

Shareholders' Communication Policy

CITIC Limited considers effective communication with shareholders essential to enable them to have a clear assessment of its performance as well as to ensure the board of directors is accountable. The Shareholders' Communication Policy of CITIC Limited was updated in 2022 to emphasise our commitment to enhancing communication with shareholders (both individual and institutional) and the investment community and to require the policy to be reviewed annually to ensure its continued effectiveness.

The full text of the Shareholders' Communication Policy of CITIC Limited is available on the Company's website. The major means of communication with shareholders of CITIC Limited are set out below:

- **Contact details provided to shareholders**

Shareholders and the investment community shall be provided with contact details of CITIC Limited such as mailing address, email address and telephone number in order to enable them to make any query in respect of CITIC Limited. The Company supports the use of electronic and other means of communicating with shareholders and investors.

- **Information disclosure at corporate website**

CITIC Limited endeavours to disclose all material information about the Group to all interested parties as widely and in as timely a manner as possible. CITIC Limited maintains a corporate website at <https://www.citic.com/en/>, where important information about CITIC Limited's activities and corporate matters such as annual reports and half-year reports to shareholders, announcements, business development and operations, corporate governance practices and other information are available for review by shareholders and other stakeholders.

When announcements are made through the Hong Kong Stock Exchange, the same information will be made available on CITIC Limited's website.

During the year under review, CITIC Limited has issued announcements in respect of notifiable transactions, continuing connected transactions and overseas regulatory announcements, which can be viewed on CITIC Limited's website (https://www.citic.com/en/investor_relation/announcements_circulars/).

- **General meetings with shareholders**

CITIC Limited's annual general meeting provides a useful platform for direct communication between the board and shareholders. Separate resolutions are proposed on each substantial separate issue at the general meetings. The annual general meetings and other general meetings will be conducted with instant translation to encourage shareholders' participation.

- **Communication with investors**

CITIC Limited's policy is to proactively meet with investors and analysts and participate in investor road shows. Upon the release of financial results, CITIC Limited holds results briefings to engage with investors and analysts, and simultaneously either webcasts the meetings or makes the presentation materials available online.

Corporate Governance Report

The board has reviewed the Shareholders' Communication Policy. The information of CITIC Limited is effectively and timely disseminated to all shareholders and the investment community simultaneously, and multiple channels are available for shareholders and investment community to communicate their views to CITIC Limited. The board was satisfied that the Shareholders' Communication Policy was appropriate and effective, and had been properly implemented during the year under review.

Constitutional Documents

There were no changes in the articles of association of CITIC Limited during the year under review. The latest version of the articles of association is available on the websites of HKEX and CITIC Limited.

Dividend policy

In compliance with the requirement for a policy on payment of dividends under the code provision of the CG Code, CITIC Limited has adopted a dividend policy (the "Dividend Policy") in 2018 to enhance its transparency and to facilitate shareholders and investors to make their investment decisions.

CITIC Limited attaches importance to providing reasonable returns for investors. The Dividend Policy of CITIC Limited maintains continuity and stability and takes into consideration the long-term interests of CITIC Limited, overall interests of all shareholders and the sustainable development of CITIC Limited. In order to further enhance shareholder returns and create more value for investors, in accordance with the articles of association of CITIC Limited (the "Articles of Association") and the Dividend Policy, CITIC Limited has adopted a shareholder return plan (the "Shareholder Return Plan"). Accordingly, CITIC Limited will in principle pay cash dividends twice a year. The cash dividend distribution plan shall fully consider the future capital needs of daily operating activities and investment activities as well as future financing costs and efficiency, to ensure that the cash dividend distribution plan will not affect the sustainable operation and development of CITIC Limited. If CITIC Limited has distributable profits in one year and there are no major investment plans or major cash expenditures in the next 12 months, dividends will be distributed in cash. The amount of the cash dividend as a percentage of the net profit attributable to ordinary shareholders for the year of 2024 shall not be less than 27%, shall not be less than 28% for the year of 2025, and shall strive to reach 30% for the year of 2026. The Shareholder Return Plan is an improvement and refinement of the Dividend Policy, and is intended to provide investors with clearer guidance on the level of future dividends to be distributed by CITIC Limited. The implementation of the Shareholder Return Plan is still subject to restrictions under Hong Kong legislation and the Articles of Association.

The payment of dividend is also subject to any restrictions under Hong Kong legislation and the Articles of Association. According to the Articles of Association, CITIC Limited in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the board of directors. No dividend shall be payable except out of the profits of CITIC Limited.

Voting by poll

Resolutions put to vote at the general meetings of CITIC Limited (other than on procedural matters) are taken by poll. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions from shareholders regarding the voting procedures are answered. The poll results are posted on the websites of HKEX and CITIC Limited respectively on the same day as the poll.

Shareholders' rights

Set out below is a summary of certain rights of the shareholders of CITIC Limited as required to be disclosed pursuant to the mandatory disclosure requirement under the CG code:

Convening of extraordinary general meeting on requisition by shareholders

In accordance with Section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), shareholder(s) of CITIC Limited representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of CITIC Limited are entitled to send a request to CITIC Limited to convene an extraordinary general meeting ("EGM"). The written requisition must state the general nature of the business to be dealt with at the EGM and may include the text of a resolution that may properly be moved and is intended to be moved at the EGM. The request must be authenticated by the shareholder(s) making it and deposited at the registered office of CITIC Limited at 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong for the attention of the joint company secretaries in hard copy form or sent to CITIC Limited in electronic form. The requisition may consist of several documents in like form, each signed by one or more of the shareholder(s) concerned.

Pursuant to Section 567 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the directors of CITIC Limited must within 21 days after the date on which the written requisition is received by CITIC Limited proceed to duly convene an EGM for a day not more than 28 days after the date on which the notice convening the EGM is given. If the directors do not do so, the shareholder(s) who requested for the EGM, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM pursuant to Section 568 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), provided that the EGM so convened shall not be held after the expiration of 3 months from the date of the original requisition.

The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the directors of CITIC Limited.

Procedures for directing shareholders' enquiries to the board

Shareholders may at any time send their enquiries and concerns to the board of directors of CITIC Limited in writing to CITIC Limited of which contact details are set out in the section headed "Shareholders' Enquiries" of CITIC Limited's Shareholders' Communication Policy or through writing to the joint company secretaries whose contact details are as follows:

The Joint Company Secretaries
CITIC Limited
32nd Floor, CITIC Tower,
1 Tim Mei Avenue, Central, Hong Kong
Email: contact@citic.com
Tel No.: +852 2820 2184
Fax No.: +852 2877 2771

The joint company secretaries will forward the shareholders' enquiries and concerns to the board of directors and/or relevant board committees of CITIC Limited, where appropriate, to answer the shareholders' questions.

Procedures for putting forward proposals at general meetings by shareholders

Shareholders are requested to follow Sections 615 and 616 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for including a resolution at the annual general meeting of CITIC Limited ("AGM"). The requirements and procedures are set out below:

- (i) Any number of shareholders representing at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at the AGM to which the requisition relates, or at least 50 shareholders having a right to vote on the resolution at the AGM to which the requisition relates, may submit a requisition in writing to put forward a resolution which may properly be moved at the AGM.
- (ii) CITIC Limited shall not be bound by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) to give notice of the proposed resolution or to circulate a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution to shareholders of CITIC Limited entitled to receive notice of the AGM unless a copy of the requisition specifying the resolution of which notice is to be given and signed by the shareholders concerned (or 2 or more copies which between them contain the signatures of all the shareholders concerned) is deposited at the registered office of CITIC Limited at 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong for the attention of the joint company secretaries in hard copy form or is sent to CITIC Limited in electronic form not later than (i) 6 weeks before the AGM to which the requisition relates; or (ii) if later, the time at which notice is given of the AGM.

The procedures for shareholders to propose a person for election as a director of CITIC Limited is available on CITIC Limited's website.

Board of Directors

XI Guohua (*Executive Director and Chairman*)

Age 62: an executive director of the Company since 2020, and chairman of the board, chairman of nomination committee, chairman of strategy and sustainability committee and chairman of executive committee of the Company since 2024. He is currently the chairman of CITIC Group Corporation, CITIC Corporation Limited and CITIC Financial Holdings Co., Ltd.. He formerly served as director of CRRC Zhuzhou Institute Co., Ltd., vice president of China Northern Locomotive & Rolling Stock Industry (Group) Corporation, executive director and CEO of China CNR Corporation Limited, executive director, vice chairman and CEO of CRRC Corporation Limited, vice chairman and president of CRRC Group Co., Ltd., chairman of Xinxing Cathay International Group Co., Ltd., director and president of China FAW Group Corporation Limited, vice chairman and president of CITIC Group Corporation, CITIC Limited and CITIC Corporation Limited. He is also a member of the 13th National Committee of China People's Political Consultative Conference. Mr Xi obtained a Master's degree, a Doctorate in engineering and is a professorate senior engineer.

ZHANG Wenwu (*Executive Director, Vice Chairman and President*)

Age 53: an executive director, vice chairman and president, a member of the nomination committee, a member of the strategy and sustainability committee and vice chairman of the executive committee of the Company since 2024. Mr Zhang is currently the vice chairman and president of CITIC Group Corporation and CITIC Corporation Limited. Mr Zhang previously served as deputy general manager of the finance & accounting department of the head office of Industrial and Commercial Bank of China Limited ("ICBC"), deputy head of Liaoning Branch, executive director and chief financial officer of ICBC-AXA Assurance Co., Ltd., director of the office of the supervisory board of the head office, general manager of the finance & accounting department of the head office, senior executive vice president of ICBC. Mr Zhang obtained a Master's degree and Doctorate in management. He is a senior accountant and one of the first batch of national grand management accountants.

LIU Zhengjun (*Executive Director*)

Age 60: an executive director of the Company since 2023. Mr Liu has been the vice president of the Company and a member of the executive committee since 2018. Currently he is an executive director and vice president of CITIC Group Corporation and CITIC Corporation Limited. Mr Liu formerly served as deputy director, director of Jinan Regional Office of National Audit Office of the People's Republic of China ("CNAO"), director general of Department of Public Finance Audit of CNAO, director general of Changchun Regional Office of CNAO, director general of Department of Non-profit Government Agencies Audit of CNAO, director general of Law Department of CNAO. Mr Liu is currently the chairman and executive director of China CITIC Financial Asset Management Co., Ltd. (formerly known as China Huarong Asset Management Co., Ltd.). He previously served as the chairman of CITIC Trust Co., Ltd. and chairman of CITIC Construction Company Limited. He obtained a Master's degree and Doctorate in economics. He is a senior economist and a senior auditor.

WANG Guoquan (*Executive Director*)

Age 53: an executive director of the Company since 2023 and the vice president of the Company and a member of the executive committee since 2020. Currently he is an executive director and vice president of CITIC Group Corporation and CITIC Corporation Limited. Mr Wang previously served as deputy general manager and general manager of Hebei Branch of China Telecom, general manager of marketing department and deputy general manager of China Telecom Group Co., Ltd.. Mr Wang obtained a Bachelor's degree and an Executive Master of Business Administration.

Board of Directors

LI Yi (formerly known as LI Ruyi) (*Non-executive Director*)

Age 56: a non-executive director and a member of the strategy and sustainability committee of the Company since 2022, and a member of the nomination committee of the Company with effect from 30 December 2025. Ms Li is currently a non-executive director of CITIC Group Corporation and CITIC Corporation Limited, and a director of CITIC Financial Holdings Co., Ltd.. She worked as reporter of Anyang Daily, cadre of the publicity and education department of Anyang Municipal Commission for Discipline Inspection, deputy director of *Bronze Mirror* Editorial Office, deputy director of the publicity and education department of Anyang Municipal Commission for Discipline Inspection, deputy division chief and division chief of the educational affairs department of Beidaihe campus of China Academy of Discipline Inspection and Supervision of the CCDI and the NCS, division chief and division chief of the second division of the inspection leading group office of the Ministry of Finance, deputy inspector and secondary inspector of the Party committee of the Ministry of Finance, deputy director of the cadre education center of the Ministry of Finance. Ms Li obtained a Bachelor's degree in literature editing.

YUE Xuekun (*Non-executive Director*)

Age 59: a non-executive director of the Company since 2023. Mr Yue is currently a non-executive director of CITIC Group Corporation, CITIC Corporation Limited and CITIC Trust Co., Ltd., and a director of CITIC Financial Holdings Co., Ltd.. He has successively served as the manager in charge of Beijing Tianyuanzhuang Hotel, senior staff member and principal staff member of the Property Right Registration Office of the General Department of National Administrative Bureau of the State Owned Property of the People's Republic of China, the deputy director of the Youth Work Department of the Party Committee and the secretary of the Youth League Committee (deputy director level) of National Administrative Bureau of the State Owned Property, the assistant investigator, deputy director and director of the General Department of the Party Committee of the Ministry of Finance of the People's Republic of China, the chairman (deputy director general level) of the labour union of the Ministry of Finance, and the director general of the Bureau of Retired Cadres of the Ministry of Finance. Mr Yue obtained a Bachelor's degree and a Master's degree in public management.

YANG Xiaoping (*Non-executive Director*)

Age 62: a non-executive director of the Company since 2015. Mr Yang has rich management experiences of conglomerates. He is a member of the audit and risk management committee and the strategy and sustainability committee. He is currently the senior vice chairman of CP Group, the vice chairman and CEO of CPG China, executive director and the vice chairman of C.P. Lotus Corporation, CEO of CT Bright Holdings Limited, non-executive director of Ping An Insurance (Group) Company of China, Ltd. and Honma Golf, and an independent director of Jingdong Technology Holding Co., Ltd. (formerly known as "Jingdong Digits Technology Holding Co., Ltd."). Mr Yang was a non-executive director of Chery Holding Group Co., Ltd., non-executive director and vice chairman of the board of China Minsheng Investment (Group) Corp., Ltd. and non-executive director and vice chairman of True Corporation Public Company Limited. Mr Yang is also a member of the 12th National Committee of Chinese People's Political Consultative Conference, vice president of China Rural Research Institute of Tsinghua University, deputy director of Management Committee, Institute for Global Development of Tsinghua University and president of Beijing Association of Foreign Investment Enterprises. Mr Yang Xiaoping graduated from the School of Economics and Management of Tsinghua University with doctoral degree and has both studying and working experiences in Japan.

LI Zimin (*Non-executive Director*)

Age 54: a non-executive director of the Company since 2023. Mr Li is currently an executive director and president of China CITIC Financial Asset Management Co., Ltd. (formerly known as China Huarong Asset Management Co., Ltd.) (the “China CITIC Financial AMC”) and a non-executive director of Bank of China Limited. He served as the head of the corporate integrated financial services team, the general manager of the investment banking department I and the business director, deputy general manager, general manager of CITIC Trust. He has served as president of China CITIC Financial AMC since 31 October 2022 and an executive director of China CITIC Financial AMC since 19 January 2023.

Anthony Francis NEOH (*Lead Independent Non-executive Director*)

Age 79: an independent non-executive director of the Company since 2014 and designated as lead independent non-executive director with effect from 29 August 2025. Mr Neoh is the chairman of the remuneration committee, and a member of the audit and risk management committee, the nomination committee and the strategy and sustainability committee. He has until October 2016, been a member of the International Advisory Council of the China Securities Regulatory Commission (“CSRC”). He also previously served as chief advisor to the CSRC, a member of the Hong Kong Special Administrative Region Basic Law Committee under the Standing Committee of the National People’s Congress, chairman of the Hong Kong Securities and Futures Commission, a member of the Hong Kong Stock Exchange Council and its Listing Committee, and chaired its Disciplinary Committee and Debt Securities Group, and Deputy Judge of the Hong Kong High Court. From 1996 to 1998, he was chairman of the Technical Committee of the International Organisation of Securities Commissions. He was appointed as Queen’s Counsel (now retitled as Senior Counsel) in Hong Kong in 1990. Mr Neoh graduated from the University of London with a degree in Law in 1976. He is a barrister of England and Wales and admitted to the State Bar of California. In 2003, he was conferred the Degree of Doctor of Laws, *honoris causa*, by the Chinese University of Hong Kong. He was formerly elected Honorary Fellow of the Hong Kong Securities Institute and Academician of the International Euro-Asian Academy of Sciences in 2009. In 2013, he was awarded the Degree of Doctor of Social Science, *honoris causa*, by the Open University of Hong Kong. In 2016, he was also awarded the Degree of Doctor of Social Science, *honoris causa*, by Lingnan University. In 2024, he was conferred the Degree of Doctor of Law, *honoris causa*, by the University of London. He was formerly the chairman of the Independent Police Complaints Council and his term of appointment ended on 31 May 2021. He was formerly a non-executive director of Global Digital Creations Holdings Limited. He also previously served as an independent non-executive director of Link Asset Management Limited (manager of Link Real Estate Investment Trust), China Shenhua Energy Company Limited, Bank of China Limited, China Life Insurance Company Limited, New China Life Insurance Company Ltd. and Industrial and Commercial Bank of China Limited.

Francis SIU Wai Keung (*Independent Non-executive Director*)

Age 71: an independent non-executive director of the Company since 2011. Mr Siu has the relevant professional qualification and expertise in financial reporting matters. He is the chairman of the audit and risk management committee and a member of the remuneration committee and the nomination committee. Mr Siu is an independent non-executive director of Morgan Stanley Securities (China) Co., Ltd.. He has served as a non-executive director of the Accounting and Financial Reporting Council since 1 October 2019 and retired on 1 October 2025. Mr Siu joined KPMG Manchester, UK in 1979 and returned to Hong Kong in 1986 and became a partner of KPMG Hong Kong in 1993. From 2000 to 2002, he was a senior partner of KPMG Shanghai Office. From 2002 to March 2010, he was a senior partner of KPMG Beijing Office, and a senior partner of Northern Region, KPMG China.

Board of Directors

XU Jinwu *Dr-Ing. (Independent Non-executive Director)*

Age 76: an independent non-executive director of the Company since 2012. Dr Xu is a member of the audit and risk management committee, the remuneration committee and the nomination committee. He is the executive director of The Chinese Society for Metals (中國金屬學會) and the former chairman of the Metallurgical Equipment Committee of The Chinese Society for Metals (中國金屬學會冶金設備分會). He was appointed as the president of University of Science and Technology Beijing in 2004 and retired in 2013. He served as an independent director of Ningbo Donly Transmission Equipment Co., Ltd. from January 2006 to January 2012 and Xinyu Iron & Steel Co., Ltd. from April 2006 to April 2009.

Toshikazu TAGAWA *(Independent Non-executive Director)*

Age 72: an independent non-executive director and a member of the strategy and sustainability committee of the Company since 2021. Mr Tagawa joined Audit Firm Asahi & Co. (now known as KPMG AZSA LLC) in November 1979, where he performed audit engagements. From November 1984 to June 2008, he worked as a tax professional at Ernst & Young (“EY”) New York office for 18 years, EY San Francisco office for 4 years and Arthur Andersen New York office for 2 years, and became an EY US tax partner in 1996. From July 2008 to June 2010, he was stationed as a tax partner at EY Tax Co. in Japan. From July 2010 to June 2012, Mr Tagawa was stationed as a tax partner at Shanghai office of EY China, managing tax engagements of the Japanese Business Services in China. Mr Tagawa retired from EY US in June 2012. From July 2012 to April 2015, he assumed the position of Managing Director of the Financial Services Department of Ernst & Young ShinNihon LLC. From May 2015 to December 2020, he was appointed as a director and CFO of “Japan SR Association” which managed Super Rugby Japan team. He was appointed as CEO of Ranzan USA Corp. as of September 2018. Mr Tagawa is appointed as a member of the Audit & Supervisory Board of Sumitomo Rubber Industries, Ltd. from 28 March 2024. He resigned as a member of the Audit & Supervisory Board of Sumitomo Mitsui DS Asset Management Co., Ltd. with effect from 26 June 2024. Mr Tagawa graduated from Kobe University of Commerce (now known as University of Hyogo) with a Bachelor’s degree in Business Administration in March 1977. From September 2016 to March 2019, he was a visiting professor in the Faculty of Economics at Musashi University. Mr Tagawa is a licensed Certified Public Accountant.

CHEN Yuyu (*Independent Non-executive Director*)

Age 55: an independent non-executive director and a member of the strategy and sustainability committee of the Company since 2024, and has been appointed as a member of the nomination committee of the Company with effect from 27 March 2026. Mr Chen is currently an independent non-executive director of Onowo Inc. and an independent director of Taikang Funds. He has been appointed as an independent non-executive director of Newborn Town Inc. with effect from 29 August 2025. Mr Chen joined the Department of Applied Economics, Guanghua School of Management, Peking University in September 2003 and has successively served as a lecturer, an associate professor, and a professor since then. Mr Chen currently serves as the director of the Institute of Economic Policy at Peking University. Mr Chen served as an independent director of Guangdong Xinhui Meida Nylon Co., Ltd. from June 2017 to January 2024; an independent director of Zhanjiang Guolian Aquatic Products Co., Ltd. from November 2019 to January 2021; an independent director of Meizhou Hakka Bank Co., Ltd. since August 2017 and retired in September 2023; and an external director of Haode Technology Co., Ltd. since February 2016 and resigned in June 2024. Mr Chen's research interests are mainly in the areas of economic development and productivity, human capital and growth, health and pollution, behavioural economics and labour markets, income distribution and regional disparities. His research has been published in the "Proceedings of the National Academy of Sciences" (PNAS), "Journal of Political Economy", "American Economic Review", "Review of Economics and Statistics", "Journal of Human Resources" (JHR), "Journal of Economic Policy" (JEP), "Journal of Health Economics", "Journal of Environmental Economics and Management", "Exploration in Economic History", "Population Studies" and other international academic journals. Mr Chen obtained a Bachelor's degree in Economics from Peking University in July 1994. He then obtained a Doctorate degree in Economics from the Australian National University in September 2003. Mr Chen was granted The National Science Fund for Distinguished Young Scholars in 2014, and he was recognised as the Fellow of Chang Jiang Scholars Program in April 2017. Mr Chen is listed in the list of highly cited scholars in China of Elsevier, a leading global publishing group. He has won the second and third prizes of the Ministry of Education's Colleges and Universities Outstanding Achievement Award in Social Sciences, and Li Yining Research Award.

Senior Management

ZHANG Shixin

Age 54: a member of the executive committee of the Company since 2025. Mr Zhang is deputy secretary of the Party Committee of CITIC Group Corporation since January 2025. He formerly served as director general of the General Office, director general of the Department of Personnel, and deputy secretary general of the National Development and Reform Commission. Mr Zhang obtained a Master's degree in Arts.

FANG Heying

Age 59: vice president of the Company and a member of the executive committee since 2020. Currently Mr Fang is vice president of CITIC Group Corporation and CITIC Corporation Limited. Mr Fang has been appointed as the chairman of China CITIC Bank Corporation ("China CITIC Bank") with effect from 3 August 2023. He successively served as vice president of Hangzhou Branch, president of Suzhou Branch, head of financial market business of head office, vice president, chief financial officer and president of China CITIC Bank, etc. Mr Fang obtained a Bachelor's degree and an Executive Master of Business Administration. He is a senior economist.

ZENG Qi

Age 56: vice president of the Company and a member of the executive committee since 2024. Ms Zeng is vice president of CITIC Group Corporation and CITIC Corporation Limited. She formerly served as deputy general manager of the Operation and Management Department, deputy general manager of the Settlement and Cash Management Department, vice president of Hebei Branch, general manager of the Settlement and Cash Management Department and general manager of the Personal Finance Business Department of the Industrial and Commercial Bank of China. Ms Zeng obtained a Master's Degree and Doctorate in Law. She is a senior accountant.

Benjamin BAO

Age 58: vice president of the Company and a member of the executive committee since 2025. Mr Bao is vice president of CITIC Group Corporation and CITIC Corporation Limited. He formerly served as head of Investment Department I of China Investment Corporation (CIC), head of CIC Real Estate Investment, head of CIC Private Equity Investment, member of the executive committee of China Investment Corporation. Mr Bao obtained a postgraduate degree, a Master's degree in Engineering and is a senior economist.

Report of the Directors

The directors have pleasure in presenting to shareholders their report for the year ended 31 December 2025.

Principal Activities

CITIC Limited is one of China's largest conglomerates and its subsidiaries are engaged in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

Subsidiary Companies

The name of the principal subsidiaries, their countries of incorporation, principal activities and shares issued are set out in note 59 to the consolidated financial statements.

Business Review

A fair review, discussion and analysis of the Group's business as required under Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including the material factors underlying its results and financial position are set out in the sections headed "Chairman's Letter to Shareholders", "Financial and Business Review" and "Strategy and Operations Management" on pages 6 to 71 of this annual report. A description of the principal risks and uncertainties facing the Group is set out in the "Risk Management" section on pages 72 to 78 of this annual report. Particulars of important events affecting CITIC Limited that have occurred since the end of the financial year 2025 (if any) and the likely future development in CITIC Limited's business can also be found in this annual report. The above discussions form an integral part of the Report of the Directors.

In addition, an account of CITIC Limited's performance by reference to environmental and social-related key performance indicators and policies is provided in the standalone Environmental, Social and Governance (ESG) Report 2025, which is published on the same date of this annual report and available on the websites of both Hong Kong Exchanges and Clearing Limited ("HKEX") and CITIC Limited.

Dividends

On 29 August 2025, the board of directors of CITIC Limited resolved to declare an interim dividend of RMB0.2 per share (equivalent to HK\$0.2192600 per share)(2024: RMB0.19 per share, equivalent to HK\$0.2079455 per share) for the year ended 31 December 2025 which was paid on 21 November 2025. At the board meeting held on 27 March 2026, the directors recommended a final dividend ("2025 Final Dividend") of RMB0.385 per share (2024: RMB0.36 per share) in respect of the year ended 31 December 2025. Subject to approval of the shareholders at the forthcoming annual general meeting of CITIC Limited to be held on 26 June 2026 (the "2026 AGM"), the proposed 2025 Final Dividend will be paid on Friday, 21 August 2026 to shareholders on CITIC Limited's register of members at the close of business on Tuesday, 7 July 2026, being the record date for determining the entitlement of shareholders to the proposed 2025 Final Dividend. This represents a total distribution for the year of RMB17,018 million (2024: RMB16,000 million).

The proposed 2025 Final Dividend will be payable in cash to each shareholder in HK Dollars ("HK\$") (at the average benchmark exchange rate of RMB to HK\$ as published by the People's Bank of China during the five business days ending on 26 June 2026 (inclusive), being the date of the 2026 AGM) unless an election is made to receive the same in Renminbi ("RMB").

Report of the Directors

Shareholders will be given the option to elect to receive all (but not part) of the 2025 Final Dividend in RMB, such dividend will be paid at RMB0.385 per share. To make such election, shareholders should complete the Dividend Currency Election Form, which is expected to be despatched to shareholders in mid July 2026 as soon as practicable after the record date of 7 July 2026 to determine shareholders' entitlement to the proposed 2025 Final 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 Tuesday, 28 July 2026.

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 August 2026 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 Tuesday, 28 July 2026, such shareholder will automatically receive the 2025 Final Dividend in HK\$. All dividend payments in HK\$ will be made in the usual way on Friday, 21 August 2026.

If shareholders wish to receive the 2025 Final 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 proposed dividend payment.

Donations

Donations made by CITIC Limited and its subsidiary companies during the year are set out in the standalone Environmental, Social and Governance (ESG) Report 2025, which is published on the same date of this annual report and available on the websites of both HKEX and CITIC Limited.

Share Capital and Reserves

Movements in the share capital and reserves of CITIC Limited and the Group during the year are set out in note 47 to the consolidated financial statements.

Fixed Assets

Movements in fixed assets during the year are set out in note 34 to the consolidated financial statements.

Major Customers and Suppliers

During the year, both the aggregate percentage of purchases from the Group's five largest suppliers and the aggregate percentage of sales to the Group's five largest customers were less than 30% of the total purchases and sales of the Group respectively.

Borrowings and Debt Instruments Issued

Particulars of borrowings and debt instruments issued in respect of CITIC Limited and its subsidiary companies as at 31 December 2025 are set out in notes 44 and 45 to the consolidated financial statements.

Equity-linked Agreements

No equity-linked agreements that will or may result in CITIC Limited issuing shares or that require CITIC Limited to enter into any agreements that will or may result in CITIC Limited issuing shares were entered into by CITIC Limited during the year or subsisted at the end of the year.

Directors

The directors of CITIC Limited during the year and up to the date of this report are:

Executive Directors

Mr Xi Guohua (*Chairman*)
 Mr Zhang Wenwu (*Vice Chairman and President*)
 Mr Liu Zhengjun
 Mr Wang Guoquan

Non-executive Directors

Ms Yu Yang (*resigned on 5 December 2025*)
 Mr Zhang Lin (*resigned on 24 December 2025*)
 Ms Li Yi (formerly known as Li Ruyi)
 Mr Yue Xuekun
 Mr Yang Xiaoping
 Mr Li Zimin

Independent Non-executive Directors

Mr Anthony Francis Neoh (*Lead Independent Non-executive Director*)
 Mr Francis Siu Wai Keung
 Dr Xu Jinwu
 Mr Gregory Lynn Curl (*resigned on 27 March 2026*)
 Mr Toshikazu Tagawa
 Mr Chen Yuyu

Ms Yu Yang, Mr Zhang Lin and Mr Gregory Lynn Curl have confirmed that they have no disagreement with the board and that they are not aware of any matters in relation to their resignation that need to be brought to the attention of the shareholders of CITIC Limited.

Report of the Directors

Most board members of CITIC Limited, namely, Mr Xi Guohua, Mr Zhang Wenwu, Mr Liu Zhengjun, Mr Wang Guoquan, Ms Li Yi, Mr Yue Xuekun, Mr Yang Xiaoping, Mr Li Zimin, Mr Anthony Francis Neoh, Mr Francis Siu Wai Keung, Dr Xu Jinwu and Mr Chen Yuyu will retire voluntarily at the 2026 AGM and, all being eligible, offer themselves for re-election.

The bio data of the current directors and senior management are set out in the “Board of Directors” and “Senior Management” sections on pages 119 to 124 of this annual report.

Directors of Subsidiaries

The list of directors who have served on the boards of the subsidiaries of CITIC Limited during the year and up to the date of this report is available on CITIC Limited’s website at www.citic.com.

Directors’ Material Interests in Transactions, Arrangements or Contracts

Save as disclosed in the sections headed “Non-Exempt Continuing Connected Transactions” below and “Material related parties” in note 51 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to CITIC Limited’s business to which CITIC Limited’s subsidiaries, fellow subsidiaries or its holding company was a party or were parties and in which a director of CITIC Limited or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors’ Service Contracts

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Management Contracts

No contracts concerning the management and/or administration of the whole or any substantial part of the business of CITIC Limited were entered into during the year or existed at the end of the year.

Permitted Indemnity

Pursuant to CITIC Limited's articles of association and subject to the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), every director or other officers of CITIC Limited shall be entitled to be indemnified out of the assets of CITIC Limited against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. CITIC Limited has arranged Directors & Officers Liability and Company Reimbursement Insurance for its directors and officers to protect them against potential costs and liabilities arising from claims brought against them.

Related Party Transactions

CITIC Limited and its subsidiaries entered into certain transactions in the ordinary course of business and on normal commercial terms which were "Material related parties", the details of which are set out in note 51 to the consolidated financial statements of CITIC Limited. Some of these transactions also constituted "Continuing Connected Transactions" under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as summarised below.

Non-Exempt Continuing Connected Transactions

During the year under review, the Group engaged in the following non-exempt continuing connected transactions with CITIC Group Corporation ("CITIC Group") and/or its associates (the "Connected Persons"), particulars of which were previously disclosed in the announcements of CITIC Limited and are required under the Listing Rules to be disclosed in this annual report and the consolidated financial statements of CITIC Limited.

1. Financial Assistance Framework Agreement — financial assistance (including in the form of entrusted loans and financing guarantee) and commercial loans provided by the Group to the Connected Persons

The Financial Assistance Framework Agreement dated 31 March 2023 entered into with CITIC Group ("2023 Financial Assistance FA") ended on 31 December 2025. Considering the provision of financial assistance by the Group to the Connected Persons can help members of the Group utilize cash resources more efficiently and extend their sources of revenue; and the provision of commercial loans by the Group to the Connected Persons is and will continue to be part of the businesses of CITIC Finance Company Limited, a subsidiary of the Company, and contribute to its revenue, CITIC Limited entered into a new financial assistance framework agreement with CITIC Group on 30 December 2025 ("2025 Financial Assistance FA"). Details of the above were set out in CITIC Limited's announcement dated 30 December 2025.

2023 Financial Assistance FA

Period: commencing from 1 July 2023 and ended on 31 December 2025

*for the year ended
31/12/2025*

Maximum Daily Balance: RMB18,500,000,000

Report of the Directors

2025 Financial Assistance FA

Period: commencing from 1 January 2026 and ending on 31 December 2028

	<i>for the year ending 31/12/2026</i>	<i>for the year ending 31/12/2027</i>	<i>for the year ending 31/12/2028</i>
Maximum Daily Balance:	RMB15,000,000,000	RMB15,000,000,000	RMB15,000,000,000

The maximum daily balance of the financial assistance under the 2023 Financial Assistance FA for the year ended 31 December 2025 was approximately RMB15,025,093,795.23.

2. Aluminium Alloy Hub and Raw Materials Procurement Framework Agreement — procurement of aluminium alloy hubs and the raw materials by the Group from the Connected Persons

Both the Aluminium Alloy Hub and Raw Materials Procurement Framework Agreement dated 1 April 2021 and the supplemental agreement thereto dated 1 April 2022 ended on 31 December 2023. Considering the business development needs of the Group, CITIC Limited entered into a new aluminium alloy hub and raw materials procurement framework agreement (“New Aluminium Alloy Hub and Raw Materials Procurement FA”) with CITIC Group on 20 November 2023 under which the Group would continue to procure aluminium alloy hubs and the raw materials from the Connected Persons. Details of the above were set out in CITIC Limited’s announcement dated 20 November 2023.

New Aluminium Alloy Hub and Raw Materials Procurement FA

Period: commencing from 1 January 2024 and ending on 31 December 2026

Annual Cap:	<i>for the year ended 31/12/2025</i>	<i>for the year ending 31/12/2026</i>
– Aluminium Alloy Hubs	RMB680,000,000	RMB680,000,000
– Raw Materials	RMB1,200,000,000	RMB1,200,000,000

Under the New Aluminium Alloy Hub and Raw Materials Procurement FA for the year ended 31 December 2025, the transaction amount for Aluminium Alloy Hubs was approximately RMB580,897,201.16, and there were no transactions for Raw Materials.

3. Asset Transfer Framework Agreement and Financial Consulting and Asset Management Service Framework Agreement

References are made to the announcement dated 27 August 2020 and the circular dated 12 October 2020 issued by China CITIC Bank Corporation Limited (“CITIC Bank”, a non-wholly-owned subsidiary of CITIC Limited), and the announcement of CITIC Limited dated 9 June 2021 with respect to, among other things, the asset transfer framework agreement and the financial consulting service and asset management service framework agreement, both entered into on 27 August 2020 between CITIC Bank and CITIC Group, which ended on 31 December 2023. CITIC Bank entered into on 8 November 2023 with CITIC Group a new asset transfer framework agreement (“New Asset Transfer FA”) in relation to the transfer of loans and other related assets, and a new financial consulting and asset management service framework agreement (“New Financial Consulting and Asset Management Service FA”) in relation to the entrusted disposal of overdue personal credit assets and written-off overdue corporate assets. The transactions contemplated under both New Asset Transfer FA and New Financial Consulting and Asset Management Service FA entered into between CITIC Bank and the Group are intra-group transactions not constituting continuing connected transactions of CITIC Limited, while those entered into between CITIC Bank and CITIC Group and its associates (excluding the Group) constitute continuing connected transactions of CITIC Limited. Details of the above were set out in CITIC Limited’s announcement dated 20 November 2023.

New Asset Transfer FA

Period: commencing from 1 January 2024 and ending on 31 December 2026

	<i>for the year ended</i> 31/12/2025	<i>for the year ending</i> 31/12/2026
Annual Cap:	RMB9,000,000,000	RMB9,000,000,000

The transaction amount under the New Asset Transfer FA for the year ended 31 December 2025 was approximately RMB462,712,970.12.

New Financial Consulting and Asset Management Service FA

Period: commencing from 1 January 2024 and ending on 31 December 2026

	<i>for the year ended</i> 31/12/2025	<i>for the year ending</i> 31/12/2026
Annual Cap: (Service Fee)	RMB400,000,000	RMB400,000,000

The service fee under the New Financial Consulting and Asset Management Service FA for the year ended 31 December 2025 was approximately RMB4,085,787.38.

Report of the Directors

4. Comprehensive Information Services Framework Agreement — comprehensive information services provided by the Connected Persons (CITIC Guoan Industry Group Co., Ltd. and/or its associates) to the Group

The Comprehensive Information Services Framework Agreement dated 20 November 2023 entered into with CITIC Guoan Industry Group Co., Ltd. (“CITIC Guoan”, an associate of CITIC Group) (“2023 Comprehensive Information Services FA”) ended on 31 December 2025. CITIC Limited entered into a new comprehensive information services framework agreement with CITIC Guoan on 30 December 2025 (“2025 Comprehensive Information Services FA”). By entering into the 2025 Comprehensive Information Services FA, the Group can benefit from the lower costs instead of operating and managing its own call centers whilst maintaining the high standard of professional customer care solution and support. Details of the above were set out in CITIC Limited’s announcement dated 30 December 2025.

2023 Comprehensive Information Services FA

Period:	commencing from 20 November 2023 and ended on 31 December 2025		
	<i>for the year ended</i>		
	<i>31/12/2025</i>		
Annual Cap: (Service Fee)	RMB4,500,000,000		

2025 Comprehensive Information Services FA

Period:	commencing from 1 January 2026 and ending on 31 December 2028		
	<i>for the year ending</i>	<i>for the year ending</i>	<i>for the year ending</i>
	<i>31/12/2026</i>	<i>31/12/2027</i>	<i>31/12/2028</i>
Annual Cap: (Service Fee)	RMB2,500,000,000	RMB3,000,000,000	RMB3,500,000,000

The service fee under the 2023 Comprehensive Information Services FA for the year ended 31 December 2025 was approximately RMB1,644,222,537.28.

5. Investment Business Framework Agreement

CITIC Bank has been conducting investment business during its ordinary and usual course of business, including investment business with Huarong Financial Leasing Co., Ltd. (“Huarong Financial Leasing”) and its subsidiaries (collectively, “Huarong Financial Leasing Group”). As the financial results of Huarong Financial Leasing have been consolidated in the financial statements of CITIC Group as of 31 December 2024, Huarong Financial Leasing has become a subsidiary of CITIC Group, rendering Huarong Financial Leasing Group connected persons of the Company. Therefore, the investment business transactions between CITIC Bank and Huarong Financial Leasing Group also became continuing connected transactions of the Group. These transactions have been, and will continue to be conducted in accordance with the terms and conditions of the Investment Business Framework Agreement (“Investment Business FA”) entered into between CITIC Bank and CITIC Group on 8 November 2023. For the Group, the transaction amount of such investment business with the Connected Persons will be subject to the 2025-2026 Investment Business Caps. Transactions entered into between CITIC Bank and the Group under the Investment Business FA are intra-group transactions not constituting continuing connected transactions of CITIC Limited. Details of the above were set out in CITIC Limited’s announcement dated 28 March 2025.

Investment Business FA

Period: commencing from 1 January 2024 and ending on 31 December 2026

	<i>for the year ended 31/12/2025</i>	<i>for the year ending 31/12/2026</i>
Annual Cap:	RMB10,000,000,000	RMB10,000,000,000

The transaction amount under the Investment Business FA for the year ended 31 December 2025 was approximately RMB3,880,132,011.67.

6. Finance Lease and Operating Lease Services Framework Agreement — finance lease and operating lease services provided by the Connected Persons (Huarong Financial Leasing Group) to the Group

Huarong Financial Leasing Group has been providing finance lease and operating lease services to the Group in its ordinary and usual course of business. On 28 March 2025, CITIC Limited entered into the Finance Lease and Operating Lease Services Framework Agreement (“Finance Lease and Operating Lease Services FA”) with Huarong Financial Leasing under which Huarong Financial Leasing Group would continue to provide finance lease and operating lease services to the Group. Details of the above were set out in CITIC Limited’s announcement dated 28 March 2025.

Finance Lease and Operating Lease Services FA

Period: commencing from 28 March 2025 and ending on 31 December 2027

	<i>for the year ended 31/12/2025</i>	<i>for the year ending 31/12/2026</i>	<i>for the year ending 31/12/2027</i>
Annual Cap:			
<i>Finance Lease Services</i>			
– Asset Price	RMB4,420,000,000	RMB4,520,000,000	RMB5,620,000,000
– Finance Lease Payment	RMB287,000,000	RMB316,000,000	RMB422,000,000
– Outstanding Balances	RMB349,000,000	RMB296,000,000	RMB245,000,000
Total	RMB5,056,000,000	RMB5,132,000,000	RMB6,287,000,000
<i>Operating Lease Services</i>			
– Lease payment	RMB145,000,000	RMB252,000,000	RMB360,000,000

Under the Finance Lease and Operating Lease Services FA for the year ended 31 December 2025, the total transaction amount under the Finance Lease Services was approximately RMB522,794,666.94 of which approximately RMB159,363,972.99 for Asset Price, approximately RMB15,283,914.44 for Finance Lease Payment and approximately RMB348,146,779.51 for Outstanding Balances; and the transaction amount was approximately RMB31,318,666.72 for Lease payment in respect of the Operating Lease Services.

Report of the Directors

The independent non-executive directors of CITIC Limited have reviewed the aforesaid continuing connected transactions for the year ended 31 December 2025 (collectively the “Transactions”) and confirmed that:

- a. the Transactions have been entered into in the ordinary and usual course of business of the Group;
- b. the Transactions have been entered into on normal commercial terms or better; and
- c. the Transactions were entered into according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of CITIC Limited as a whole.

CITIC Limited’s auditor was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 (Revised)*, *Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. The auditor issued an unqualified letter containing findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 129 to 134 of this annual report in accordance with Rule 14A.56 of the Listing Rules.

Disclosure of Interests

Directors' interests in Shares

As at 31 December 2025, the interests and short positions of the directors of CITIC Limited in the shares, underlying shares and debentures of CITIC Limited or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to CITIC Limited and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by CITIC Limited pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as adopted by CITIC Limited, to be notified to CITIC Limited and the Hong Kong Stock Exchange, were as follows:

Long positions in shares

(a) CITIC Limited

Name of Directors	Number of ordinary shares held	
	Personal interests (held as beneficial owner)	Approximate percentage of shareholding
Xi Guohua	130,000	0.0004%
Zhang Wenwu	112,000	0.0004%
Liu Zhengjun	29,000	0.0000%
Wang Guoquan	39,000	0.0001%

(b) Associated Corporation of CITIC Limited

Name of Director	Name of associated corporation	Number of shares held	Approximate percentage of shareholding (A shares)
		Family interests (interest of spouse)	
Yue Xuekun	CITIC Securities Company Limited	181,435 A Shares	0.0015%

Save as disclosed above, as at 31 December 2025, none of the directors of CITIC Limited were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in the shares, underlying shares and debentures of CITIC Limited and its associated corporations (within the meaning of Part XV of the SFO) that were required to be entered in the register kept by CITIC Limited pursuant to section 352 of the SFO, or that required to be notified to CITIC Limited and the Hong Kong Stock Exchange pursuant to the Model Code.

Arrangement to Acquire Shares or Debentures

At no time during the year was CITIC Limited, its subsidiaries, its fellow subsidiaries or its holding companies a party to any arrangements to enable the directors of CITIC Limited (including their spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of, CITIC Limited or any other body corporate.

Interests of Substantial Shareholders

As at 31 December 2025, substantial shareholders of CITIC Limited (other than directors of CITIC Limited) who had interests or short positions in the shares or underlying shares of CITIC Limited which would fall to be disclosed to CITIC Limited under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by CITIC Limited under section 336 of the SFO, or which were notified to CITIC Limited and the Hong Kong Stock Exchange, were as follows:

Name	Nature of interest/capacity	Number of ordinary shares held	Approximate percentage to the total number of issued shares
CITIC Group Corporation ("CITIC Group") ^(Note 1)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
CITIC Glory Limited ("CITIC Glory") ^(Note 2)	Beneficial owner	7,446,906,755 (Long position)	25.60% (Long position)
CITIC Polaris Limited ("CITIC Polaris") ^(Note 3)	Beneficial owner and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
Chia Tai Bright Investment Company Limited ("CT Bright") ^(Note 4)	Beneficial owner and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
CT Brilliant Investment Holdings Limited ("CT Brilliant") ^(Note 5)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
Charoen Pokphand Group Company Limited ("CPG") ^(Note 6)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
ITOCHU Corporation ("ITOCHU") ^(Note 7)	Interests in a controlled corporation and interests in a section 317 concert party agreement	21,270,800,597 (Long position)	73.12% (Long position)
		5,818,053,363 (Short position)	20.00% (Short position)
China CITIC Financial AMC International Holdings Limited ("China CITIC FAMCIH") ^(Note 8)	Beneficial owner	1,419,532,000 (Long position)	4.88% (Long position)
China CITIC Financial Asset Management Co., Ltd. ("CITIC FAMC") ^(Note 9)	Beneficial owner and interests in a controlled corporation	2,876,954,158 (Long position)	9.89% (Long position)

Notes:

- (1) CITIC Group is deemed to be interested in 21,270,800,597 shares: (i) by attribution of the interests of its two wholly-owned subsidiaries, CITIC Polaris (8,005,840,479 shares) and CITIC Glory (7,446,906,755 shares); and (ii) because CITIC Group is a party to the Share Purchase Agreement and the Preferred Shares Subscription Agreement which, reading together, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CITIC Group has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement.
- (2) CITIC Glory is beneficially interested in 7,446,906,755 shares of CITIC Limited.
- (3) CITIC Polaris is deemed to be interested in 21,270,800,597 shares: (i) by including 8,005,840,479 shares it holds as beneficial owner; and (ii) because CITIC Polaris is a party to the Share Purchase Agreement which, reading together with the Preferred Shares Subscription Agreement, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CITIC Polaris has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement.
- (4) CT Bright is deemed to be interested in 21,270,800,597 shares: (i) by including 5,818,053,363 shares it holds as beneficial owner; and (ii) because CT Bright is a party to the Share Purchase Agreement and the Preferred Shares Subscription Agreement which, reading together, constitute an agreement to which section 317(1) of the SFO applies, and accordingly CT Bright has aggregated its interests in the shares with the interests of the other parties to the Share Purchase Agreement and the Preferred Shares Subscription Agreement. CT Bright has a short position of 5,818,053,363 shares because it is under an obligation to deliver a maximum of 5,818,053,363 shares to CITIC Polaris if CITIC Polaris' right of first refusal under the Share Purchase Agreement is exercised in full.
- (5) CT Brilliant is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright directly holding 50% equity interest in CT Bright.
- (6) CPG is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright indirectly holding 50% equity interest in CT Bright through CT Brilliant, its wholly-owned subsidiary.
- (7) ITOCHU is deemed to be interested in 21,270,800,597 shares and to have a short position of 5,818,053,363 shares as a shareholder of CT Bright directly holding 50% equity interest in CT Bright.
- (8) China CITIC FAMCIH, a wholly-owned subsidiary of CITIC FAMC, is beneficially interested in 1,419,532,000 shares of CITIC Limited.
- (9) CITIC FAMC is deemed to be interested in 2,876,954,158 shares of CITIC Limited by including (i) 1,457,422,158 shares it holds as beneficial owner; and (ii) 1,419,532,000 shares it holds through its interest in China CITIC FAMCIH.

Shareholding Statistics

Based on the share register records of CITIC Limited, set out below is a shareholding statistics chart of the registered shareholders of CITIC Limited as at 31 December 2025:

Number of shares held	Number of shareholders	Percentage
1 to 1,000	3,753	60.4639
1,001 to 10,000	1,863	30.0144
10,001 to 100,000	536	8.6354
100,001 to 1,000,000	48	0.7733
1,000,001 to 100,000,000	0	0.0000
100,000,001 to 500,000,000	1	0.0161
500,000,001 to 2,000,000,000	2	0.0322
2,000,000,001 above	4	0.0644
Total:	6,207	100

As at 31 December 2025, the total number of ordinary shares in issue of CITIC Limited was 29,090,262,630 and based on the share register records of CITIC Limited, HKSCC Nominees Limited held 8,945,942,240 ordinary shares in entities ranging from 1,000 to 1,000,000,000 ordinary shares and representing 30.75% of the total number of ordinary shares in issue of CITIC Limited.

Report of the Directors

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 year ended 31 December 2025.

Sufficiency of Public Float

As at the date of this report, based on the information that is publicly available to CITIC Limited and within the knowledge of the directors, CITIC Limited was throughout the year ended 31 December 2025 in compliance with the minimum public float requirement under the Listing Rules by maintaining its public float at the level of at least 25 per cent of its total issued shares.

Corporate Governance

CITIC Limited's corporate governance principles and practices are set out in the Corporate Governance Report on pages 80 to 118.

Auditor

After CITIC Limited changed its auditor to KPMG in 2023, KPMG provides audit services to CITIC Limited for three consecutive years.

The Group's consolidated financial statements for the year have been audited by Messrs. KPMG, Certified Public Accountants, who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. KPMG as auditor of CITIC Limited is to be proposed at the 2026 AGM.

By Order of the Board,

Xi Guohua

Chairman

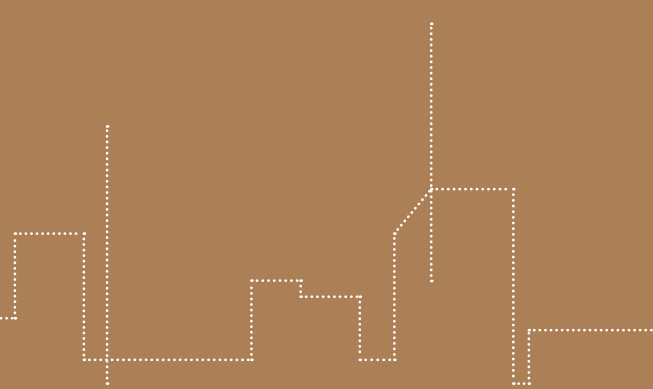
Hong Kong, 27 March 2026

Past Performance and Forward Looking Statements

Performance and results of the operations of CITIC Limited for previous years described within this annual report are historical in nature. Past performance is no guarantee of the future results of CITIC Limited. This Annual Report may contain forward looking statements and opinions, and therefore risks and uncertainties are involved. Actual results may differ materially from expectations discussed in such forward looking statements and opinions. None of CITIC Limited, the Directors, employees or agents assumes (a) any obligation to correct or update any forward looking statements or opinions contained in this annual report; and (b) any liability arising from any forward looking statements or opinions that do not materialise or prove to be incorrect.

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Consolidated Income Statement

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

		For the year ended 31 December	
	Note	2025	2024 (Restated)
Interest income		305,312	329,864
Interest expenses		(158,379)	(181,491)
Net interest income	5 (a)	146,933	148,373
Fee and commission income		87,130	72,979
Fee and commission expenses		(17,527)	(13,947)
Net fee and commission income	5 (b)	69,603	59,032
Sales of goods and services	5 (c)	478,412	473,456
Other revenue	5 (d)	74,316	66,339
		552,728	539,795
Total revenue		769,264	747,200
Cost of sales and services	6	(430,028)	(424,950)
Other net income	7	8,777	12,618
Expected credit losses	8	(63,258)	(59,383)
Impairment losses	9	(4,169)	(1,895)
Other operating expenses	11	(137,406)	(136,292)
Net valuation loss on investment properties		(127)	(165)
Share of profits of associates, net of tax		6,861	4,138
Share of profits of joint ventures, net of tax		3,659	2,492
Profit before net finance charges and taxation		153,573	143,763
Finance income		1,989	2,235
Finance costs		(10,954)	(13,341)
Net finance charges	10	(8,965)	(11,106)
Profit before taxation	11	144,608	132,657
Income tax	12	(28,795)	(24,902)
Profit for the year		115,813	107,755
Attributable to:			
– Ordinary shareholders of the Company		58,730	58,202
– Non-controlling interests		57,083	49,553
Profit for the year		115,813	107,755
Earnings per share for profit attributable to ordinary shareholders of the Company during the year:			
Basic earnings per share (RMB)	16	2.02	2.00
Diluted earnings per share (RMB)	16	2.01	1.97

The notes on pages 150 to 299 form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	For the year ended 31 December	
		2025	2024
Profit for the year		115,813	107,755
Other comprehensive income for the year	17		
Items that may be reclassified subsequently to profit or loss:			
Fair value changes on debt instruments at fair value through other comprehensive income		(11,770)	11,133
Change of loss allowance on debt investments at fair value through other comprehensive income		250	76
Cash flow hedge: net movement in the hedging reserve		(49)	(137)
Share of other comprehensive loss of associates and joint ventures		(1,728)	(2,572)
Exchange differences on translation of financial statements and others		(4,777)	1,565
Items that will not be reclassified subsequently to profit or loss:			
Revaluation gain on owner-occupied property reclassified as investment property		61	101
Fair value changes on equity instruments designated at fair value through other comprehensive income		(339)	123
Share of other comprehensive income of associates and joint ventures		108	59
Other comprehensive income for the year		(18,244)	10,348
Total comprehensive income for the year		97,569	118,103
Attributable to:			
– Ordinary shareholders of the Company		46,647	64,628
– Non-controlling interests		50,922	53,475
Total comprehensive income for the year		97,569	118,103

The notes on pages 150 to 299 form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	31 December 2025	31 December 2024
Assets			
Cash and deposits	19	648,888	608,487
Cash held on behalf of customers	20	433,832	315,761
Placements with banks and non-bank financial institutions	21	446,098	404,801
Derivative financial instruments	22	80,365	135,218
Trade and other receivables	23	319,977	266,387
Contract assets	24	21,640	22,414
Inventories	25	118,689	123,637
Financial assets held under resale agreements	26	223,686	179,829
Loans and advances to customers and other parties	27	5,748,227	5,601,071
Margin accounts	28	207,652	138,332
Investments in financial assets	29	3,937,426	3,538,851
– Financial assets at amortised cost		1,301,701	1,108,159
– Financial assets at fair value through profit or loss		1,510,835	1,401,113
– Debt investments at fair value through other comprehensive income		984,667	926,931
– Equity investments at fair value through other comprehensive income		140,223	102,648
Refundable deposits	30	102,372	68,215
Interests in associates	32	114,345	107,733
Interests in joint ventures	33	69,038	66,955
Fixed assets	34	245,418	218,052
Investment properties	34	40,192	40,691
Right-of-use assets		47,129	49,285
Intangible assets	35	22,995	22,640
Goodwill	35	26,414	26,744
Deferred tax assets	36	87,039	84,972
Other assets		79,718	55,350
Total assets		13,021,140	12,075,425

Consolidated Statement of Financial Position (Continued)

As at 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

	Note	31 December 2025	31 December 2024
Liabilities			
Borrowings from central banks		204,025	124,151
Deposits from banks and non-bank financial institutions	37	883,276	935,159
Placements from banks and non-bank financial institutions	38	203,799	145,644
Financial liabilities at fair value through profit or loss	39	173,016	127,140
Customer brokerage deposits	40	517,630	361,926
Funds payable to securities issuers		–	1,063
Derivative financial instruments	22	111,762	134,331
Trade and other payables	41	477,818	385,896
Contract liabilities	24	20,685	21,099
Financial assets sold under repurchase agreements	42	885,709	672,087
Deposits from customers	43	6,117,527	5,847,939
Employee benefits payables		59,875	57,386
Income tax payable	36	11,691	12,376
Bank and other loans	44	246,167	245,566
Debt instruments issued	45	1,526,070	1,497,138
Lease liabilities		18,454	19,049
Provisions	46	15,532	13,801
Deferred tax liabilities	36	17,331	17,731
Other liabilities		34,112	32,929
Total liabilities		11,524,479	10,652,411
Equity			
Share capital	47	307,576	307,576
Reserves		474,773	449,911
Total ordinary shareholders' funds		782,349	757,487
Non-controlling interests		714,312	665,527
Total equity		1,496,661	1,423,014
Total liabilities and equity		13,021,140	12,075,425

Approved and authorised for issue by the board of directors on 27 March 2026.

Director: Xi Guohua

Director: Zhang Wenwu

The notes on pages 150 to 299 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(Expressed in millions of Renminbi, unless otherwise stated)

		Share capital	Capital reserve	Hedging reserve	Investment related reserves	General reserve	Exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Note	Note 47 (a)	Note 47 (b)(i)	Note 47 (b)(ii)	Note 47 (b)(iii)	Note 47 (b)(iv)	Note 47 (b)(v)				
Balance at 1 January 2025		307,576	(37,442)	2,441	(3,271)	64,827	9,176	414,180	757,487	665,527	1,423,014
Profit for the year		-	-	-	-	-	-	58,730	58,730	57,083	115,813
Other comprehensive loss for the year	17	-	-	(81)	(9,722)	-	(2,280)	-	(12,083)	(6,161)	(18,244)
Total comprehensive income for the year		-	-	(81)	(9,722)	-	(2,280)	58,730	46,647	50,922	97,569
Transactions with non-controlling interests		-	418	-	-	-	-	-	418	(777)	(359)
Appropriation to general reserve		-	-	-	-	6,828	-	(6,828)	-	-	-
Dividends paid to ordinary shareholders of the Company	15	-	-	-	-	-	-	(16,291)	(16,291)	-	(16,291)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	(21,707)	(21,707)
Conversion of a subsidiary's convertible corporate bonds		-	(5,892)	-	-	-	-	-	(5,892)	12,811	6,919
Other equity instruments issued by subsidiaries	53 (c)	-	(3)	-	-	-	-	-	(3)	7,488	7,485
Disposal of equity investments at fair value through other comprehensive income		-	-	-	987	-	-	(987)	-	-	-
Share of other comprehensive income of associates and joint ventures that will not be reclassified subsequently to profit or loss		-	-	-	30	-	-	(30)	-	-	-
Others		-	(17)	-	-	-	-	-	(17)	48	31
Other changes in equity		-	(5,494)	-	1,017	6,828	-	(24,136)	(21,785)	(2,137)	(23,922)
Balance at 31 December 2025		307,576	(42,936)	2,360	(11,976)	71,655	6,896	448,774	782,349	714,312	1,496,661

Consolidated Statement of Changes in Equity (Continued)

For the year ended 31 December 2025

(Expressed in millions of Renminbi, unless otherwise stated)

		Capital reserve	Hedging reserve	Investment related reserves	General reserve	Exchange reserve	Retained earnings	Total	Non- controlling interests	Total equity	
	Note	Note 47 (b)(i)	Note 47 (b)(ii)	Note 47 (b)(iii)	Note 47 (b)(iv)	Note 47 (b)(v)					
Balance at 1 January 2024		307,576	(42,395)	2,539	(8,232)	59,556	7,842	376,292	703,178	633,604	1,336,782
Profit for the year		-	-	-	-	-	-	58,202	58,202	49,553	107,755
Other comprehensive (loss)/income for the year	17	-	-	(98)	5,190	-	1,334	-	6,426	3,922	10,348
Total comprehensive income for the year		-	-	(98)	5,190	-	1,334	58,202	64,628	53,475	118,103
Transactions with non-controlling interests		-	1,274	-	-	-	-	-	1,274	(289)	985
Appropriation to general reserve		-	-	-	-	5,271	-	(5,271)	-	-	-
Dividends paid to ordinary shareholders of the Company	15	-	-	-	-	-	-	(15,272)	(15,272)	-	(15,272)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	(27,522)	(27,522)
Conversion of a subsidiary's convertible corporate bonds		-	3,694	-	-	-	-	-	3,694	2,518	6,212
Other equity instruments issued by subsidiaries	53 (c)	-	-	-	-	-	-	-	-	44,000	44,000
Other equity instruments redeemed by subsidiaries	53 (c)	-	-	-	-	-	-	-	-	(39,993)	(39,993)
Disposal of equity investments at fair value through other comprehensive income		-	-	-	181	-	-	(181)	-	-	-
Share of other comprehensive income of associates and joint ventures that will not be reclassified subsequently to profit or loss		-	-	-	(410)	-	-	410	-	-	-
Others		-	(15)	-	-	-	-	-	(15)	(266)	(281)
Other changes in equity		-	4,953	-	(229)	5,271	-	(20,314)	(10,319)	(21,552)	(31,871)
Balance at 31 December 2024		307,576	(37,442)	2,441	(3,271)	64,827	9,176	414,180	757,487	665,527	1,423,014

The notes on pages 150 to 299 form part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2025

(Expressed in millions of Renminbi, unless otherwise stated)

	Note	For the year ended 31 December	
		2025	2024 (Restated)
Cash flows from operating activities			
Profit before taxation		144,608	132,657
Adjustments for:			
– Depreciation and amortisation	11(b)	26,718	27,560
– Expected credit losses	8	63,258	59,383
– Impairment losses	9	4,169	1,895
– Net valuation loss on investment properties		127	165
– Net valuation (profit)/loss on investments		(1,632)	532
– Share of profits of associates and joint ventures, net of tax		(10,520)	(6,630)
– Interest expenses on debt instruments issued	5(a)	31,403	33,256
– Finance income		(157)	(291)
– Finance costs		10,954	12,902
– Net gain on investments in financial assets		(32,264)	(30,329)
– Net gain on disposal/deemed disposal of subsidiaries, associates and joint ventures	7	(68)	(3,793)
Changes in working capital		236,596	227,307
Decrease in deposits with central banks and non-bank financial institutions		35,666	37,317
Increase in placements with banks and non-bank financial institutions		(70,157)	(124,278)
Increase in trade and other receivables		(77,633)	(57,003)
Decrease in contract assets		2,672	1,897
Decrease in inventories		4,767	9,423
Increase in financial assets held under resale agreements		(41,837)	(15,187)
Increase in loans and advances to customers and other parties		(180,309)	(262,820)
(Increase)/decrease in investments in financial assets held for trading purposes		(49,836)	2,391
Increase in cash held on behalf of customers		(118,071)	(76,742)
Increase in other operating assets		(72,778)	(75,948)
(Decrease)/increase in deposits from banks and non-bank financial institutions		(50,287)	38,267
Increase/(decrease) in placements from banks and non-bank financial institutions		52,681	(9,228)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(359)	93
Increase/(decrease) in trade and other payables		89,437	(12,683)
Decrease in contract liabilities		(414)	(10,383)
Increase/(decrease) in financial assets sold under repurchase agreements		219,098	(68,851)
Increase in deposits from customers		301,023	355,643
Increase/(decrease) in borrowings from central banks		79,975	(148,593)
Increase in customer brokerage deposits		155,740	78,428
(Decrease)/increase in other operating liabilities		(56,357)	69,220
Increase in employee benefits payables		2,489	453
Increase/(decrease) in provisions		1,181	(2,329)
Cash generated from/(used in) operating activities		463,287	(43,606)
Income tax paid		(32,738)	(22,113)
Net cash generated from/(used in) operating activities		430,549	(65,719)

Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2025

(Expressed in millions of Renminbi, unless otherwise stated)

	Note	For the year ended 31 December	
		2025	2024 (Restated)
Cash flows from investing activities			
Proceeds from disposal and redemption of financial investments		6,384,117	3,862,555
Proceeds from disposal of fixed assets, intangible assets and other assets		1,630	1,568
Net cash received from disposal of subsidiaries		1,434	–
Proceeds from disposal of associates and joint ventures		758	6,417
Dividends received from equity investments, associates and joint ventures		7,182	5,598
Net payments for purchase of financial investments		(6,668,260)	(3,952,815)
Payments for additions of fixed assets, intangible assets and other assets		(55,038)	(28,647)
Net cash paid for acquisition of subsidiaries		(29)	–
Cash outflow on acquisition of associates and joint ventures		(1,750)	(851)
Net cash used in investing activities		(329,956)	(106,175)
Cash flows from financing activities			
Capital injection received from non-controlling interests		370	3,156
Transaction with non-controlling interests		–	(2,125)
Proceeds from bank and other loans		410,127	309,605
Proceeds from debt instruments issued		1,961,893	1,805,627
Repayments of bank and other loans and debt instruments issued		(2,334,396)	(1,831,324)
Issuance of other equity instruments by subsidiaries	53(c)	7,500	44,000
Principal and interest elements of lease payments		(5,644)	(6,087)
Interest paid on bank and other loans and debt instruments issued		(44,434)	(49,169)
Dividends paid to non-controlling interests		(20,250)	(24,596)
Dividends paid to ordinary shareholders of the Company	15	(16,291)	(15,272)
Repayment of perpetual bonds	53(c)	–	(39,993)
Net cash (used in)/generated from financing activities		(41,125)	193,822
Net increase in cash and cash equivalents		59,468	21,928
Cash and cash equivalents at 1 January		385,399	359,383
Effect of exchange changes		(7,310)	4,088
Cash and cash equivalents at 31 December	53(a)	437,557	385,399

The notes on pages 150 to 299 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

1 General information

CITIC Limited (the “Company”) was incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The address of its registered office is 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central Hong Kong.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption, new-type urbanisation, etc.

The parent and the ultimate holding company of the Company is CITIC Group Corporation (“CITIC Group”). As at 31 December 2025, the equity interests held by CITIC Group in the Company through its overseas wholly-owned subsidiaries was 53.12% (31 December 2024: 53.12%).

2 Material accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new or amended HKFRS Accounting Standards. The Group has adopted those new or amended HKFRS Accounting Standards issued by the HKICPA that are first effective for the year ended 31 December 2025 (see Note 2 (b)(i)).

(b) Changes in material accounting policies

(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 the annual financial statements for the current accounting period.

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

2 Material accounting policies (Continued)

(b) Changes in material accounting policies (Continued)

- (ii) Considering the practical guidance issued by the relevant regulatory authority, 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 revenue and cost of sales when the customer obtained the control of the commodity. Effective on 1 January 2025, such transactions are accounted for as settlement of the sales contracts without recognising any sales revenue or cost of sales. 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 year or total assets of comparative period.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(c) Functional currency and presentation currency

The functional currency of the Company is HK\$. The functional currencies of subsidiaries are determined in accordance with the primary economic environment in which they operate, and are translated into RMB for the preparation of the consolidated financial statements (see Note 2 (i)). The financial statements of the Group are presented in RMB and, unless otherwise stated, expressed in millions of RMB.

(d) Basis of measurement

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair values as explained in the accounting policies set out below:

- investment properties (see Note 2 (n));
- financial assets and liabilities at fair value through profit or loss (see Note 2 (j));
- financial assets at fair value through other comprehensive income (see Note 2 (j)); and
- fair value hedged items (see Note 2 (k)(i)).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(e) Use of estimates and judgement

The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in Note 3.

(f) Subsidiaries and non-controlling interests

(i) Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total face value of shares issued) is adjusted against the capital reserve. Any cost directly attributable to the combination is recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

(ii) Business combinations not involving entities under common control

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. Where (1) the aggregate of the acquisition date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (2) the acquirer's interest in the acquisition date fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill. If (1) is less than (2), the difference is recognised in profit or loss for the current period. The costs of equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed when incurred. Any difference between the fair value and the carrying amount of the assets or liabilities transferred as consideration is recognised in profit or loss. The acquiree's identifiable assets, liabilities and contingent liabilities, if the recognition criteria are met, are recognised by the Group at their acquisition date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

2 Material accounting policies (Continued)

(f) Subsidiaries and non-controlling interests (Continued)

(ii) Business combinations not involving entities under common control (Continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRSs.

For a business combination not involving entities under common control and achieved in stages, the Group remeasures its previously-held equity interest in the acquiree to its fair value at the acquisition date. The difference between the fair value and the carrying amount is recognised in profit or loss for the current period; the amount recognised in other comprehensive income relating to the previously-held equity interest in the acquiree are transferred to profit or loss in the period in which the acquisition occurs.

(iii) Consolidated financial statements

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries which includes structured entities controlled by the Group.

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

When assessing whether the Group has power, only substantive rights are considered including the substantive rights held by the Group and other parties.

An investment in a subsidiary is consolidated into the consolidated financial statements of the Group from the date that control commences until the date that control ceases.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements as if the combination had occurred at the date the ultimate controlling party first obtained control. Therefore, the opening balances and the comparative figures of the consolidated financial statements are restated. In the preparation of the consolidated financial statements, the subsidiary's assets, liabilities and results of operations are included in the consolidated statement of financial position and the consolidated statement of comprehensive income, respectively, based on their carrying amounts, from the date that common control was established.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities not under common control, the identifiable assets, liabilities and results of operations of the subsidiaries are consolidated into the consolidated financial statements from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(f) Subsidiaries and non-controlling interests (Continued)

(iii) Consolidated financial statements (Continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the ordinary shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the ordinary shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Note 2 (j).

When the amount of loss for the current period attributable to the non-controlling interest of a subsidiary exceeds the non-controlling interest's portion of the opening balance of shareholders' equity of the subsidiary, the excess is allocated against the non-controlling interests.

When the accounting period or accounting policies of a subsidiary are different from those of the Group, the Group makes necessary adjustments to the financial statements of the subsidiary based on the Group's own accounting period or accounting policies. Intra-group transactions, balances and cash flows, and any unrealised profit or loss arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are recognised fully in profit or loss when evidence of impairment of assets being provided.

If there is a difference between the accounting entity of the Group and the accounting entity of the Company or a subsidiary on measuring the same transaction, the transaction will be adjusted from the perspective of the Group.

Where the Group acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the share of identifiable net assets of the subsidiary calculated using the additional share or the disposed share and the amount of the consideration paid or received is adjusted to the reserve (capital reserve) in the consolidated statement of financial position.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss, and the Group derecognises assets, liabilities, non-controlling interests and other related items in shareholders' equity in relation to that subsidiary. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2 (j)) or, when appropriate, the cost on initial recognition of an investment in an associate or a joint venture (see Note 2 (g)).

(iv) Investment in subsidiaries

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2 (u)).

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2 Material accounting policies (Continued)

(g) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to its net assets and obligations for its liabilities.

In the consolidated financial statements, an interest in an associate or a joint venture is accounted for using the equity method. They are initially recognised at cost, which includes transaction costs, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2 (u)). Any acquisition-date excess of the Group's share of the fair value of the investee's identifiable net assets over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in profit or loss, whereas the Group's share of the post-acquisition, net share of the investees' other comprehensive income is recognised in other comprehensive income of the Group. The Group's interest in associate or joint venture is included in the consolidated financial statements from the date that significant influence or joint control commences until the date that significant influence or joint control ends.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates and joint ventures. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss. If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the cost on initial recognition of a financial asset (see Note 2 (j)).

In the Company's statement of financial position, an investment in an associate or joint venture is stated at cost less impairment losses (see Note 2 (u)).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(h) Goodwill

Goodwill represents the excess of the consideration transferred, including the amount of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and the equity securities issued by the acquirer at the date of acquisition, over the fair value of the Group's share of the identifiable net assets acquired, when the excess is positive, otherwise it's recognised directly in profit or loss.

Impairment losses on goodwill cannot be reversed in the future.

(i) Translation of foreign currencies

Foreign currency transactions of the Group are, on initial recognition, translated by applying the foreign exchange rates ruling at the transaction dates. Monetary items denominated in foreign currencies are translated at the foreign exchange rates ruling at the reporting date, the resulting exchange differences are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the transaction dates. Non-monetary items that are measured at fair value in a foreign currency are translated using the foreign exchange rates ruling at the dates the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

The financial statements of the Group's subsidiaries with a foreign functional currency are translated into RMB for the preparation of the Group's consolidated financial statements. The assets and liabilities in these financial statements are translated into RMB at the foreign exchange rates ruling at the reporting date. The equity items, except for "retained earnings", are translated to RMB at the foreign exchange rates at the dates on which such items arose.

Income and expenses in the profit or loss are translated into RMB at the foreign exchange rates at the transaction dates or the rates approximate to. The resulting exchange differences are presented as "Reserves" (exchange reserve) in the consolidated statement of financial position within the shareholder's equity. The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency are reported in the statement of cash flows.

Upon disposal of a foreign operation, the cumulative amount of the translation differences recognised in shareholders' equity which relates to that foreign operation is transferred to profit or loss in the period in which the disposal occurs.

2 Material accounting policies (Continued)

(j) Financial instruments

Financial instruments refer to a contract that forms one party's financial assets and another party's liabilities or equities. Financial assets and financial liabilities are recognised when the Group becomes a party of the financial instrument contracts.

(i) Financial assets

(1) Classification and Measurement

The Group classifies its financial assets into the following categories based on their business model and the contractual cash flow characteristics:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income ("FVOCI");
- Financial assets at fair value through profit or loss ("FVPL").

At initial recognition, the Group measures a financial asset at its fair value. For financial assets that are at FVPL, the transaction costs are expensed in profit or loss; for financial assets with other categories, the transaction costs are recognised in the initial carrying amounts. For trade and other receivables arising from rendering of goods or services with no significant financing component, the Group measures their initial carrying amount as the cash flows that the Group is entitled and expected to receive.

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, and are measured at the following three categories:

- Amortised cost:

The business model the Group manages these financial assets is to collect the contractual cash flows where those cash flows' characteristics are consistent with those of the basic loans arrangement, i. e., the contractual cash flows of these financial assets at certain date represent solely payments of principal and interest based on the principal amount ("SPPI"), and that are not designated at FVPL. Interest income from these financial assets is recognised using the effective interest rate method.

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For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

(1) Classification and Measurement (Continued)

Debt instruments (Continued)

– FVOCI:

The business model the Group manages these financial assets is to collect contractual cash flows and to sell the assets, and those cash flows' characteristics are consistent with those of the basic loans arrangements, i. e., the contractual cash flows of these financial assets at certain date represent solely payments of principal and interest based on the principal amount, and that are not designated at FVPL. Movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains or losses, foreign exchange gains and losses and interest income on the instrument's amortised cost which are recognised in profit or loss.

– FVPL:

Assets that do not meet the criteria for amortised cost or FVOCI are at FVPL. The Group may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different basis.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting the liabilities. A financial instrument is an equity instrument if, and only if, both conditions (i) and (ii) below are met: (i) The financial instrument includes no contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; (ii) If the financial instrument will or may be settled in the Group's own equity instruments, it is a non-derivative instrument that includes no contractual obligations for the Group to deliver a variable number of its own equity instruments; or a derivative that will be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

The Group subsequently measures all equity investments at FVPL, except where the Group has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. When this election is made, fair value gains and losses are recognised in other comprehensive income ("OCI") and are not subsequently reclassified to profit or loss, including on disposal. Dividends, when representing a return on such investments, are recognised in profit or loss when the Group's right to receive payments is established.

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

(2) Impairment

The Group assesses on a forward-looking basis the expected credit losses (“ECL”) associated with its financial assets at amortised cost, debt instrument at FVOCI, lease receivables and contract assets, loan commitments and financial guarantee contracts for the issuer which are not measured at fair value through profit or loss.

When calculating the probability-weighted present value of the difference between the contractual and forecasted cash flows to be received, the Group takes reasonable and supportable information such as the past events, current conditions and forecasts of future economic conditions into consideration and uses probabilities of default as the weightings. The difference is recognised as the ECL.

At each financial position date, the Group calculates the ECL of financial instruments in different stages. Stage 1 refers to financial instruments that have not had a significant increase in credit risk since initial recognition; Stage 2 refers to financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment; Stage 3 refers to financial assets for which there are objective evidence of impairment at the reporting date since initial recognition. For these assets at Stage 1, 12-month ECL are recognised and for assets at stage 2 and 3, life-time ECL are recognised. For financial assets with low credit risks as at the financial position date, the Group recognises 12-month ECL based on the assumption that the credit risks have not significantly increased after initial recognition.

For financial assets in stage 1 and stage 2, interest income is calculated based on the gross carrying amount of the asset, that is, without deduction for credit loss, and the effective interest rates. For financial assets in stage 3, interest income is calculated on the net carry amount, that is, net of credit loss, and the effective interest rates.

The Group recognises the provision and reversal of ECL in profit or loss. For debt instrument at FVOCI, the Group makes relevant adjustments to other comprehensive income at the same time as recognising ECL in profit and loss.

For account and bills receivables and contract assets, whether there is significant financing component or not, the Group recognises life-time ECL.

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For the year ended 31 December 2025
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2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

(3) Derecognition

The Group derecognises a financial asset if one of the following conditions is met:

- The contractual rights to receive the cash flows from the financial asset expire;
- The financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of such financial asset;
- The financial asset has been transferred, the Group has not retained any control over the financial asset, even if the Group neither transfers nor retains substantially all the risks and rewards of ownerships of the financial asset.

For the Group's equity instruments not held for trading purposes and designated at FVOCI, when they are derecognised, the difference between the carrying amount and the consideration is recognised in retained earnings, also, the cumulative gains or losses previously recognised in other comprehensive income are recycled to the retained earnings; for other financial assets measured at FVOCI, the difference between the carrying amount and the consideration is recognised in profit and loss, also, the cumulative gains or losses previously recognised in other comprehensive income are recycled to profit and loss.

As part of its operations, the Group securitises financial assets, generally through the sale of these assets to structured entities which issue securities to investors. When the securitisation of financial assets qualifies for de-recognition, the relevant financial assets are de-recognised in their entirety and a new financial asset or liabilities is recognised regarding the interest in the unconsolidated securitisation vehicles that the Group acquired. When the securitisation of financial assets does not qualify for de-recognition, the relevant financial assets are not derecognised, and the consideration paid by third parties are recorded as financial liabilities. When the securitisation of financial assets partially qualifies for de-recognition, where the Group has not retained control, it derecognises these financial assets. Otherwise, the Group continues to recognise these financial assets to the extent of its continuing involvement and recognises associated liabilities.

The de-recognition of financial assets sold on condition of repurchase is determined by the economic substance of the transaction. If a financial asset is sold under an agreement to repurchase the same or substantially the same asset at a fixed price or at the sale price plus a reasonable return, the Group will not derecognise the asset. If a financial asset is sold together with an option to repurchase the financial asset at its fair value at the time of repurchase (in case of transferor sells such financial asset), the Group will derecognise the financial assets.

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(i) Financial assets (Continued)

(4) Modification

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different from the original terms. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay
- Whether any substantial new term is introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan
- Significant extension of the loan term when the borrower is not in financial difficulty
- Significant change in the interest rate
- Change in the currency the loan is denominated in
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan

If the terms are substantially different, the Group derecognises the original financial asset and recognises a new asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial assets and recognises the gain or loss on changes in profit or loss. The Group recognises a modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

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For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(ii) Financial liabilities

The financial liabilities are classified into those measured at amortised cost and those at fair value through profit or loss at initial recognition. Financial liabilities at FVPL is applied to derivatives, financial liabilities held for trading and financial liabilities designated as such at initial recognition.

The Group's major financial liabilities are those measured at amortised cost which are measured initially at fair value less transaction costs and are measured subsequently using the effective interest method.

Financial liabilities or a portion thereof, are derecognised when their current obligation are fully or partially expired. The difference between the carrying amount of the derecognised portion and the consideration is recognised in profit or loss.

(iii) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 *Financial Instruments* ("HKFRS 9") with Note 3 (b); and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 *Revenue from Contracts with Customers* ("HKFRS 15") (if applicable).

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates and joint ventures are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(iv) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i. e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

If there is no publicly available latest traded price nor a quoted market price on a recognised stock exchange or a price from a broker/dealer for non-exchange-traded financial instruments, or if the market for it is not active, the fair value of the instrument is estimated using valuation techniques that provide a reliable estimate of prices which could be obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is based on the relevant government yield curve as at the financial position date plus an adequate constant credit spread. Where other pricing models are used, inputs are based on market data at the financial position date.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(vi) Derivatives

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Certain derivatives are embedded in hybrid contracts, such as the conversion option in a convertible bond. If the hybrid contract contains a host that is a financial asset, then the Group assesses the entire contract as described in the financial assets section above for classification and measurement purposes. Otherwise, the embedded derivatives are treated as separate derivatives when:

- Their economic characteristics and risks are not closely related to those of the host contract;
- A separate instrument with the same terms would meet the definition of a derivative; and
- The hybrid contract is not measured at fair value through profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(j) Financial instruments (Continued)

(vi) Derivatives (Continued)

These embedded derivatives are separately accounted for at fair value, with changes in fair value recognised in the statement of profit or loss unless the Group chooses to designate the hybrid contracts at fair value through profit or loss.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged.

(k) Hedging

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items as well as risk management goals and strategies of various hedging transactions. When a hedge no longer meets the criteria for hedge accounting or the Group's risk management goals, the Group terminates the use of hedge accounting prospectively. Situations for the Group to terminate the use of hedge accounting include hedging instrument expires, or is sold, terminated and settled.

(i) Fair value hedge

A fair value hedge refers to a hedge of the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or a component of any such item. Such changes in fair value are attributable to a particular risk and could affect profit or loss or other comprehensive income. Among them, the circumstances affecting other comprehensive income are limited to the hedge of the exposure to changes in the fair value of equity instruments designated at FVOCI not held for trading.

The gain or loss on the hedging instrument is recognised in profit or loss (or other comprehensive income, if the hedging instrument hedges a non-trading equity instrument at FVOCI or a component thereof). The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the recognised hedged item not measured at fair value and is recognised in profit or loss. However, if the hedged item is a non-trading equity instrument at FVOCI or a component thereof, those amounts remain in other comprehensive income.

2 Material accounting policies (Continued)

(k) Hedging (Continued)

(ii) Cash flow hedge

A cash flow hedge refers to a hedge of the exposure to changes in cash flow. Such changes in cash flow are attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss.

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income as cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised in profit or loss.

If a hedged forecast transaction subsequently results in the recognition of a non-financial item or becomes a firm commitment for which fair value hedge accounting is applied, the amount that has been accumulated in the cash flow hedge reserve is removed and included directly in the initial cost or other carrying amount of the asset or the liability. In other cases, the amount that has been accumulated in the cash flow hedge reserve is reclassified to profit or loss in the same period(s) as the hedged cash flows affect profit or loss.

If the cash flow hedge reserve recognised in other comprehensive income is a loss, and all or part of the loss is not expected to be reversed in the future. The portion that is not expected to be reversed will be transferred from other comprehensive income and recognised in profit or loss.

When an entity discontinues the use of hedge accounting for a cash flow hedge, if the hedged future cash flows are still expected to occur, the amount that has been accumulated in the cash flow hedge reserve remains there until the period that the hedged item has the impact in profit or loss; otherwise, that amount is immediately reclassified to profit or loss.

(iii) Hedge of a net investment in a foreign operation

A hedge of net investment in a foreign operation refers to hedge of the foreign exchange exposure arising from net investment in a foreign operation. The “net investment in a foreign operation” refers to an enterprise’s equity proportion in the net assets in a foreign operation.

Hedge of a net investment in a foreign operation is accounted for similarly to cash flow hedges. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income; and the ineffective portion is recognised in profit or loss. The cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge is reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

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For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

2 Material accounting policies (Continued)

(k) Hedging (Continued)

(iv) Hedge effectiveness testing

In order to qualify for hedge accounting, the Group continuously evaluate whether the hedging relationship is effective from the hedge date and after.

The hedge relationship meets hedging effectiveness requirements if the hedging meets the following conditions:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is equal to the ratio between the actual number of hedged items and the actual number of hedging instruments.

(l) Financial assets held/sold under resale/repurchase agreements

Financial assets held under resale agreements are transactions that the Group acquires financial assets which will be resold at a predetermined price in the future date under resale agreements. Financial assets sold under repurchase agreements are transactions that the Group sells financial assets which will be repurchased at a predetermined price in the future date under repurchase agreements.

The cash advanced or received is recognised as amounts held under the resale and repurchase agreements in the statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognised in the statement of financial position.

The difference between the resale and repurchase consideration, and that between the purchase and sale consideration, are amortised over the period of the respective transaction using the effective interest method and are included in interest income and interest expense respectively.

(m) Margin financing and securities lending services

Margin financing and securities lending services refer to the lending of funds by the Group to customers for purchase of securities, or lending of securities by the Group to customers, for which the customers provide the Group with collateral.

The Group recognises margin accounts at initial recognition, and recognises interest income accordingly. Securities lent are not derecognised, but still accounted for as the original financial assets, and interest income is recognised accordingly.

Securities trading on behalf of margin financing or securities lending customers are accounted for as securities brokerage business.

For impairment of financial assets arising from margin financing and securities lending, refer to Note 2 (j).

2 Material accounting policies (Continued)

(n) Investment properties

Investment properties are interests in land and/or buildings which are held to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost. Land held under operating leases is classified and accounted for as investment property when the rest of the definition of investment property is met.

Subsequent expenditures related to investment properties are recognised in the cost of investment properties provided it is probable that the economic benefits will flow to the Group and the costs can be measured reliably; otherwise, subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

Investment properties transfer to property, plant and equipment or intangible assets at the commencement of owner-occupation. The carrying amount of property, plant and equipment and intangible assets are based on the fair value of investment properties on the day of conversion. The difference between the fair value and the previous carrying amount is recognised in profit or loss for the current period. When owner-occupied properties transfer to investment properties that will be carried at fair value, if the fair value at the date of conversion is less than the previous carrying amount, the difference is recognised in profit or loss for the current period; if the fair value at the date of conversion is greater than the previous carrying amount, the difference is recognised directly in equity, unless there was an impairment loss recognised for the same property in prior years and a portion of the increase is recognised in profit or loss to the extent of that impairment loss.

Investment properties are stated in the statement of financial position at fair values which are reviewed annually. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss.

(o) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses (Note 2 (u)).

Assets in the course of construction for production, rental or administrative purposes are carried at cost, less any impairment losses. Cost includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of overheads and borrowing costs capitalised (see Note 2 (cc)).

Construction-in-progress represents property, plant and equipment under construction and is transferred to fixed assets when ready for its intended use.

No depreciation is made on construction-in-progress until it is ready for its intended use. Depreciation policies are set out below.

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2 Material accounting policies (Continued)

(o) Property, plant and equipment (Continued)

Property, plant and equipment are depreciated at rates sufficient to write off their cost, less impairment losses, if any, to their estimated residual values, over their estimated useful lives on a straight line basis as follows:

– Plant and buildings	4 – 50 years
– Machinery and equipment	2 – 33 years
– Aircraft and vessels, etc	20 – 30 years
– Office and other equipment, vehicles and others	2 – 33 years

Assets' useful lives and residual values are reviewed, and adjusted if appropriate, at each financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

(p) Land use rights

Land use rights are presented under right-of-use ("ROU") assets.

Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses (if any). Land use rights are amortised on a straight-line basis over the respective periods of grant, usually within 10 to 50 years.

Impairment losses on land use rights are accounted for in accordance with the accounting policies as set out in Note 2 (u).

(q) Intangible assets (other than goodwill)

Intangible assets acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and if any, impairment losses (see Note 2 (u)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss over the assets' estimated useful lives. The following intangible assets are amortised from the date they are available for use as follows:

– Mining assets	Over the estimated useful lives using the unit-of-production method
– Franchise rights	Over the estimated useful lives of the Franchise right
– Software and others	Over the estimated useful lives

Both the period and method of amortisation of intangible assets are reviewed annually.

2 Material accounting policies (Continued)

(q) Intangible assets (other than goodwill) (Continued)

An intangible asset with an indefinite useful life shall not be amortised. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(r) Inventories

(i) **Advanced intelligent manufacturing, advanced materials**

Inventories of the advanced intelligent manufacturing and advanced materials segments are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in first-out, specific identification or weighted average cost formula as appropriate, and comprises all costs of purchase, costs of conversion (including systematically allocated production overhead based on normal capacity) and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised in profit or loss in the period in which the reversal occurs.

(ii) **New-type urbanisation**

Inventories in respect of property development activities under the new-type urbanisation segment are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

– **Property under development**

The cost of properties under development, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see Note 2 (cc)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

– **Completed property held for sale**

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

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2 Material accounting policies (Continued)

(s) Leases

Leases are recognised as a ROU asset and a corresponding liability by the lessee at the commencement date.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

(i) Lease liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms and collateral conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing; and
- makes adjustments specific to the lease, e. g. term, country, currency and collateral.

2 Material accounting policies (Continued)

(s) Leases (Continued)

(i) Lease liabilities (Continued)

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and the ROU asset is adjusted accordingly.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) ROU assets

ROU assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. As lessor, the Group recognises finance leases as finance lease receivables, which are measured at amortised cost. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting HKFRS 16.

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2 Material accounting policies (Continued)

(t) Repossessed assets

In the recovery of impaired loans and advances, the Group may take possession of assets held as collateral through court proceedings or voluntary delivery of possession by the borrowers. Where it is intended to achieve an orderly realisation of the impaired assets and the Group is no longer seeking repayment from the borrower, repossessed assets are reported in "other assets".

When the Group seizes assets to compensate for the losses of loans and advances and interest receivables, the repossessed assets are initially recognised at fair value and any taxes that are directly attributable to the assets, and other expenses incurred for collecting the repossessed assets.

When the fair value less costs to sell is lower than a repossessed asset's carrying amount, an impairment loss is recognised in the consolidated income statement. Repossessed assets are recognised at the carrying value, net of allowance for impairment losses.

The repossessed assets are disposed after acquisition and cannot be used without authorisation. The repossessed assets that are transferred to own use are treated as newly purchased property, plant and equipment. Any gain or loss arising from the disposal of the repossessed assets is included in the consolidated income statement in the period in which the item is disposed.

(u) Impairment of non-financial assets

Internal and external sources of information are reviewed at financial position date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- ROU assets;
- investments in subsidiaries, associates and joint ventures;
- goodwill; and
- intangible assets

If any such indication exists, the asset's recoverable amount is estimated.

In addition, for goodwill and intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2 Material accounting policies (Continued)

(u) Impairment of non-financial assets (Continued)

Calculation of recoverable amount

The recoverable amount of an asset is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i. e. a cash-generating unit).

Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

Reversals of impairment losses

If, in a subsequent period, the amount of impairment loss of the non-financial asset except for goodwill decreases and the decrease can be linked objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the profit or loss. A reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior periods.

An impairment loss in respect of goodwill is not reversible.

(v) Employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for termination of employment relationship, which include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits, etc.

(i) Short-term employee benefits

During the accounting period when an employee has rendered service to the Group, the Group recognises the undiscounted amount of short-term employee benefits as a liability and as an expense, unless another HKFRS requires or permits the inclusion of the benefits in the cost of an asset. Short-term employee benefits include wages, bonuses and social security contributions such as medical insurance, work-related injury insurance and maternity insurance, housing provident funds, labour union fee and staff and workers' education fee, which are all calculated based on the regulated benchmark and ratio.

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2 Material accounting policies (Continued)

(v) Employee benefits (Continued)

(ii) Defined contribution retirement schemes

Employees of the Group's subsidiaries in Hong Kong are offered the option to enroll in one of the Mandatory Provident Fund ("MPF") Master Trust Schemes under the CITIC Group MPF Scheme. The MPF Master Trust Schemes are defined contribution schemes and are administered in accordance with the terms and provisions of the respective trust deeds and are subject to the Mandatory Provident Fund Schemes Ordinance.

Employees of the Group's subsidiaries in Chinese mainland are required to participate in defined contribution retirement schemes and make contributions according to the respective regulations. Employees of the Group's subsidiaries in Chinese mainland are also eligible to participate in the enterprise annuity plan established by the Group according to the relevant requirements.

Employees of the Group's overseas subsidiaries are required to make contributions subject to the relevant regulations in the countries/jurisdiction in which the overseas subsidiaries operate.

The contributions are charged to profit and loss for the current period on an accrual basis.

(iii) Defined benefit plan obligations

The defined benefit plans of the Group are supplementary retirement benefits provided to eligible employees in Chinese mainland and Hong Kong.

(iv) Termination benefits

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognised with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination benefits because of an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

2 Material accounting policies (Continued)

(w) Provisions and contingent liabilities

(i) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are measured at the higher of the amount initially recognised, less accumulated amount of income recognised in accordance with the Group's principles of revenue recognition where appropriate, and the amount that would be determined in accordance with Note 2 (w)(ii).

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(x) Revenue recognition

The revenue of the Group mainly consists of income from customers, interest income, fee and commission income, etc.

(i) Income from customers

The Group recognises revenue when it satisfies a performance obligation by transferring a promised good to a customer, which is when the customer obtains control of a good, has the ability to direct the use of, and obtain substantially all of the remaining benefits from that good. If the control of the goods and services is transferred over a period of time, the Group recognises revenue by reference to the extent of progress toward completion in fulfilling its performance obligations during the entire contract period.

For the amounts of revenue recognised for goods transferred and services rendered, the Group recognises any unconditional rights to consideration separately as a receivable and the rest as a contract asset, and recognises provisions for loss allowance of the receivable and the contract asset using ECL model; if the consideration received or receivable exceeds the obligation performed by the Group, a contract liability is recognised. The Group presents a net contract asset or a net contract liability under each contract.

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For the year ended 31 December 2025
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2 Material accounting policies (Continued)

(x) Revenue recognition (Continued)

(i) Income from customers (Continued)

Contract costs include costs to fulfill a contract and of obtaining a contract. The cost incurred for rendering of services by the Group is recognised as the costs to fulfill a contract, and is amortised based on the progress towards completion of the service rendered when recognising revenue. The incremental cost incurred by the Group to obtain contract is recognised as the costs of obtaining a contract. For costs of obtaining a contract that will be amortised within one year, the Group recognises it in profit and loss when incurred. For the costs of obtaining a contract that will be amortised for more than one year period, it is amortised in profit and loss based on same progress towards completion as recognising revenue. The Group recognises the excess of the carrying amounts of contract costs over the expected remaining consideration less any costs not yet recognised as an impairment loss. As at the financial position date, the Group presents the costs to fulfill and of obtaining a contract, in the net amount after deducting relevant asset impairment provisions, as inventories.

Specific accounting policies are as follows:

(a) Sales of goods

Revenue from the sale of goods is recognised when the goods are transferred to and accepted by a customer.

When volume discounts are provided to customers, the Group, based on historical experiences, estimates the volume discounts using the expected value method, and recognises revenue net of the estimated volume discounts.

When the customer has a right to return the product within a given period, the Group recognises provisions for returns using the expected value method based on historical experience, as a deduction of the revenue. The Group recognises provisions for the expected refunds to customers; meanwhile, other assets are recognised according to the carry amount of the goods expected to be returned, deducting the expected cost for taking the related goods back.

The Group offers warranties for specific products. If the duration and terms of the warranties are offered in accordance with the requirements of laws and regulations and the Group does not provide any additional services or warranties, such warranties are not recognised as separate performance obligation.

2 Material accounting policies (Continued)

(x) Revenue recognition (Continued)

(i) Income from customers (Continued)

(b) Services rendered to customers

Revenue for construction services of the Group is recognised over the period of the contract by reference to the progress towards completion. Progress towards completion is calculated based on actual costs incurred as to the end of each period as a proportion to the total forecasted costs of the contract. As at each financial position date, the Group reassesses the progress towards completion to reflect the changes in obligation performed.

Revenue for other services rendered by the Group is recognised based on the pattern of performance obligation of specific services, either over the period in which the services are rendered or at the point of service completion. For revenue recognised over the period by reference to the progress towards completion, progress towards completion is calculated based on actual costs incurred as to the end of each period as a proportion to the total forecasted costs of the contract. As at each financial position date, the Group reassesses the progress towards completion to reflect the changes in obligation performed.

(ii) Interest income

Interest income is recognised according to HKFRS 9, refer to Note 2 (j) for details.

The effective interest method is a method of calculating the amortised cost of financial assets and liabilities and of allocating the interest income and interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, call and similar options, etc.) but does not consider future credit losses. The calculation includes all fees and interests paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(iii) Fee and commission income

Fee and commission income is recognised when the Group fulfills its performance obligation, either over time or at a point in time when a customer obtains control of the service according to HKFRS 15, refer to Note 2 (x)(i)(b). Origination or commitment fees received by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate according to HKFRS 9, refer to Note 2 (j). If the commitment expires without the Group making a loan or anticipating will not, the fee is recognised as revenue on expiry.

Notes to the Consolidated Financial Statements

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2 Material accounting policies (Continued)

(y) Income tax

Income tax for the year comprises current tax and deferred tax.

The balance sheet liability method is adopted whereby deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising on the initial recognition of goodwill;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“Pillar Two model rules”) published by the Organisation for Economic Co-operation and Development.

Provision for withholding tax that will arise on the remittance of retained earnings is only made where there is a current intention to remit such earnings.

Deferred tax assets are recognised to the extent that their future utilisation is probable. Deferred tax arising from revaluation of investment properties is recognised on the rebuttable presumption that the recovery of the carrying amount of the properties would be through sale and calculated at the applicable tax rates.

Current tax assets and liabilities are offset, and deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Material accounting policies (Continued)

(z) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

The Group includes deposit held at call with banks with contractual obligation to use for specified purposes as a component of cash and cash equivalents.

(aa) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) The entity is an associate or joint venture of the Group (or an associate or joint venture of a member of a group of which the Group is a member);
 - (iii) Both the entity and the Group are joint ventures of the same third party;
 - (iv) The entity is a joint venture of a third entity and the Group is an associate of the third entity (the entity is an associate of a third entity and the Group is a joint venture of the third party);
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

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2 Material accounting policies (Continued)

(bb) Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system. An operating segment is a component of the Group that meets the following respective conditions:

- engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the Group's management to make decisions about resource to be allocated to the segment and assess its performance; and
- for which financial information regarding financial position, results of operations and cash flows are available.

Business segments are identified based on the Group's internal management requirements as well as following aspects. Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of:

- the nature of products and services;
- the nature of production processes;
- the type or class of customers;
- the methods used to distribute the products or provide the services; and
- the nature of the regulatory environment.

Inter-segment revenues are measured on the basis of actual transaction price for such transactions for segment reporting, and segment accounting policies are consistent with those for the consolidated financial statements.

(cc) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 Material accounting policies (Continued)

(dd) Disposal groups held for sale and discontinued operations

Disposal groups are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. Disposal groups (except for certain assets as explained below) are stated at the lower of carrying amount and fair value less costs to sell. Deferred tax assets, financial assets (other than investments in subsidiaries and associates) and investment properties, which are classified as held for sale, would continue to be measured in accordance with the policies set out else in Note 2.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount is presented in the income statement comprising the total of: (1) the post-tax profit or loss of the discontinued operation and; (2) the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and associated key assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Classification of financial assets

The critical judgments the Group has in determining the classification of financial assets include analysis of business models and characteristics of contractual cash flows.

The Group determines the business model for managing financial assets at the level of financial asset portfolio. The factors considered include evaluation and reporting of financial asset performance to key management personnel, risks affecting the performance of financial assets and their management methods, and the way related business management personnel receive payments.

When assessing whether the contractual cash flow of financial assets is consistent with the basic lending arrangement, the Group has the following main judgments: whether the principal may be subject to change in the duration or amount of money due to prepayments during the duration; whether interests only include time value of money, credit risk, other basic borrowing risks, and considerations for costs and profits. For example, whether the amount paid in advance reflect only the outstanding principal and interest on the outstanding principal, as well as reasonable compensation for early termination of the contract.

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3 Critical accounting estimates and judgements (Continued)

(b) Measurement of ECL

Measurement of ECL for financial assets at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e. g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 50 (a).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in Note 50 (a).

(c) Provision for inventories

The Group reviews the carrying amounts of inventories at each financial position date to determine whether the inventories are carried at lower of cost and net realisable value. The Group estimates the net realisable value, based on the current market situation and historical experience on similar inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down. The change in the write-down would affect the Group's profit or loss during the year.

(d) Impairment of non-financial assets

As described in Note 2 (u), assets such as fixed assets, intangible assets, goodwill, ROU assets and interests in associates and joint ventures are reviewed at each financial position date to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is recognised.

The recoverable amount of an asset (asset group) is the greater of its fair value less costs to sell and its present value of expected future cash flows. Since a market price of the asset (the asset group) cannot be obtained reliably, the fair value of the asset cannot be estimated reliably. In assessing value in use, significant judgements are exercised over the asset's production, selling price, related operating expenses and discount rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of the production, selling price and related operating expenses based on reasonable and supportable assumptions.

3 Critical accounting estimates and judgements (Continued)

(e) Fair value of financial instruments

For financial instruments without active market, the Group determines fair values using valuation techniques which include discounted cash flow models, as well as other types of valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads, foreign currency exchange rates, etc. Where discounted cash flow techniques are used, estimated cash flows are based on management's best estimates and the discount rate used is a market rate at the end of each reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on observable market data at the end of each reporting period. Where market data are not available, management need to make estimates on such unobservable market inputs based on assumptions. Changes in assumptions about these factors could affect the estimated fair value of financial instruments.

(f) Depreciation

Depreciation of operating assets constitutes a substantial operating cost for the Group. The cost of fixed assets is charged as depreciation expense over the estimated useful life of the respective assets using the straight-line method. The cost of ROU assets is charged as depreciation expense generally over the shorter of the asset's useful life and the lease term on a straight-line basis.

Management periodically review changes in technology and industry conditions, asset retirement activity, residual values to determine adjustments to estimated remaining useful lives and depreciation rates. In determining the lease term of ROU assets, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(g) Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets, which principally relate to tax losses and deductible temporary differences, are recognised when the future taxable profit will be available against such deferred tax assets. Hence, it requires formal assessment by management regarding the future profitability to utilise the deferred tax assets. The outcome of their actual utilisation may be different.

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3 Critical accounting estimates and judgements (Continued)

(h) Assets acquired/liabilities assumed in business combination

Assets acquired/liabilities assumed in business combination are recognised at fair value in connection with the Group's acquisition of an entity. The fair values of the acquired assets/assumed liabilities are determined based on valuation methodologies and techniques that involved the use of a third-party valuation firm's expertise. The judgements and assumptions used in that valuation of assets and liabilities along with the assumptions on the useful lives of acquired assets have an effect on the consolidated financial statements.

(i) De-recognition of financial assets

In its normal course of business, the Group transfers financial assets through various types of transactions including regular way sales and transfers, securitisation, financial assets sold under repurchase agreements and etc. The Group applies significant judgement in assessing whether it has transferred these financial assets which qualify for a full or partial de-recognition.

Where the Group enters into structured transactions by which it transferred financial asset to structured entities, the Group analyses whether the substance of the relationship between the Group and these structured entities indicates that it controls these structured entities to determine whether the Group needs to consolidate these structured entities. This will determine whether the following de-recognition analysis should be conducted at the consolidated level or at the entity level from which the financial assets was transferred.

The Group analyses the contractual rights and obligations in connection with such transfers to determine whether the de-recognition criteria are met based on the following considerations:

- whether it has transferred the rights to receive contractual cash flows from the financial assets or the transfer qualified for the "pass through" of those cash flows to independent third parties;
- the extent to which the associated risks and rewards of ownership of the financial assets are transferred by using appropriate models. Significant judgement is applied in the Group's assessment with regard to the parameters and assumptions applied in the models, estimated cash flows before and after the transfers, the discount rates used based on current market interest rates, variability factors considered and the allocation of weightings in different scenarios;
- where the Group neither retained nor transferred substantially all of the risks and rewards associated with their ownership, the Group analyses whether the Group has relinquished its controls over these financial assets, and if the Group has continuing involvement in these transferred financial assets.

3 Critical accounting estimates and judgements (Continued)

(j) Control and consolidation

The Group makes significant judgement to assess whether or not to consolidate structured entities. When performing this assessment, the Group:

- assesses its contractual rights and obligations in light of the transaction structures, and evaluates the Group’s power over the structured entities;
- performs independent analyses and tests on the variable returns from the structured entities, including but not limited to commission income and asset management fees earned, retention of residual income, and, if any, liquidity and other support provided to the structured entities; and
- assesses its ability to exercise its power to influence the variable returns assessed whether the Group acts as a principal or an agent through analysis of the scope of the Group’s decision-making authority, remuneration entitled, other interests the Group holds, and the rights held by other parties.

The Group holds less than 50% shares and voting rights in certain subsidiaries. When assessing whether it has substantive control over these investees, the Group has taken certain factors into account including the size of the Group’s shareholding relative to other shareholders, dispersion of the voting rights of the other shareholders, the Group’s relationship with other investors, any history of any other shareholders collaborating to exercise their votes collectively or to out vote the Group; the Group’s relationship with the key management personnel of the investees, whether the Group has the right to appoint or approve the majority of the board seats and other key management personnel of the investees, whether the Group controls certain assets such as licences or trademarks that are critical to the operations of the investees, whether the Group and other shareholders’ rights over the investees are substantive, and any other contractual arrangements. The Group considers factors that are applicable to a specific individual investee on an ongoing basis when determining whether it has substantive rights over the investees.

(k) 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. The details of such disputes include those set out below.

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3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

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 out 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 Sino Iron and Korean Steel did not pay to Mineralogy royalty on products they produced (“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 Sino Iron and Korean Steel 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. In their closing submissions made in the trial of this proceeding, Mr. Palmer and Mineralogy alleged that their loss is in the range of AUD1,800,438,000 and AUD898,000,000.

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. The CITIC Parties deny that they have caused Mr. Palmer and Mineralogy any loss associated with the administration and liquidation of QNI, or the closure of the Yabulu Refinery.

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”).

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

3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Queensland Nickel FCD Indemnity Claim (Continued)

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 either proceeding.

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 occupied in accordance with proposals approved between 2008 and 2010. The 2017 mine continuation proposals addressed that need, and included proposals to extend the constrained mine pit, and to 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 Sino Iron and Korean Steel wish to extend in order to continue operation, are all held by Mineralogy.

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

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

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

The CITIC Parties commenced a new proceeding (“Proceeding CIV 2326/2021”) on 8 December 2021, in which they sought orders for specific performance in relation to a refined tenure request addressed to Mineralogy on 29 November 2021. That tenure request was in the alternative to the tenure in respect of which relief was sought in Proceeding CIV 1915/2019. On 29 December 2021, Justice K Martin ordered that Proceeding CIV 1915/2019 and Proceeding CIV 2326/2021 be consolidated and proceed as one action (“Consolidated 2017 MCPs Proceedings”).

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For the year ended 31 December 2025
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3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Mine Continuation Proposals Disputes (Continued)

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

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, Mineralogy submitted the Programme of Works to the State and, on 28 July 2023, the Programme of Works was approved. That approval allowed Sino Iron and Korean Steel to undertake certain 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 had already provided rights of access and use.

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 described 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. On 7 October 2025, the CITIC Parties paid Mineralogy's costs of the Consolidated 2017 MCPs Proceedings as ordered.

3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Mine Continuation Proposals Disputes (Continued)

(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.

The appeals were consolidated and heard together before the Court of Appeal from 12 to 15 August 2024 and 19 to 21 August 2024. The Court of Appeal's decision remains reserved.

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3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Mine Continuation Proposals Disputes (Continued)

(iii) 2023 Mine Continuation Proposals Proceeding

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 were a subset of the activities the subject of the 2017 mine continuation proposals, and were confined to areas over which Mineralogy has already provided rights of access and use to Sino Iron and Korean Steel. The CITIC Parties alleged that Mineralogy was obliged to consider and approve the 2023 mine continuation proposals. Approval of the 2023 mine continuation proposals would 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 sought relief including:

- declarations that Mineralogy’s failure and refusal to consider, approve and submit the 2023 mine continuation proposals was 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 Court determines the issue of liability.

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

Mineralogy’s further amended defence included 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 asserted that, because the CITIC Parties had breached certain project agreements, the CITIC Parties were not entitled to the relief claimed by them in the proceeding. The alleged breaches included that:

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

In September 2024, Justice Lundberg determined that this proceeding and Proceeding CIV 2072/2017, as described above, would be actively case managed together.

3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Mine Continuation Proposals Disputes (Continued)

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

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.

Numerous interlocutory disputes needed to be determined in the lead up to the primary trial. These included an unsuccessful attempt by Mineralogy to further amend its defence and to include a counterclaim (the claims in which subsequently became the subject of Proceeding CIV 1487/2025, and then Proceedings CIV 1990/2025 and CIV 1991/2025, as described below) and an application by Mineralogy to vacate the trial dates. Despite this, 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. 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 joined with Sino Iron and Korean Steel to submit the 2023 mine continuation proposals, the CITIC Parties did not press for the injunctive or specific performance relief sought in this proceeding. However, they continued to press for the balance of the relief sought, including for a declaration or finding that Mineralogy was in breach of contract, and therefore liable for any damages suffered by the CITIC Parties as a consequence of the breach.

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, as described 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.

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 a secondary trial.

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3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

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, to recoup from Mineralogy certain additional costs of developing the Sino Iron Project and to 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, as described 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 Sino Iron's and Korean Steel's 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.

Those applications 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.

3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Unprocessed and Utilised Material Claims

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 relation to the alleged use by Sino Iron and Korean Steel of magnetite ore and/or low grade material and alleged failure to process magnetite ore mined. On 9 June 2025, Mineralogy filed a notice of discontinuance in Proceeding CIV 1487/2025. Mineralogy subsequently commenced two proceedings to pursue claims similar to those pleaded in Proceeding CIV 1487/2025.

(i) **Utilised Material Claim**

On 2 September 2025, Mineralogy commenced a proceeding against Sino Iron, Korean Steel and the Company in the Supreme Court of Western Australia ("Proceeding CIV 1990/2025") alleging breaches of the MRSLAs and other project agreements. The alleged breaches relate to Sino Iron's and Korean Steel's purported use of 134 million tonnes of magnetite ore, low grade material and/or waste rock in circumstances where Mineralogy alleges that they should have stockpiled and mapped that material in a manner which would have permitted it to be accessed and processed at a later time, or processed the portion consisting of magnetite ore and paid Mineralogy royalties on that portion. Mineralogy seeks damages comprising the market value of the material allegedly used by Sino Iron and Korean Steel, said to be AUD44 per tonne, or a total of AUD4,992,948,708.

On 29 October 2025, the CITIC Parties filed their defences. Sino Iron and Korean Steel plead a number of defences, including that they have rights to use the material and have paid valuable consideration for the alleged benefit, as well as arguments based on Anshun estoppel, estoppel by convention, abuse of process, and that the claim (or part of it) is time-barred. The Company's defence essentially adopts and repeats most of Sino Iron's and Korean Steel's defence.

On 12 November 2025, Justice Lundberg ordered that this proceeding and Proceeding CIV 1991/2025, as described below, would be case managed together.

On 2 December 2025, Mineralogy filed its reply.

A directions hearing has been listed for 27 March 2026.

No trial date has been set for this proceeding.

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3 Critical accounting estimates and judgements (Continued)

(k) Mineralogy/Mr. Palmer proceedings (Continued)

Unprocessed and Utilised Material Claims (Continued)

(ii) **Unprocessed Material Claim**

Also on 2 September 2025, Mineralogy commenced a proceeding against Sino Iron, Korean Steel and the Company in the Supreme Court of Western Australia ("Proceeding CIV 1991/2025") alleging breaches of the MRSLAs and other project agreements. The alleged breaches relate to Sino Iron's and Korean Steel's purported failure to process approximately 113.5 million dry metric tonnes of magnetite ore mined, and to pay Mineralogy royalties on such magnetite ore. Mineralogy seeks damages estimated to be AUD56,040,175.14 on account of a royalty on magnetite ore taken by Sino Iron and Korean Steel (i. e., Royalty Component A), plus US\$556,908,960.88 on account of Royalty Component B.

On 29 October 2025, the CITIC Parties filed their defences. Sino Iron and Korean Steel plead a number of defences, including denying that they were obliged to process the material in question and denying the amounts claimed by Mineralogy, as well as arguments based on Anshun estoppel, estoppel by convention, abuse of process, and that the claim (or part of it) is time-barred. The Company's defence essentially adopts and repeats most of Sino Iron's and Korean Steel's defence.

On 12 November 2025, Justice Lundberg ordered that this proceeding and Proceeding CIV 1990/2025, as described above, would be case managed together.

On 12 February 2026, CITIC Parties filed their amended defence.

On 18 March 2026, Mineralogy filed its amended reply.

A directions hearing has been listed for 27 March 2026.

No trial date has been set for this proceeding.

(l) 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.

3 Critical accounting estimates and judgements (Continued)

(l) Metallurgical Corporation of China (“MCC”) claim (Continued)

As at the date of issuance of these annual 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 31 December 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 31 December 2025.

4 Taxation

The statutory income tax rate of the Company and its subsidiaries located in Hong Kong for the year ended 31 December 2025 is 16.5% (2024: 16.5%).

Except for the preferential tax treatments, the statutory income tax rate applicable to the Group’s other subsidiaries in Chinese mainland for the year ended 31 December 2025 is 25% (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.

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5 Revenue

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

For comprehensive financial services segment, revenue mainly comprises net interest income, net fee and commission income, net trading loss and net gain on financial investments (Notes 5 (a), 5 (b) and 5 (d)). For non-comprehensive financial services segment, revenue mainly comprises income from sales of goods and services rendered to customers (Note 5 (c)).

The Group's customer base is diversified and there is no single customer with which transactions have exceeded 10% of the Group's revenue.

(a) Net interest income

	For the year ended 31 December	
	2025	2024
Interest income arising from (note):		
Deposits with central banks, banks and non-bank financial institutions	14,886	17,288
Placements with banks and non-bank financial institutions	11,088	10,282
Financial assets held under resale agreements	3,696	3,488
Investments in financial assets		
– Financial assets at amortised cost	31,058	30,258
– Debt investments at FVOCI	23,314	25,421
Loans and advances to customers and other parties	212,850	235,715
Margin financing and securities lending	8,218	7,141
Others	202	271
	305,312	329,864
Interest expenses arising from:		
Borrowings from central banks	(2,641)	(6,367)
Deposits from banks and non-bank financial institutions	(11,373)	(18,305)
Placements from banks and non-bank financial institutions	(3,823)	(3,782)
Financial assets sold under repurchase agreements	(15,307)	(13,234)
Deposits from customers	(89,312)	(102,617)
Debt instruments issued	(31,403)	(33,256)
Customer brokerage deposits	(1,373)	(1,618)
Lease liabilities	(522)	(561)
Others	(2,625)	(1,751)
	(158,379)	(181,491)
Net interest income	146,933	148,373

Note:

Interest income includes interest income accrued on credit-impaired financial assets of RMB425 million for the year ended 31 December 2025 (2024: RMB760 million).

5 Revenue (Continued)

(b) Net fee and commission income

	For the year ended 31 December	
	2025	2024 (Restated)
Bank card fees	13,958	15,550
Trustee commission and fees	12,724	10,347
Agency fees and commission	6,107	4,876
Guarantee and advisory fees	5,887	5,482
Commission on securities brokerage	19,073	13,006
Commission on fund management	9,433	8,192
Commission on investment banking	6,548	4,354
Settlement and clearing fees	2,820	2,463
Commission on asset management	2,885	2,492
Commission on futures brokerage	6,651	4,201
Others	1,044	2,016
	87,130	72,979
Fee and commission expenses	(17,527)	(13,947)
Net fee and commission income	69,603	59,032

(c) Sales of goods and services

	For the year ended 31 December	
	2025	2024 (Restated)
Sales of goods	436,771	427,541
Services rendered to customers		
– Revenue from construction contracts	11,894	15,918
– Revenue from other services	29,747	29,997
	478,412	473,456

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5 Revenue (Continued)

(d) Other revenue

	For the year ended 31 December	
	2025	2024 (Restated)
Net trading loss under comprehensive financial services segment (note (i))	(16,265)	(23,269)
Net gain on financial investments under comprehensive financial services segment	82,296	85,370
Others	8,285	4,238
	74,316	66,339

(i) Net trading loss under comprehensive financial services segment

	For the year ended 31 December	
	2025	2024 (Restated)
Net trading gain/(loss):		
– debt securities and certificates of deposit	52,205	104
– foreign currencies	5,755	4,974
– derivatives and others	(74,225)	(28,347)
	(16,265)	(23,269)

6 Costs of sales and services

	For the year ended 31 December	
	2025	2024 (Restated)
Costs of goods sold	400,928	392,016
Costs of services rendered		
– Costs of construction contracts	10,235	14,193
– Costs of other services	18,865	18,741
	430,028	424,950

7 Other net income

	For the year ended 31 December	
	2025	2024
Net gain on disposal/deemed disposal of subsidiaries, associates and joint ventures	68	3,793
Net gain on financial investments under non-comprehensive financial services segment	3,855	3,262
Net foreign exchange gain/(loss)	95	(1,033)
Others	4,759	6,596
	8,777	12,618

8 Expected credit losses

	For the year ended 31 December	
	2025	2024
Deposits and placements with banks and non-bank financial institutions	22	41
Receivables (excluding prepayments) and others	10,685	3,501
Loans and advances to customers and other parties	50,651	54,828
Investments in financial assets		
– Financial assets at amortised cost	951	2,418
– Debt investments at FVOCI	558	777
Impairment provision of credit commitments and guarantees provided	391	(2,182)
	63,258	59,383

In 2025, the Group's expected credit losses were RMB63,258 million, an increase of 7% compared with last year. China CITIC Bank Corporation Limited ("CITIC Bank"), accounted for RMB57,939 million, mainly from expected credit loss of loans and advances to customers and other parties.

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9 Impairment losses

	For the year ended 31 December	
	2025	2024 (Restated)
Inventories	2,122	1,334
Interests in associates	249	136
Interests in joint ventures	152	233
Fixed assets (note)	838	67
Intangible assets	554	19
Prepayments	106	28
Goodwill (Note 35)	–	17
Others	148	61
	4,169	1,895

Note:

Iron Ore Project

The Group's Iron Ore Project comprises the Sino Iron Project in Australia and its associated marketing operations in Singapore. Whenever events or circumstances indicate impairment may have occurred, the Group tests whether assets attributable to the Group's Iron Ore Project have suffered any impairment.

The recoverable amount of the Sino Iron Project is based on the fair value less costs of disposal methodology which is based on cash flow projections that incorporate best estimates of selling prices, ore grades, exchange rates, production rates, future capital expenditure and production costs over the life of the mine. In line with normal practice in the mining industry, the cash flow projections are based on long term mine plans covering the expected life of the operation. Therefore, the projections cover periods well in excess of five years. Assumptions about selling prices, operating and capital costs, exchange rates, quantity of resources and discount rates are particularly important; the determination of the recoverable amount is relatively sensitive to changes in these important assumptions.

Management has identified one CGU, the Sino Iron Project. For the purposes of testing for impairment, the carrying amount of the Sino Iron Project is to be compared with its recoverable amount when indication of impairment exists. Impairment is recognised when the carrying amount of the project exceeds its recoverable amount.

As at 31 December 2025, management performed an impairment indication assessment with the consideration of the production profile of the Sino Iron Project, forecast iron ore prices, exchange rate between Australian dollar and US dollar and risk-free borrowing rates. According to the assessment, no further impairment indication was identified and thus, no impairment test was undertaken for the Sino Iron Project as at 31 December 2025.

When an impairment test is undertaken, the fair value of CGU must be estimated for recognition and measurement or for disclosure purposes.

The disclosure is based on the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical or similar CGU (level 1);
- Inputs other than quoted prices included within level that are observable for the CGU, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the CGU that are not based on observable market data (unobservable inputs) (level 3).

The CGU's fair value hierarchy is Level 3.

10 Net finance charges

	For the year ended 31 December	
	2025	2024
Finance costs		
– Interest on bank and other loans	9,244	10,526
– Interest on debt instruments issued	1,818	3,190
– Interest on lease liabilities	275	253
	11,337	13,969
Less: interest expenses capitalised (note)	(591)	(851)
	10,746	13,118
Other finance charges	208	223
	10,954	13,341
Finance income	(1,989)	(2,235)
	8,965	11,106

In 2025, the Group's finance costs were RMB10,954 million, a decrease of RMB2,387 million or 17.89% compared with last year, mainly due to the decrease in interest on bank and other loans and debt instruments issued. The finance income was RMB1,989 million, a decrease of RMB246 million or 11.01% compared with last year, mainly due to the decrease in interest from deposits.

Note:

In 2025, capitalisation rates applied to funds borrowed are 2.90% ~ 4.20% per annum (2024: 3.64% ~ 4.45%).

11 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:

(a) Staff costs

	For the year ended 31 December	
	2025	2024
Salaries and bonuses	68,149	66,680
Contributions to defined contribution retirement schemes (note (i))	10,052	9,276
Others	14,816	15,422
	93,017	91,378

Note:

- (i) The Group substantially completed the transfer of the management of existing retirees to external organisations in 2011. In accordance with the government requirements, the Group is also obliged to pay for certain of such retirees' post-retirement benefits in the future. This benefit plan is accounted for as a long-term defined benefits obligation and does not have any planned assets.

The Group's obligation for this benefit plan is calculated using actuarial method and recognised as a liability. The current service cost, interest income or expenses, and remeasurements of the net defined benefit liability, which in combination amounts to RMB22 million was recognised for the year ended 31 December 2025 (2024: RMB112 million). Actuarial assumptions mainly include discount rate and future mortality. Reasonable changes in actuarial assumptions would not have a significant impact on the consolidated financial statements of the Group.

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11 Profit before taxation (Continued)

(b) Other items

	For the year ended 31 December	
	2025	2024
Amortisation	4,124	4,450
Depreciation	22,594	23,110
Lease charges	1,339	1,592
Tax and surcharges	3,363	3,164
Property management fees	1,009	1,075
Non-operating expenses	1,895	1,409
Professional fees (other than auditors' remuneration)	1,480	1,424
Auditors' remuneration		
– Audit services	187	212
– Non-audit services	61	70
	36,052	36,506

12 Income tax expense

(a) Income tax expense in the income statement

	For the year ended 31 December	
	2025	2024
Current tax – Chinese mainland		
Provision for enterprise income tax	24,414	26,765
Land appreciation tax	29	338
	24,443	27,103
Current tax – Hong Kong		
Provision for Hong Kong Profits tax	2,299	1,350
Pillar Two income taxes (note (c))	75	–
Current tax – Overseas		
Provision for the year	838	814
Pillar Two income taxes (note (c))	4	–
	27,659	29,267
Deferred tax		
Origination and reversal of temporary differences	1,136	(4,365)
	28,795	24,902

The particulars of the applicable income tax rates are disclosed in Note 4.

In 2025, the Group's income tax was RMB28,795 million, an increase of RMB3,893 million or 15.6% compared with last year. In addition to the increase in profit before taxation, it was mainly due to the decrease in non-taxable income of CITIC Bank compared with last year.

12 Income tax expense (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

	For the year ended 31 December	
	2025	2024
Profit before taxation	144,608	132,657
Less: share of profits of		
– Associates	(6,861)	(4,138)
– Joint ventures	(3,659)	(2,492)
	134,088	126,027
Notional tax on profit before taxation calculated at statutory tax rate of 16.5%	22,125	20,794
Effect of different tax rates in other jurisdictions	13,134	13,188
Tax effect of unused tax losses not recognised	2,025	1,024
Tax effect of non-deductible expenses	5,066	8,832
Current income tax impact arising from Pillar Two model rules (note (c))	79	–
Tax effect of non-taxable income (note)	(13,387)	(19,308)
Others	(247)	372
Actual tax expense	28,795	24,902

Note:

The non-taxable income mainly contains interest income arising from PRC government bonds, local government bonds and dividends from equity investments.

(c) Pillar Two income taxes

The Group is subject to the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. Due to the impact of the Domestic Minimum Top-up Tax (DMTT) and Global Anti-Base Erosion (GloBE) rules enacted in the Hong Kong Special Administrative Region and other jurisdictions, where members of the CITIC Group operate, the Group is subject to top-up tax liabilities in certain jurisdictions where the Pillar Two effective tax rate is below 15%. The Group has applied the temporary mandatory exception to the recognition of deferred tax related to Pillar Two top-up taxes. For the current reporting period, Pillar Two top-up taxes have been recognised as current income tax in the consolidated income statement.

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13 Benefits and interests of directors

(a) Directors' emoluments

In 2025, emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking are set out as follows:

	For the year ended 31 December 2025								Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary									
	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Social securities in Chinese mainland	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as committee member		
Name of Current Directors										
Executive Directors:										
Xi Guohua ⁽ⁱ⁾	-	0.36	0.39	-	-	0.17	0.11	-	-	1.03
Zhang Wenwu ⁽ⁱ⁾	-	0.36	0.39	-	-	0.17	0.11	-	-	1.03
Liu Zhengjun ⁽ⁱ⁾	-	0.32	0.34	-	-	0.17	0.10	-	-	0.93
Wang Guoquan ⁽ⁱ⁾	-	0.32	0.34	-	-	0.17	0.10	-	-	0.93
Non-executive Directors										
Li Yi (formerly known as Li Ruyi)	-	-	-	-	-	-	-	-	-	-
Yue Xuekun	-	-	-	-	-	-	-	-	-	-
Yang Xiaoping	0.35	-	-	-	-	-	-	0.14	-	0.49
Li Zimin	-	-	-	-	-	-	-	-	-	-
Independent Non-executive Directors:										
Anthony Francis Neoh ⁽ⁱⁱ⁾	0.35	-	-	-	-	-	-	0.23	-	0.58
Francis Siu Wai Keung	0.35	-	-	-	-	-	-	0.26	-	0.61
Xu Jinwu	0.35	-	-	-	-	-	-	0.23	-	0.58
Gregory Lynn Curl	0.35	-	-	-	-	-	-	0.05	-	0.40
Toshikazu Tagawa	0.35	-	-	-	-	-	-	-	-	0.35
Chen Yuyu	0.35	-	-	-	-	-	-	-	-	0.35
Name of Former Directors										
Yu Yang ⁽ⁱⁱ⁾	-	-	-	-	-	-	-	-	-	-
Zhang Lin ⁽ⁱⁱ⁾	-	-	-	-	-	-	-	-	-	-
	2.45	1.36	1.46	-	-	0.68	0.42	0.91	-	7.28

Notes:

- (i) The emoluments for the year ended 31 December 2025 in respect of Mr. Xi Guohua, Mr. Zhang Wenwu, Mr. Liu Zhengjun and Mr. Wang Guoquan have not been finalised in accordance with the regulations of the relevant local authorities. A separate disclosure will be provided after final confirmation.
- (ii) Changes in directors during the year ended 31 December 2025:
 - (1) From 29 August 2025, Mr. Anthony Francis Neoh serves as the lead independent non-executive director of the Company.
 - (2) From 5 December 2025, Ms. Yu Yang resigned as the non-executive director of the Company.
 - (3) From 24 December 2025, Mr. Zhang Lin resigned as the non-executive director of the Company.

13 Benefits and interests of directors (Continued)

(a) Directors' emoluments (Continued)

In 2024, emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking are set out as follows:

For the year ended 31 December 2024										
Name of Current Directors	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary								Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Social securities in Chinese mainland	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as committee member		
Executive Directors:										
Xi Guohua ⁽ⁱ⁾	-	0.39	0.51	-	-	0.16	0.11	-	-	1.17
Zhang Wenwu ⁽ⁱⁱⁱ⁾	-	0.29	0.38	-	-	0.12	0.07	-	-	0.86
Liu Zhengjun ⁽ⁱ⁾	-	0.35	0.45	-	-	0.16	0.10	-	-	1.06
Wang Guoquan ⁽ⁱ⁾	-	0.35	0.45	-	-	0.16	0.10	-	-	1.06
Non-executive Directors										
Yu Yang	-	-	-	-	-	-	-	-	-	-
Zhang Lin	-	-	-	-	-	-	-	-	-	-
Li Yi (formerly known as Li Ruyi)	-	-	-	-	-	-	-	-	-	-
Yue Xuekun	-	-	-	-	-	-	-	-	-	-
Yang Xiaoping	0.35	-	-	-	-	-	-	0.14	-	0.49
Li Zimin	-	-	-	-	-	-	-	-	-	-
Independent Non-executive Directors:										
Francis Siu Wai Keung	0.35	-	-	-	-	-	-	0.26	-	0.61
Xu Jinwu	0.35	-	-	-	-	-	-	0.23	-	0.58
Anthony Francis Neoh	0.35	-	-	-	-	-	-	0.23	-	0.58
Gregory Lynn Curl	0.35	-	-	-	-	-	-	0.05	-	0.40
Toshikazu Tagawa	0.35	-	-	-	-	-	-	-	-	0.35
Chen Yuyu ⁽ⁱⁱ⁾	0.12	-	-	-	-	-	-	-	-	0.12
Name of Former Director										
Mu Guoxin ⁽ⁱⁱ⁾	-	-	-	-	-	-	-	-	-	-
	2.22	1.38	1.79	-	-	0.60	0.38	0.91	-	7.28

Notes:

- (i) The emoluments for the year ended 31 December 2024 in respect of Mr. Xi Guohua, Mr. Zhang Wenwu, Mr. Liu Zhengjun and Mr. Wang Guoquan has been restated based on the final confirmation results from the relevant national authorities.
- (ii) Changes in directors during the year ended 31 December 2024:
 - (1) From 28 March 2024, Mr. Zhang Wenwu serves as the executive director of the Company.
 - (2) From 29 August 2024, Mr. Chen Yuyu serves as the independent non-executive director of the Company.
 - (3) From 27 December 2024, Mr. Mu Guoxin resigned as the non-executive director of the Company.

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13 Benefits and interests of directors (Continued)

(b) Other benefits and interests

In 2025, no retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2024: None). No consideration was provided to or receivable by third parties for making available directors' services (2024: None). There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2024: None).

No director of the Company had a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Company's business to which the Company was or is a party that subsisted at the end of the year or at any time during the year ended 31 December 2025 (2024: None).

14 Individuals with highest emoluments

In 2025, none of the five highest paid individuals are directors (2024: None) whose emoluments are disclosed in Note 13. The aggregate of the emoluments in respect of these 5 individuals (2024: five) are as follows:

	For the year ended 31 December	
	2025	2024
Salaries and other emoluments	16.07	15.98
Discretionary bonuses	50.37	48.52
Retirement scheme contributions	0.99	0.99
	67.43	65.49

The emoluments of the 5 individuals (2024: five) with the highest emoluments are within the following bands:

	For the year ended 31 December	
	2025 Number of individuals	2024 Number of individuals
RMB9,500,001 – RMB10,000,000	–	1
RMB10,000,001 – RMB10,500,000	1	–
RMB11,500,001 – RMB12,000,000	1	1
RMB12,000,001 – RMB12,500,000	1	1
RMB14,000,001 – RMB14,500,000	–	1
RMB14,500,001 – RMB15,000,000	1	–
RMB17,500,001 – RMB18,000,000	–	1
RMB18,000,001 – RMB18,500,000	1	–
	5	5

In 2025, all of the 5 individuals with the highest emoluments are employees of foreign subsidiaries, whose nationalities are not Chinese mainland.

15 Dividends

	For the year ended 31 December	
	2025	2024
2024 Final dividend paid: RMB0.36 (2023 Final: RMB0.335) per share	10,473	9,745
2025 Interim dividend paid: RMB0.20 (2024 Interim: RMB0.19) per share	5,818	5,527
2025 Final dividend proposed: RMB0.385 (2024 Final: RMB0.36) per share	11,200	10,473

16 Earnings per share

Basic earnings per share for the year ended 31 December 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 year ended 31 December 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, CITIC Bank, a subsidiary of the Group, issued convertible bonds, the specific terms of which are disclosed in Note 45 (a). In 2022, CITIC Pacific Special Steel Group Co., Ltd. ("CITIC Special Steel"), a subsidiary of the Group, issued convertible bonds, the specific terms of which are disclosed in Note 45 (a).

The convertible bonds issued by CITIC Bank and CITIC Special Steel have dilutive effects on profit attributable to ordinary shareholders of the Company, the calculation results of which are listed as below:

	For the year ended 31 December	
	2025	2024
Profit attributable to ordinary shareholders of the Company	58,730	58,202
Less: impact on profit attributable to ordinary shareholders of the Company assuming above convertible bonds converted	(263)	(984)
Profit attributable to ordinary shareholders of the Company (adjusted)	58,467	57,218
Weighted average number of ordinary shares (in million)	29,090	29,090
Basic earnings per share (RMB)	2.02	2.00
Diluted earnings per share (RMB)	2.01	1.97

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17 Other comprehensive income/(loss)

Components of other comprehensive income/(loss)

	For the year ended 31 December	
	2025	2024
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on debt instruments at FVOCI	(7,373)	22,980
Less: net amounts previously recognised in other comprehensive loss transferred to profit or loss in the current year	(8,249)	(8,008)
Tax effect	3,852	(3,839)
	(11,770)	11,133
Change of loss allowance on debt investments at FVOCI	495	652
Less: net amounts previously recognised in other comprehensive loss transferred to profit or loss in the current year	(208)	(478)
Tax effect	(37)	(98)
	250	76
Loss arising from cash flow hedge	(48)	(21)
Less: net amounts previously recognised in other comprehensive loss transferred to profit or loss in the current year	(1)	(118)
Tax effect	–	2
	(49)	(137)
Share of other comprehensive loss of associates and joint ventures	(1,728)	(2,572)
Exchange differences on translation of financial statements and others	(4,777)	1,565
Items that will not be reclassified subsequently to profit or loss:		
Reclassification of owner-occupied property as investment property: revaluation gain	61	101
Less: tax effect	–	–
	61	101
Fair value changes on equity instruments designated at FVOCI	(534)	277
Less: tax effect	195	(154)
	(339)	123
Share of other comprehensive income of associates and joint ventures	108	59
	(18,244)	10,348

18 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 services 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 and amortisation of assets attributable to those segments.

The measure used for reporting segment profit is “profit for the year”. 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.

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18 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 the years ended 31 December 2025 and 2024 is set out below:

	For the year ended 31 December 2025							Total
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	
Revenue from external customers	290,880	57,165	335,464	48,153	37,578	24	-	769,264
Inter-segment revenue	1,509	383	280	198	960	120	(3,450)	-
Reportable segment revenue	292,389	57,548	335,744	48,351	38,538	144	(3,450)	769,264
Disaggregation of revenue								
- Net interest income (Note 5 (a))	148,353	-	-	-	-	103	(1,523)	146,933
- Net fee and commission income (Note 5 (b))	69,674	-	-	-	-	7	(78)	69,603
- Sales of goods (Note 5 (c))	46	57,257	332,379	34,997	12,448	8	(364)	436,771
- Services rendered to customers-construction contracts (Note 5 (c))	-	261	171	-	12,387	-	(925)	11,894
- Services rendered to customers-others (Note 5 (c))	-	30	3,194	13,354	13,703	26	(560)	29,747
- Other revenue (Note 5 (d))	74,316	-	-	-	-	-	-	74,316
Share of profits/(losses) of associates, net of tax	2,841	26	2,629	(88)	1,375	78	-	6,861
Share of profits/(losses) of joint ventures, net of tax	2,950	191	837	(2)	(350)	33	-	3,659
Finance income (Note 10)	-	81	1,803	90	863	371	(1,219)	1,989
Finance costs (Note 10)	-	(218)	(2,877)	(473)	(1,999)	(7,517)	2,130	(10,954)
Depreciation and amortisation (Note 11 (b))	(9,935)	(1,457)	(11,266)	(1,684)	(2,145)	(231)	-	(26,718)
Expected credit losses (Note 8)	(60,247)	240	(296)	(132)	(2,824)	1	-	(63,258)
Impairment losses (Note 9)	(233)	(442)	(1,613)	(165)	(1,620)	(96)	-	(4,169)
Profit/(loss) before taxation	131,316	2,030	17,333	1,234	162	(6,349)	(1,118)	144,608
Income tax (Note 12)	(22,955)	(217)	(3,407)	(239)	(383)	(1,568)	(26)	(28,795)
Profit/(loss) for the year	108,361	1,813	13,926	995	(221)	(7,917)	(1,144)	115,813
Attributable to:								
- Ordinary shareholders of the Company	55,815	802	10,549	530	125	(7,921)	(1,170)	58,730
- Non-controlling interests	52,546	1,011	3,377	465	(346)	4	26	57,083

18 Segment reporting (Continued)

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

	As at 31 December 2025							Elimination	Total
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management			
Reportable segment assets	12,324,396	58,168	367,210	54,905	335,098	46,252	(164,889)	13,021,140	
Including:									
Interests in associates (Note 32)	29,962	991	23,221	9,096	50,538	537	-	114,345	
Interests in joint ventures (Note 33)	16,148	782	7,341	1,408	41,984	1,375	-	69,038	
Reportable segment liabilities	11,066,370	35,769	178,268	24,295	138,565	226,587	(145,375)	11,524,479	
Including:									
Bank and other loans (Note 44) (note)	26,706	5,138	85,763	11,021	54,468	123,204	(60,590)	245,710	
Debt instruments issued (Note 45) (note)	1,437,557	-	5,000	-	1,000	80,458	(4,114)	1,519,901	

Note:

The amount is the principal excluding interest accrued.

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18 Segment reporting (Continued)

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

	For the year ended 31 December 2024							Total (Restated)
	Comprehensive financial services (Restated)	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	
Revenue from external customers	273,799	50,793	325,615	49,872	46,987	134	-	747,200
Inter-segment revenue	1,906	182	292	132	1,424	19	(3,955)	-
Reportable segment revenue	275,705	50,975	325,907	50,004	48,411	153	(3,955)	747,200
Disaggregation of revenue:								
- Net interest income (Note 5 (a))	150,158	-	-	-	-	85	(1,870)	148,373
- Net fee and commission income (Note 5 (b))	59,112	-	-	-	-	4	(84)	59,032
- Sales of goods (Note 5 (c))	78	50,360	323,795	36,102	17,597	-	(391)	427,541
- Services rendered to customers-construction contracts (Note 5 (c))	-	247	63	-	16,221	-	(613)	15,918
- Services rendered to customers-others (Note 5 (c))	-	368	2,049	13,902	14,593	64	(979)	29,997
- Other revenue (Note 5 (d))	66,357	-	-	-	-	-	(18)	66,339
Share of profits/(losses) of associates, net of tax	1,764	(8)	1,076	(379)	1,685	-	-	4,138
Share of profits of joint ventures, net of tax	818	71	1,080	61	447	15	-	2,492
Finance income (Note 10)	-	52	2,037	124	935	599	(1,512)	2,235
Finance costs (Note 10)	-	(266)	(3,712)	(688)	(1,761)	(9,712)	2,798	(13,341)
Depreciation and amortisation (Note 11 (b))	(10,534)	(1,537)	(11,255)	(1,801)	(2,183)	(250)	-	(27,560)
Expected credit losses (Note 8)	(59,319)	(147)	(219)	(82)	362	22	-	(59,383)
Impairment losses (Note 9)	(90)	(26)	(543)	(222)	(1,013)	(1)	-	(1,895)
Profit/(loss) before taxation	115,805	2,032	15,886	858	7,238	(7,896)	(1,266)	132,657
Income tax (Note 12)	(18,511)	(222)	(2,267)	(389)	(1,868)	(1,636)	(9)	(24,902)
Profit/(loss) for the year	97,294	1,810	13,619	469	5,370	(9,532)	(1,275)	107,755
Attributable to:								
- Ordinary shareholders of the Company	52,649	865	10,310	42	5,135	(9,530)	(1,269)	58,202
- Non-controlling interests	44,645	945	3,309	427	235	(2)	(6)	49,553

18 Segment reporting (Continued)

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

	As at 31 December 2024							Total
	Comprehensive financial services	Advanced intelligent manufacturing	Advanced materials	New consumption	New-type urbanisation	Operation management	Elimination	
Reportable segment assets	11,369,787	63,576	357,614	56,193	343,031	53,956	(168,732)	12,075,425
Including:								
Interests in associates (Note 32)	25,868	1,011	22,819	7,571	49,789	675	-	107,733
Interests in joint ventures (Note 33)	14,766	641	8,117	1,864	40,171	1,396	-	66,955
Reportable segment liabilities	10,184,323	42,162	175,802	26,067	140,955	232,799	(149,697)	10,652,411
Including:								
Bank and other loans (Note 44) (note)	15,277	7,462	90,619	7,740	56,669	125,572	(58,484)	244,855
Debt instruments issued (Note 45) (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.

(b) Geographical information

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

	Revenue from external customers For the year ended 31 December		Reportable segment assets As at 31 December	
	2025	2024 (Restated)	2025	2024
Chinese mainland	623,762	633,528	11,691,121	10,921,472
Hong Kong, Macau and Taiwan	59,860	54,989	1,151,882	1,031,159
Overseas	85,642	58,683	178,137	122,794
	769,264	747,200	13,021,140	12,075,425

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19 Cash and deposits

	As at 31 December	
	2025	2024
Cash	4,509	5,200
Bank deposits	102,689	125,243
Balances with central banks (note (i)):		
– Statutory deposit reserve funds (note (ii))	300,359	323,523
– Surplus deposit reserve funds (note (iii))	75,805	6,833
– Fiscal deposits (note (iv))	3,987	3,699
– Foreign exchange reserves (note (v))	4,645	4,178
Deposits with banks and non-bank financial institutions	155,398	138,373
	647,392	607,049
Accrued interest	1,561	1,498
	648,953	608,547
Less: allowance for impairment losses on deposits with banks and non-bank financial institutions (Note 48)	(65)	(60)
	648,888	608,487

Notes:

(i) The balances with central banks represent deposits placed with central banks by CITIC Bank and CITIC Finance Company Limited (“CITIC Finance”).

(ii) CITIC Bank and CITIC Finance place statutory deposit reserve funds with the People’s Bank of China and overseas central banks where they have operations. The statutory deposit reserve funds are not available for use in their daily business.

As at 31 December 2025, the statutory deposit reserve funds placed by CITIC Bank with the People’s Bank of China was calculated at 5.5% (31 December 2024: 6%) of eligible RMB deposits for domestic branches of CITIC Bank and at 5.5% (31 December 2024: 6%) of eligible RMB deposits from overseas financial institutions respectively. In addition, CITIC Bank was also required to deposit an amount equivalent to 4% (31 December 2024: 4%) of its foreign currency deposits from domestic branch customers as statutory deposit reserve funds.

As at 31 December 2025, the statutory RMB deposit reserve rate applicable to Zhejiang Lin’an CITIC Rural Bank Corporation Limited in Chinese mainland, a subsidiary of CITIC Bank, according to the corresponding regulations of the People’s Bank of China, was at 5.5% (31 December 2024: 5%).

The amounts of statutory deposit reserve funds placed with the central banks of overseas countries are determined by respective jurisdictions. The statutory deposit reserve funds are interest bearing except for the foreign currency reserve funds deposits placed with the People’s Bank of China.

As at 31 December 2025, the statutory deposit reserve funds placed by CITIC Finance with the People’s Bank of China was calculated at 5% (31 December 2024: 5%) of eligible RMB deposits from the customers of CITIC Finance. CITIC Finance is also required to deposit an amount equivalent to 4% (31 December 2024: 4%) of its foreign currency deposits from the customers as statutory deposit reserve funds.

(iii) The surplus deposit reserve funds are maintained with the People’s Bank of China for the purposes of clearing.

(iv) Fiscal deposits placed with the People’s Bank of China are not available for use in the Group’s daily operations, and are non-interest bearing (unless otherwise stipulated by the local People’s Bank of China).

(v) The foreign exchange reserve is a deposit made by CITIC Bank with the People’s Bank of China in accordance with the related notice (“Notice”) issued by the People’s Bank of China. The reserve is provided at 20% of customers-driven foreign exchange forward transactions volume on a monthly basis. Such foreign exchange reserve is non-interest bearing and will be repayable in 12 months according to the Notice.

(vi) In addition to the statutory deposit reserve funds, fiscal deposits and foreign exchange reserves, RMB15,239 million (31 December 2024: RMB13,107 million) included in cash and deposits as at 31 December 2025 were restricted in use, mainly including guaranteed pledged bank deposits, guaranteed deposits and risk reserve.

20 Cash held on behalf of customers

CITIC Securities, the Group's subsidiary, maintains segregated deposit accounts with banks and authorised institutions to hold cash on behalf of customers arising from its normal course of business. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as customer brokerage deposits (Note 40). In Chinese mainland, the use of cash held on behalf of customers for security and the settlement of their transactions is restricted and governed by relevant third-party deposit regulations issued by the China Securities Regulatory Commission. In Hong Kong, the "Securities and Futures (Client Money) Rules" together with the related provisions of the Securities and Futures Ordinance impose similar restrictions. In other countries and regions, cash held on behalf of customers is supervised by relevant authorities.

21 Placements with banks and non-bank financial institutions

	As at 31 December	
	2025	2024
Banks (note (a))	104,907	133,785
Non-bank financial institutions	339,700	269,971
	444,607	403,756
Accrued interest	1,691	1,230
	446,298	404,986
Less: allowance for impairment losses (Note 48)	(200)	(185)
	446,098	404,801
Analysed by remaining maturity:		
– Within 1 month	90,657	93,695
– Between 1 month and 1 year	292,056	251,297
– Over 1 year	61,894	58,764
	444,607	403,756
Accrued interest	1,691	1,230
	446,298	404,986
Less: allowance for impairment losses (Note 48)	(200)	(185)
	446,098	404,801

- (a) The leased gold between the Group and financial institutions is included in the placements with banks and non-bank financial institutions, measured at fair value through profit or loss. As at 31 December 2025, the carrying amount of leased gold was RMB15,802 million (as at 31 December 2024: RMB22,789 million).

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22 Derivative financial instruments

The Group's subsidiaries under the comprehensive financial services act as an intermediary to offer derivative products including forwards, swaps and option transactions. These derivative positions are managed through entering back-to-back deals with external parties to ensure the remaining exposures are within acceptable risk levels. Meanwhile, derivatives are also used for proprietary trading purposes to manage its own asset and liability and structural positions. Derivatives, except for those which are designated as hedging instruments, are held for trading. Derivatives classified as held for trading are for trading and customer-initiated transactions purpose, and those for risk management purposes but do not meet the criteria for hedge accounting.

Subsidiaries under non-comprehensive financial services of the Group enter into forward and swap contracts to hedge their exposure to fluctuations in foreign exchange rates, commodity prices and interest rates.

The following tables and notes provide an analysis of the nominal amounts of derivatives and the corresponding fair values as at the financial position date. The nominal amounts of the derivatives provide a basis for comparison with fair values of derivatives recognised on the consolidated statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair values of the derivatives and, therefore, do not indicate the Group's exposure to credit or market risks.

	As at 31 December					
	Nominal amount	2025		Nominal amount	2024	
Assets		Liabilities	Assets		Liabilities	
Hedging instruments						
Fair value hedge						
– Interest rate derivatives	11,581	265	51	9,789	398	29
– Commodity derivatives	12,734	–	796	5,846	142	–
– Currency derivatives	551	–	53	2,695	31	20
Cash flow hedge						
– Interest rate derivatives	5,573	34	226	3,056	38	–
– Currency derivatives	170	10	23	3,454	4	12
– Other derivatives	113	110	–	95	83	12
Non-hedging instruments						
– Interest rate derivatives	10,310,907	23,966	24,709	7,512,931	39,394	41,274
– Currency derivatives	5,567,856	30,845	28,494	5,160,905	72,936	64,833
– Equity derivatives	697,674	15,372	39,366	541,205	17,201	19,954
– Precious metals derivatives	205,714	2,729	9,675	168,706	1,081	4,157
– Credit derivatives	10,087	51	16	18,195	22	67
– Other derivatives	1,161,597	6,983	8,353	740,687	3,888	3,973
	17,984,557	80,365	111,762	14,167,564	135,218	134,331

22 Derivative financial instruments (Continued)

(a) Nominal amount analysed by remaining maturity

	As at 31 December	
	2025	2024
Within 3 months	6,645,158	4,624,972
Between 3 months and 1 year	6,232,062	6,033,749
Between 1 year and 5 years	4,836,980	3,266,288
Over 5 years	270,357	242,555
	17,984,557	14,167,564

(b) Credit risk weighted amounts

The credit risk weighted amounts are solely in connection with the derivatives held by CITIC Bank, and have been computed in accordance with "Regulation Governing Capital of Commercial Banks" promulgated by the National Financial Regulatory Administration (the "NFRA"), and depends on the status of the counterparties and the maturity characteristics of the instruments including those customer-driven back-to-back transactions. As at 31 December 2025, the credit risk weighted amount for counterparty was RMB21,630 million (31 December 2024: RMB24,307 million).

23 Trade and other receivables

	As at 31 December	
	2025	2024
Account and bills receivables (note (a))	89,201	88,884
Advanced payments and settlement accounts (note (b))	80,078	43,533
Accounts due from brokers	34,745	28,128
Prepayments, deposits and other receivables (note (c))	143,098	128,958
	347,122	289,503
Less: allowance for impairment losses (Note 48)	(27,145)	(23,116)
	319,977	266,387

As at 31 December 2025, the amount of the Group's prepayments, deposits and other receivables expected to be recovered or recognised as expense after more than one year is RMB1,190 million (31 December 2024: RMB1,523 million). The remaining trade and other receivables are expected to be recovered or recognised as expense within one year.

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23 Trade and other receivables (Continued)

(a) Account and bills receivables

(i) Account and bills receivables at amortised cost by overdue analysis

As at 31 December 2025, the analysis of account and bills receivables at amortised cost of the Group based on the days overdue is as follows:

As at 31 December 2025			
	Expected credit loss rate	Gross carrying amount	Loss allowance provision
Current	4%	53,990	(2,113)
Up to 3 months overdue	4%	1,692	(68)
3 months to 1 year overdue	7%	4,807	(322)
Over 1 year overdue	51%	18,534	(9,400)
		79,023	(11,903)

As at 31 December 2024			
	Expected credit loss rate	Gross carrying amount	Loss allowance provision
Current	4%	52,834	(2,173)
Up to 3 months overdue	5%	1,940	(96)
3 months to 1 year overdue	8%	4,931	(398)
Over 1 year overdue	43%	19,040	(8,107)
		78,745	(10,774)

Note:

Each business unit has its own defined credit policy that is specific to the respective business environment and market practice.

23 Trade and other receivables (Continued)

(a) Account and bills receivables (Continued)

(ii) Account and bills receivables at amortised cost by ageing analysis

As at 31 December, the ageing analysis of account and bills receivables at amortised cost of the Group based on invoice date is as follows:

	As at 31 December	
	2025	2024
Within 1 year	50,097	52,198
Over 1 year	28,926	26,547
	79,023	78,745
Less: allowance for impairment losses (Note 48)	(11,903)	(10,774)
	67,120	67,971

(iii) As at 31 December 2025, the carrying amount of bills receivables at FVOCI was RMB10,178 million (31 December 2024: RMB10,139 million).

(iv) The movements in the allowance for impairment losses on trade and other receivables are disclosed in Note 48.

(b) Advanced payments and settlement accounts

	As at 31 December	
	2025	2024
Advanced payments and settlement accounts	80,078	43,533
Less: allowance for impairment losses (Note 48)	(157)	(141)
	79,921	43,392

(c) Prepayments, deposits and other receivables

	As at 31 December	
	2025	2024
Prepayments, deposits and other receivables	143,098	128,958
Less: allowance for impairment losses (Note 48)	(15,399)	(12,201)
	127,699	116,757

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24 Contract assets and contract liabilities

The Group has recognised the following assets and liabilities related to contracts with customers:

	As at 31 December	
	2025	2024
Contract assets	22,072	22,664
Less: allowance for impairment losses (note (a))	(432)	(250)
Total contract assets	21,640	22,414
Advances from contracts with customers	20,685	21,099
Total contract liabilities	20,685	21,099

(a) Assessment of allowance for impairment losses of contract

	As at 31 December	
	2025	2024
ECL rate (note)	1.96%	1.10%
Gross carrying amount	22,072	22,664
Loss allowance provision	(432)	(250)

Note:

The ECL rate here is the average rate of loss allowance provision divided by gross carrying amount.

(b) Revenue recognised during the year that related to carried-forward contract liabilities

	For the year ended 31 December	
	2025	2024
Revenue from contracts with customers	12,713	21,868

(c) Revenue to be recognised in relating to unsatisfied performance obligations

As at 31 December 2025, transaction price allocated to unsatisfied contracts of the Group amounted at RMB53,082 million (31 December 2024: RMB60,609 million), of which RMB33,467 million is expected to be recognised as revenue within one year (31 December 2024: RMB29,627 million) and the remaining RMB19,615 million is expected to be recognised after more than one year (31 December 2024: RMB30,982 million).

25 Inventories

	As at 31 December	
	2025	2024
Raw materials	14,419	15,609
Work-in-progress	11,815	10,868
Finished goods	38,530	36,826
Properties:		
– Properties under development	18,846	30,146
– Properties held-for-sale	24,573	20,440
– Others	6,316	6,248
Others	4,190	3,500
	118,689	123,637

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	For the year ended 31 December	
	2025	2024
Carrying amount of inventories sold	400,928	397,554
Write-down of inventories (Note 48)	2,383	2,463
Reversal of write-down of inventories (Note 48)	(272)	(997)
	403,039	399,020

As at 31 December 2025, the Group's inventories included an amount of RMB26,479 million expected to be recovered after more than one year (31 December 2024: RMB36,338 million).

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26 Financial assets held under resale agreements

	As at 31 December	
	2025	2024
Analysed by counterparties:		
– Banks	122,430	106,026
– Non-bank financial institutions	59,385	65,807
– Others	45,742	12,051
	227,557	183,884
Accrued interest	102	112
	227,659	183,996
Less: allowance for impairment losses	(3,973)	(4,167)
	223,686	179,829

Analysed by types of collateral:

As at 31 December 2025, the collateral of the Group's financial assets held under resale agreements are securities or others (31 December 2024: securities or others).

Analysed by remaining maturity:

As at 31 December 2025, the Group's financial assets held under resale agreements will expire between 0 year and 5 years (31 December 2024: between 0 year and 5 years).

27 Loans and advances to customers and other parties

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

	As at 31 December	
	2025	2024
Loans and advances to customers and other parties at amortised cost		
Corporate loans		
– Loans	3,104,925	2,766,421
– Discounted bills	1,267	2,182
– Finance lease receivables	49,915	49,579
	3,156,107	2,818,182
Personal loans		
– Residential mortgages	1,123,729	1,067,339
– Business loans	488,061	488,898
– Credit cards	463,091	488,716
– Personal consumption	294,514	321,324
– Finance lease receivables	9,781	6,151
	2,379,176	2,372,428
	5,535,283	5,190,610
Accrued interest	24,121	21,889
	5,559,404	5,212,499
Less: allowance for impairment losses (Note 48)	(144,656)	(146,013)
Carrying amount of loans and advances to customers and other parties at amortised cost	5,414,748	5,066,486

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27 Loans and advances to customers and other parties (Continued)

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

	As at 31 December	
	2025	2024
Loans and advances to customers and other parties at FVPL		
Corporate loans:		
– Loans	14,908	11,243
Personal loans:		
– Finance lease receivables	359	369
Carrying amount of loans and advances to customers and other parties at FVPL	15,267	11,612
Loans and advances to customers and other parties at FVOCI		
– Loans	117,842	76,022
– Discounted bills	200,370	446,951
Carrying amount of loans and advances to customers and other parties at FVOCI	318,212	522,973
Carrying amount of loans and advances	5,748,227	5,601,071
Allowance for impairment losses on loans and advances to customers and other parties at FVOCI (Note 48)	(518)	(549)

27 Loans and advances to customers and other parties (Continued)

(b) Assessment method of allowance for impairment losses

	As at 31 December 2025			Total
	Stage 1	Stage 2	Stage 3 (note)	
Loans and advances at amortised cost	5,335,182	128,140	71,961	5,535,283
Accrued interest	16,644	6,243	1,234	24,121
Less: allowance for impairment losses	(63,910)	(27,718)	(53,028)	(144,656)
Carrying amount of loans and advances at amortised cost	5,287,916	106,665	20,167	5,414,748
Carrying amount of loans and advances at FVOCI	317,954	258	–	318,212
Total carrying amount of loans and advances for which allowance for impairment losses is recognised	5,605,870	106,923	20,167	5,732,960
Allowance for impairment losses of loans and advances at FVOCI	(516)	(2)	–	(518)

	As at 31 December 2024			Total
	Stage 1	Stage 2	Stage 3 (note)	
Loans and advances at amortised cost	5,001,735	115,693	73,182	5,190,610
Accrued interest	15,848	5,087	954	21,889
Less: allowance for impairment losses	(62,545)	(29,547)	(53,921)	(146,013)
Carrying amount of loans and advances at amortised cost	4,955,038	91,233	20,215	5,066,486
Carrying amount of loans and advances at FVOCI	522,356	460	157	522,973
Total carrying amount of loans and advances for which allowance for impairment losses is recognised	5,477,394	91,693	20,372	5,589,459
Allowance for impairment losses of loans and advances at FVOCI	(545)	(1)	(3)	(549)

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27 Loans and advances to customers and other parties (Continued)

(b) Assessment method of allowance for impairment losses (Continued)

Note:

Loans and advances at stage 3 are credit-impaired, details are as follows:

	As at 31 December	
	2025	2024
Secured portion	37,861	34,281
Unsecured portion	34,100	39,058
Total loans and advances that are credit-impaired	71,961	73,339
Allowance for impairment losses	(53,028)	(53,924)

As at 31 December 2025, the maximum exposure covered by fair value of pledge and collateral held against these loans and advances amounted to RMB35,729 million (31 December 2024: RMB33,233 million).

The fair value of collateral was estimated by management based on the latest revaluation including available external valuation, if any, adjusted by taking into account the current realisation experience as well as market situation.

(c) Overdue loans by overdue period

	As at 31 December 2025					Total
	Overdue within 3 months	Overdue between 3 months and 1 year	Overdue between 1 year and 3 years	Overdue over 3 years		
Unsecured loans	17,204	11,255	2,129	4,487	35,075	
Guaranteed loans	2,067	3,257	3,350	2,585	11,259	
Secured loans						
– Loans secured by collateral	12,197	11,737	9,138	3,457	36,529	
– Pledged loans	2,135	1,056	2,269	179	5,639	
	33,603	27,305	16,886	10,708	88,502	

	As at 31 December 2024					Total
	Overdue within 3 months	Overdue between 3 months and 1 year	Overdue between 1 year and 3 years	Overdue over 3 years		
Unsecured loans	29,714	13,407	2,174	3,525	48,820	
Guaranteed loans	7,610	3,683	2,899	2,678	16,870	
Secured loans						
– Loans secured by collateral	12,846	10,965	9,216	2,071	35,098	
– Pledged loans	3,220	1,570	1,716	137	6,643	
	53,390	29,625	16,005	8,411	107,431	

Overdue loans represent loans of which the principal or interest are overdue one day or more.

28 Margin accounts

	As at 31 December	
	2025	2024
Margin accounts	210,777	140,626
Less: allowance for impairment losses	(3,125)	(2,294)
Total	207,652	138,332

Margin accounts are funds that the Group lends to the customers for margin financing business.

As at 31 December 2025, the Group received collateral with fair value amounted to RMB646,457 million (31 December 2024: RMB411,308 million) in connection with its margin financing business.

29 Investments in financial assets

(a) Analysed by types

	As at 31 December	
	2025	2024
Financial assets at amortised cost		
Debt securities	1,119,677	920,106
Investment management products	27,092	20,162
Trust investment plans	162,806	176,543
Certificates of deposit and certificates of interbank deposit	1,048	1,095
Investments in creditor's rights on assets	1,900	1,900
Others	4,097	3,354
	1,316,620	1,123,160
Accrued interest	11,320	12,727
	1,327,940	1,135,887
Less: allowance for impairment losses (Note 48)	(26,239)	(27,728)
	1,301,701	1,108,159
Financial assets at FVPL		
Debt securities	529,981	493,650
Investment management products	17,987	11,415
Trust investment plans	18,862	10,340
Certificates of deposit and certificates of interbank deposit	26,076	75,593
Wealth management products	14,971	9,114
Investment funds	547,263	519,063
Equity investments	304,239	237,300
Others	51,456	44,638
	1,510,835	1,401,113

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29 Investments in financial assets (Continued)

(a) Analysed by types (Continued)

	As at 31 December	
	2025	2024
Debt investments at FVOCI (note (i))		
Debt securities	946,197	889,068
Certificates of deposit and certificates of interbank deposit	31,381	29,868
	977,578	918,936
Accrued interest	7,089	7,995
	984,667	926,931
Equity investments at FVOCI (note (i))	140,223	102,648
	3,937,426	3,538,851
Allowance for impairment losses on debt investments at FVOCI (Note 48)	(3,489)	(3,285)

Note:

- (i) Financial assets measured at FVOCI

	As at 31 December 2025		
	Equity instruments	Debt instruments	Total
Cost/amortised cost	138,752	979,322	1,118,074
Accumulative fair value change in other comprehensive income	1,471	(1,744)	(273)
Accrued interest	-	7,089	7,089
Carrying amount	140,223	984,667	1,124,890
Allowance for impairment losses (Note 48)	Not applicable	(3,489)	(3,489)

	As at 31 December 2024		
	Equity instruments	Debt instruments	Total
Cost/amortised cost	101,892	904,622	1,006,514
Accumulative fair value change in other comprehensive income	756	14,314	15,070
Accrued interest	-	7,995	7,995
Carrying amount	102,648	926,931	1,029,579
Allowance for impairment losses (Note 48)	Not applicable	(3,285)	(3,285)

29 Investments in financial assets (Continued)

(b) Analysed by counterparties

	As at 31 December	
	2025	2024
Issued by:		
– Government	1,569,891	1,587,428
– Policy banks	180,178	41,628
– Banks and non-bank financial institutions	1,643,065	1,457,653
– Corporates	513,009	423,230
– Public entities	12,874	8,216
	3,919,017	3,518,155
Accrued interest	18,409	20,696
	3,937,426	3,538,851
– Listed in Hong Kong	104,300	81,978
– Listed outside Hong Kong	3,158,770	2,970,179
– Unlisted	655,947	465,998
	3,919,017	3,518,155
Accrued interest	18,409	20,696
	3,937,426	3,538,851

Bonds traded in China's inter-bank bond market are "listed outside Hong Kong".

(c) Analysed by assessment method of allowance for impairment losses

	As at 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount of investments in financial assets at amortised cost	1,261,281	11,577	43,762	1,316,620
Accrued interest	9,591	1,612	117	11,320
Less: allowance for impairment losses	(2,161)	(2,376)	(21,702)	(26,239)
Carrying amount of investments in financial assets at amortised cost	1,268,711	10,813	22,177	1,301,701
Gross carrying amount of debt investments in financial assets at FVOCI	977,204	44	330	977,578
Accrued interest	7,084	3	2	7,089
Carrying amount of debt investments in financial assets at FVOCI	984,288	47	332	984,667
Total carrying amount of investments in financial assets for which allowance for impairment losses is recognised	2,252,999	10,860	22,509	2,286,368
Allowance for impairment losses on debt investments in financial assets at FVOCI	(2,087)	(6)	(1,396)	(3,489)

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29 Investments in financial assets (Continued)

(c) Analysed by assessment method of allowance for impairment losses (Continued)

	As at 31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount of investments in financial assets at amortised cost	1,064,868	9,121	49,171	1,123,160
Accrued interest	11,374	1,289	64	12,727
Less: allowance for impairment losses	(2,390)	(1,088)	(24,250)	(27,728)
Carrying amount of investments in financial assets at amortised cost	1,073,852	9,322	24,985	1,108,159
Gross carrying amount of debt investments in financial assets at FVOCI	918,145	125	666	918,936
Accrued interest	7,966	5	24	7,995
Carrying amount of debt investments in financial assets at FVOCI	926,111	130	690	926,931
Total carrying amount of investments in financial assets for which allowance for impairment losses is recognised	1,999,963	9,452	25,675	2,035,090
Allowance for impairment losses on debt investments in financial assets at FVOCI	(2,051)	(24)	(1,210)	(3,285)

30 Refundable deposits

	As at 31 December	
	2025	2024
Trading deposits	95,988	62,418
Performance deposits	6,126	5,625
Credit deposits	258	172
	102,372	68,215

31 Subsidiaries

The particulars of the principal subsidiaries are set out in Note 59.

The following table lists out the information relating to CITIC Bank, CITIC Securities, CITIC Heavy Industries Co. Ltd. (“CITIC Heavy Industries”), CITIC Telecom International Holdings Limited (“CITIC Telecom International”) and CITIC Resources Holdings Limited (“CITIC Resources”), which are listed subsidiaries of the Group and have material non-controlling interests. The summarised financial information below is before elimination of inter-group transactions and balances:

	CITIC Bank		CITIC Securities		As at 31 December CITIC Heavy Industries		CITIC Telecom International		CITIC Resources	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Listed in:	Hong Kong and Shanghai		Hong Kong and Shanghai		Shanghai		Hong Kong		Hong Kong	
Percentage of non-controlling interests	34.21%	32.70%	80.16%	80.16%	35.62%	35.62%	42.46%	42.46%	40.50%	40.50%
Total assets	10,131,028	9,532,722	2,084,326	1,713,362	20,045	19,677	15,343	16,150	13,194	11,736
Mainly including:										
Cash and deposits	528,113	469,108	116,567	116,494	2,197	2,061	1,756	1,492	3,184	1,881
Cash held on behalf of customers	-	-	433,832	315,761	-	-	-	-	-	-
Placements with banks and non-bank financial institutions	446,098	404,801	-	-	-	-	-	-	-	-
Derivative financial instruments	41,026	85,929	39,594	48,997	-	-	-	4	111	103
Financial assets held under resale agreements	169,640	136,265	54,362	44,268	-	-	-	-	-	-
Loans and advances to customers and other parties	5,746,871	5,601,450	-	-	-	-	-	-	-	-
Margin accounts	-	-	207,652	138,332	-	-	-	-	-	-
Investments in financial assets	2,926,825	2,620,870	958,325	861,773	490	505	-	-	-	-
Fixed assets	74,534	46,516	9,204	8,931	4,135	3,907	1,621	1,788	3,252	3,416
Right-of-use assets	10,337	11,035	2,474	2,166	6	31	422	427	45	52

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31 Subsidiaries (Continued)

	CITIC Bank		CITIC Securities		As at 31 December CITIC Heavy Industries		CITIC Telecom International		CITIC Resources	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Total liabilities	(9,283,398)	(8,725,357)	(1,758,796)	(1,414,713)	(10,512)	(10,439)	(5,280)	(6,138)	(5,115)
Mainly including:										
Borrowings from central banks	(204,025)	(124,151)	-	-	-	-	-	-	-	-
Deposits from banks and non-bank financial institutions	(936,672)	(968,492)	-	-	-	-	-	-	-	-
Placements from banks and non-bank financial institutions	(159,013)	(88,550)	(27,720)	(45,493)	-	-	-	-	-	-
Customer brokerage deposits	-	-	(518,683)	(362,449)	-	-	-	-	-	-
Trade and other payables	-	-	(252,579)	(198,183)	(2,996)	(2,897)	(764)	(780)	(153)	(691)
Derivative financial instruments	(44,364)	(81,162)	(65,690)	(53,954)	-	-	(4)	-	-	(12)
Financial assets sold under repurchase agreements	(477,502)	(278,003)	(407,352)	(390,169)	-	-	-	-	-	-
Deposits from customers	(6,127,012)	(5,864,311)	-	-	-	-	-	-	-	-
Bank and other loans	-	-	(27,009)	(14,232)	(1,984)	(2,032)	(2,942)	(3,618)	(3,105)	(1,823)
Lease liabilities	(10,249)	(10,861)	(2,565)	(2,262)	(9)	(36)	(271)	(300)	(41)	(40)
Net assets	847,630	807,365	325,530	298,649	9,533	9,238	10,063	10,012	8,079	7,606
Equity attributable to										
- Ordinary shareholders of subsidiaries	723,865	683,765	319,638	292,990	9,344	9,043	9,956	9,924	7,940	7,485
- Non-controlling interests in subsidiaries	123,765	123,600	5,892	5,659	189	195	107	88	139	121
Carrying amount of non-controlling interests	371,399	346,820	269,705	246,504	3,517	3,416	4,326	4,302	3,355	3,152

31 Subsidiaries (Continued)

	For the year ended 31 December									
	CITIC Bank		CITIC Securities		CITIC Heavy Industries		CITIC Telecom International		CITIC Resources	
	2025	2024	2025	2024 (Restated)	2025	2024	2025	2024	2025	2024
Revenue	212,636	212,223	74,854	58,251	8,107	8,034	8,765	8,725	13,711	8,656
Profit for the year	71,490	69,468	31,166	22,428	366	355	856	845	176	554
Total comprehensive income for the year	57,511	82,382	29,742	22,590	421	310	934	830	858	339
Profit attributable to non-controlling interests	25,030	23,317	25,271	18,572	125	114	371	368	83	243
Dividends paid to non-controlling interests	11,037	14,071	8,406	9,887	47	52	280	375	-	-
Net cash generated from/(used in) operating activities	443,082	(181,032)	(43,966)	95,821	850	816	2,076	1,422	626	803
Net cash used in investing activities	(308,085)	(29,532)	(6,989)	(74,264)	(488)	(340)	(277)	(273)	(890)	(469)
Net cash (used in)/generated from financing activities	(59,792)	220,803	55,083	(15,362)	(243)	391	(1,486)	(1,205)	906	(77)

32 Interests in associates

	As at 31 December	
	2025	2024
Carrying value	122,471	115,759
Less: allowance for impairment losses (Note 48)	(8,126)	(8,026)
	114,345	107,733

The particulars of the principal associates are set out in Note 59.

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32 Interests in associates (Continued)

Summarised financial information of the material associates are disclosed below:

	As at 31 December					
	China Overseas Land & Investment Limited		CSC Financial Co., Ltd.		Ivanhoe Mines Ltd.	
	2025	2024	2025	2024	2025	2024
Listed in:	Hong Kong		Hong Kong, Shanghai		Canada	
Gross amount of the associates						
Total assets	936,142	931,267	676,816	566,418	62,358	50,247
Total liabilities	(495,798)	(506,804)	(557,665)	(459,899)	(13,819)	(6,953)
Net assets	440,344	424,463	119,151	106,519	48,539	43,294
Equity attributable to:						
– Associates' shareholders	408,393	403,244	119,102	106,469	49,416	44,004
– Non-controlling interests in associates	31,951	21,219	49	50	(877)	(710)
	440,344	424,463	119,151	106,519	48,539	43,294

	For the year ended 31 December					
	China Overseas Land & Investment Limited		CSC Financial Co., Ltd.		Ivanhoe Mines Ltd.	
	2025	2024	2025	2024 (Restated)	2025	2024
Revenue	168,089	185,154	34,985	30,140	3,154	291
Profit for the year	13,386	17,701	9,454	7,236	1,826	1,577
Other comprehensive income/(loss) for the year	132	(801)	475	598	(557)	498
Total comprehensive income for the year	13,518	16,900	9,929	7,834	1,269	2,075
Dividends received from associates	552	749	179	210	–	–
Reconciled to the Group's interests in associates						
Net assets of associates attributable to the associates' ordinary shareholders	408,393	403,244	82,957	76,643	49,416	44,004
The Group's effective interest	10.01%	10.01%	9.47%	9.47%	21.20%	22.34%
The Group's share of net assets of associates attributable to the ordinary shareholders	40,880	40,365	7,856	7,258	10,476	9,830
Goodwill and others	1,582	1,452	6,235	6,085	(137)	(151)
Impairment of interests in associates	(3,578)	(3,669)	–	–	–	–
Carrying amounts in the consolidated statement of financial position	38,884	38,148	14,091	13,343	10,339	9,679
Quoted fair value	14,859	14,608	19,545	18,913	24,110	26,965

32 Interests in associates (Continued)

Note:

Aggregate information of associates that are not individually material:

	As at 31 December	
	2025	2024
Aggregate carrying amount of individually immaterial associates in the consolidated statement of financial position	51,031	46,563
Aggregate amount of the Group's share of those immaterial associates:		
Profit for the year	4,340	1,725
Other comprehensive (loss)/income for the year	(341)	126
Total comprehensive income for the year	3,999	1,851

33 Interests in joint ventures

	As at 31 December	
	2025	2024
Carrying value	70,932	68,738
Less: allowance for impairment losses (Note 48)	(1,894)	(1,783)
	69,038	66,955

The particulars of the principal joint ventures are set out in Note 59.

Summarised financial information of the material joint ventures are disclosed below:

	CITIC-Prudential Life Insurance Co., Ltd.		As at 31 December China Shipbuilding Properties Co., Ltd.		Shanghai Ruibo Real Properties Co., Ltd.	
	2025	2024	2025	2024	2025	2024
Gross amount of the joint ventures						
Total assets	286,784	265,586	15,295	16,645	28,843	31,420
Total liabilities	(272,078)	(253,285)	(7,644)	(9,022)	(20,450)	(22,241)
Net assets	14,706	12,301	7,651	7,623	8,393	9,179
Equity attributable to:						
– Joint ventures' shareholders	14,705	12,301	7,651	7,623	8,393	9,179
– Non-controlling interests in joint ventures	1	–	–	–	–	–
	14,706	12,301	7,651	7,623	8,393	9,179

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33 Interests in joint ventures (Continued)

	For the year ended 31 December					
	CITIC-Prudential Life Insurance Co., Ltd.		China Shipbuilding Properties Co., Ltd.		Shanghai Ruibo Real Properties Co., Ltd.	
	2025	2024	2025	2024	2025	2024
Revenue	23,078	15,345	198	281	1,908	2,362
Profit/(loss) for the year	4,953	96	28	181	(786)	181
Other comprehensive loss for the year	(5,048)	(664)	-	-	-	-
Total comprehensive (loss)/income for the year	(95)	(568)	28	181	(786)	181
Dividends received from joint ventures	-	-	-	-	-	-
Reconciled to the Group's interests in joint ventures						
Net assets of joint ventures attributable to joint ventures' ordinary shareholders	14,705	12,301	7,651	7,623	8,393	9,179
The Group's effective interest	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
The Group's share of net assets of joint ventures attributable to the ordinary shareholders	7,353	6,151	3,826	3,812	4,197	4,590
Goodwill and others	1,124	1,124	910	892	305	298
Carrying amount in the consolidated statement of financial position	8,477	7,275	4,736	4,704	4,502	4,888

Aggregate information of joint ventures that are not individually material:

	As at 31 December	
	2025	2024
Aggregate carrying amount of individually immaterial joint ventures in the consolidated statement of financial position	51,323	50,088
Aggregate amount of the Group's share of individually immaterial joint ventures		
Profit for the year	1,537	2,200
Other comprehensive income/(loss) for the year	24	(150)
Total comprehensive income for the year	1,561	2,050

34 Fixed assets

	Property, plant and equipment								Investment properties
	Plant and buildings	Machinery and equipment	Construction in progress	Aircraft and vessels, etc	Office and other equipment	Vehicles	Others	Total	
Cost or valuation:									
At 1 January 2025	112,598	183,980	17,661	16,841	26,134	10,001	9,124	376,339	40,691
Exchange adjustments	13	(801)	(8)	(302)	(43)	(60)	(170)	(1,371)	(338)
Additions	4,039	7,791	3,037	32,063	3,219	434	2,121	52,704	1,399
Disposals	(561)	(3,410)	(176)	(1,440)	(1,344)	(530)	(1,010)	(8,471)	(2,697)
Transfers	146	729	(2,848)	85	125	4	36	(1,723)	1,264
Changes in fair value of investment properties	-	-	-	-	-	-	-	-	(127)
At 31 December 2025	116,235	188,289	17,666	47,247	28,091	9,849	10,101	417,478	40,192
Accumulated depreciation, amortisation and impairment losses:									
At 1 January 2025	(30,970)	(96,201)	(509)	(2,075)	(16,353)	(4,930)	(7,249)	(158,287)	-
Exchange adjustments	95	886	-	7	44	26	134	1,192	-
Charge for the year	(3,825)	(9,389)	-	(1,416)	(3,443)	(586)	(598)	(19,257)	-
Disposals	329	3,004	-	272	1,015	398	112	5,130	-
Impairments losses (Note 48)	(459)	(311)	(28)	-	(1)	(21)	(18)	(838)	-
At 31 December 2025	(34,830)	(102,011)	(537)	(3,212)	(18,738)	(5,113)	(7,619)	(172,060)	-
Net book value:									
At 31 December 2025	81,405	86,278	17,129	44,035	9,353	4,736	2,482	245,418	40,192
Represented by:									
Cost	116,235	188,289	17,666	47,247	28,091	9,849	10,101	417,478	Not applicable
Valuation	-	-	-	-	-	-	-	-	40,192
	116,235	188,289	17,666	47,247	28,091	9,849	10,101	417,478	40,192

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34 Fixed assets (Continued)

	Property, plant and equipment							Total	Investment properties
	Plant and buildings	Machinery and equipment	Construction in progress	Aircraft and vessels, etc	Office and other equipment	Vehicles	Others		
Cost or valuation:									
At 1 January 2024	106,038	192,063	20,046	7,485	25,001	10,762	10,849	372,244	38,153
Exchange adjustments	91	1,149	7	54	40	55	197	1,593	252
Business combinations	4	-	-	-	-	-	-	4	-
Additions	3,290	2,862	9,848	9,682	2,856	641	112	29,291	4,956
Disposals	(4,023)	(17,954)	(439)	(439)	(1,965)	(1,459)	(2,592)	(28,871)	(427)
Transfers	7,198	5,860	(11,801)	59	202	2	558	2,078	(2,078)
Changes in fair value of investment properties	-	-	-	-	-	-	-	-	(165)
At 31 December 2024	112,598	183,980	17,661	16,841	26,134	10,001	9,124	376,339	40,691
Accumulated depreciation, amortisation and impairment losses:									
At 1 January 2024	(30,244)	(102,531)	(537)	(1,563)	(14,344)	(4,948)	(7,358)	(161,525)	-
Exchange adjustments	(108)	(249)	-	(1)	(40)	(20)	(103)	(521)	-
Charge for the year	(4,157)	(10,663)	-	(580)	(3,559)	(708)	(524)	(20,191)	-
Disposals	3,576	17,386	6	69	1,590	768	622	24,017	-
Impairments (losses)/reversals (Note 48)	(37)	(144)	22	-	-	(22)	114	(67)	-
At 31 December 2024	(30,970)	(96,201)	(509)	(2,075)	(16,353)	(4,930)	(7,249)	(158,287)	-
Net book value:									
At 31 December 2024	81,628	87,779	17,152	14,766	9,781	5,071	1,875	218,052	40,691
Represented by:									
Cost	112,598	183,980	17,661	16,841	26,134	10,001	9,124	376,339	Not applicable
Valuation	-	-	-	-	-	-	-	-	40,691
	112,598	183,980	17,661	16,841	26,134	10,001	9,124	376,339	40,691

As at 31 December 2025, the Group was in the process of applying the ownership certificates in respect of certain premises of RMB943 million (31 December 2024: RMB967 million). The Group anticipates that there would be no significant issues and costs in completing such procedures.

34 Fixed assets (Continued)

(a) Fair value measurement of investment properties

(i) Property valuation

Investment properties were revalued by the following independent professionally qualified valuers. Management of the Group had discussions with the valuers on the valuation assumptions and valuation results when the valuation is performed at each financial position date.

Properties located in	Valuers in 2025	
Chinese mainland and Hong Kong	China Alliance Appraisal Co., Ltd.	
	Zhonghe Appraisal Co., Ltd.	
	Pan-China Assets Appraisal Co., Ltd.	
	China Enterprise Appraisals Consultation Co., Ltd.	
	ChungRui World Union Appraisal Group Co., Ltd.	
	Knight Frank Petty Limited	
	China Tong Cheng Assets Appraisal Co., Ltd.	
	Centaline Surveyors Limited	
	Shanghai Orient Appraisal Co., Ltd.	
	Tianjin Huaxia Jinxin Asset Appraisal Co., Ltd.	
	Tongling Jinjian Certified Public Accountants LLP	
	Bowen Real Estate Appraisal Building Cost Group Co., Ltd.	
	Overseas	Jones Lang LaSalle Corporate Appraisal and Advisory Company Limited
		Network Real Estate Appraisal Co., Ltd.
Properties located in	Valuers in 2024	
Chinese mainland and Hong Kong	China Enterprise Appraisals Consultation Co., Ltd.	
	Knight Frank Petty Limited	
	China United Assets Appraisal Group	
	Jones Lang LaSalle Corporate Appraisal and Advisory Company Limited	
	Pan-China Assets Appraisal Co., Ltd.	
	ZhongHe Appraisal Co., Ltd.	
	Centaline Surveyors Limited	
Overseas	Jones Lang LaSalle Corporate Appraisal and Advisory Company Limited	
	Network Real Estate Appraisal Co., Ltd.	

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34 Fixed assets (Continued)

(a) Fair value measurement of investment properties (Continued)

(ii) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the financial position dates on a recurring basis, categorised into the three-level hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs, i. e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2 valuations: Fair value measured using Level 2 inputs, i. e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;

Level 3 valuations: Fair value measured using significant unobservable inputs.

	Level 3	
	For the year ended 31 December	
	2025	2024
Recurring fair value measurement		
Investment properties – Chinese mainland		
At 1 January	28,101	25,954
Exchange adjustments	(23)	(2)
Additions	1,197	4,799
Disposals	(2,656)	(421)
Transfers	1,217	(2,031)
Changes in fair value of investment properties	121	(198)
At 31 December	27,957	28,101

34 Fixed assets (Continued)

(a) Fair value measurement of investment properties (Continued)

(ii) Fair value hierarchy (Continued)

	Level 3	
	For the year ended 31 December	
	2025	2024
Recurring fair value measurement (Continued)		
Investment properties – Hong Kong		
At 1 January	12,106	11,706
Exchange adjustments	(330)	280
Additions	202	136
Disposals	(35)	–
Transfers	34	(47)
Changes in fair value of investment properties	(256)	31
At 31 December	11,721	12,106
Investment properties – Overseas		
At 1 January	484	493
Exchange adjustments	15	(26)
Additions	–	21
Disposals	(6)	(6)
Transfers	13	–
Changes in fair value of investment properties	8	2
At 31 December	514	484

The Group's policy is to recognise transfers between levels of fair value hierarchy at the financial position date in which they occur. During the year ended 31 December 2025, there were no Level 1 and Level 2 fair value hierarchy (2024: nil) and no transfers into or out of Level 3 (2024: nil).

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34 Fixed assets (Continued)

(a) Fair value measurement of investment properties (Continued)

(iii) Valuation techniques and inputs used in Level 3 fair value measurements

The fair value of investment properties located in Chinese mainland is determined by using income capitalisation approach and depreciated replacement cost approach under the circumstances.

The income capitalisation approach is the sum of the term value and the reversionary value by discounting the contracted annual rent at the capitalisation rate over the existing lease period; and the sum of average unit market rent at the capitalisation rate after the existing lease period.

Depreciated replacement cost values a property by taking into account of its current cost of replacement or reproduction, less deduction for physical deterioration and all relevant forms of obsolescence and optimisation. The fair value measurement is based on an estimate of the market value for the existing use of the land, plus the depreciated replacement cost.

The fair value of certain investment properties located in Hong Kong is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group's buildings compared with the recent sales. Higher premium for higher quality buildings will result in a higher fair value measurement.

The fair value of other investment properties located in Hong Kong is determined by using income capitalisation approach and with reference to sales evidence as available in the market.

35 Intangible assets and goodwill

(a) Intangible assets

The Group's intangible assets mainly include concession rights, mining exploration rights, computer software and data resources. As at 31 December 2025, in accordance with the *Notice on Promulgation of the Interim Provisions on Accounting Treatment for Enterprise Data Resources* issued by the Ministry of Finance ("MOF"), the original value of data resources recognised as intangible assets was RMB58.06 million (31 December 2024: RMB16.15 million), the accumulated amortisation was RMB5.55 million (31 December 2024: RMB0.89 million), and the net carrying amount was RMB52.51 million (31 December 2024: RMB15.26 million).

(b) Goodwill

	For the year ended 31 December	
	2025	2024
Cost:		
At 1 January	32,881	32,236
Disposals	(6)	–
Exchange differences and others	(342)	645
At 31 December	32,533	32,881
Accumulated impairment losses:		
At 1 January	(6,137)	(6,160)
Additions (Note 48)	–	(17)
Disposals	6	–
Exchange differences and others	12	40
At 31 December	(6,119)	(6,137)
Net book value:		
At 31 December	26,414	26,744

Goodwill is allocated to the Group's cash-generating units identified in segments as follows:

	As at 31 December	
	2025	2024
Comprehensive financial services	12,768	12,838
Advanced intelligent manufacturing	992	975
Advanced materials	891	954
New consumption	11,193	11,371
New-type urbanisation	570	606
	26,414	26,744

In conducting goodwill impairment test, the carrying value of goodwill is allocated to the cash-generating units or groups of cash-generating units which are expected to benefit from the synergies of the business combination. The recoverable amount of the cash-generating units or groups of cash-generating units is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The corresponding impairment loss of the cash-generating units or groups of cash-generating units will not be recognised if either the fair value less costs to sell or the present value of the future cash flows expected to be derived from the asset is higher than the carrying value.

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35 Intangible assets and goodwill (Continued)

For the comprehensive financial service segment, the Group included CITIC Securities in the consolidation scope since April 2022, generating goodwill of RMB11,430 million. As at 31 December 2025, the Group allocated such goodwill to CITIC Securities for impairment test, and evaluated whether it was impaired based on the present value of the expected future cash flows. The management determined the growth rate based on historical experience and forecasts of market development. The growth rate of the forecast period was determined according to the budget approved by management, and growth rate of 2% for the stable period was used after the forecast period. The Group adopted 13.28%, which could reflect the overall risks of CITIC Securities, as the pre-tax discount rate. As the calculation showed, the goodwill arising from consolidation of CITIC Securities had not been impaired.

For the new consumption segment, among the total book value of the Group's goodwill, an amount of RMB8,795 million was generated from acquisition of subsidiaries by CITIC Telecom International. The recoverable amounts of the groups of cash-generating units are determined based on value-in-use calculations which is higher than the carrying amount. The calculations use cash flow projections based on financial budgets approved by management covering a three-year period. For the subsequent two years of the model, data from the financial budgets is extrapolated generally using simplified assumptions such as macro-economic and industry assumptions. Cash flows after the first five-year period are extrapolated generally using expected annual long-term growth rates, in order to calculate the terminal value. Key assumptions used for the value-in-use calculations are as follows:

	2025	2024
Telecom services revenue growth rates	1.1% ~ 3.4%	0.1% ~ 2.8%
Profit margins	20.0% ~ 48.6%	20.7% ~ 49.3%
Long-term growth rates	2.5%	3.0%
Pre-tax discount rates	7.7% ~ 9.7%	9.2% ~ 10.5%

The average services revenue growth rates and long-term growth rates used for the respective groups of cash-generating units are based on past performance and management's expectation for market development. The discount rates used are pre-tax and reflect specific risks relating to the respective groups of cash-generating units. Any adverse change in the key assumptions could reduce the recoverable amount below carrying amount.

For the new-type urbanisation segment, RMB4,801 million in the original carrying amount of the Group's goodwill was generated from acquisition of a subsidiary of CITIC Environment Investment Group Co., Ltd. ("CITIC Environment"), and an impairment loss of RMB4,323 million was provided in 2022. As at 31 December 2025, management evaluated whether the goodwill has been impaired using the present value of the expected future cash flows. After testing, the goodwill is not further impaired in 2025.

36 Income tax in the statement of financial position

(a) Current income tax in the statement of financial position represents:

	As at 31 December	
	2025	2024
Income tax payable	11,691	12,376

(b) Deferred tax assets/(liabilities) recognised:

The components of deferred tax assets recognised in the consolidated statement of financial position and the movements, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	Tax losses	Accrued expenses	Impairment loss on assets other than fixed assets and intangible assets	Fair value changes of financial instruments	Fixed assets and intangible assets	Others	Total
Deferred tax assets							
At 1 January 2024	13,638	11,064	57,125	1,936	2,046	4,072	89,881
Charged to profit or loss	35	310	4,642	1,585	(1,042)	404	5,934
Charged to other comprehensive income	–	6	(112)	(73)	(11)	(58)	(248)
Business combinations	(1)	–	–	–	–	–	(1)
Exchange adjustments and others	475	(224)	(250)	(142)	701	(447)	113
At 31 December 2024	14,147	11,156	61,405	3,306	1,694	3,971	95,679
At 1 January 2025	14,147	11,156	61,405	3,306	1,694	3,971	95,679
Charged to profit or loss	(656)	498	(1,774)	2,767	(247)	1,590	2,178
Charged to other comprehensive income	–	(43)	–	(40)	(3)	33	(53)
Exchange adjustments and others	(268)	2	4	(2)	(12)	115	(161)
At 31 December 2025	13,223	11,613	59,635	6,031	1,432	5,709	97,643

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36 Income tax in the statement of financial position (Continued)

(b) Deferred tax assets/(liabilities) recognised: (Continued)

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	Fair value changes of financial instruments	Temporary differences on fixed assets and intangible assets	Revaluation of investment properties	Others	Total
Deferred tax liabilities					
At 1 January 2024	(6,019)	(4,235)	(4,324)	(8,723)	(23,301)
Charged to profit or loss	(1,106)	917	(48)	(1,332)	(1,569)
Charged to other comprehensive income	(3,736)	7	–	150	(3,579)
Business combinations	–	–	–	1	1
Exchange adjustments and others	4	456	659	(1,109)	10
At 31 December 2024	(10,857)	(2,855)	(3,713)	(11,013)	(28,438)
At 1 January 2025	(10,857)	(2,855)	(3,713)	(11,013)	(28,438)
Charged to profit or loss	(3,552)	(55)	(122)	415	(3,314)
Charged to other comprehensive income	3,405	(26)	–	(13)	3,366
Business combinations	–	–	106	–	106
Exchange adjustments and others	6	(592)	436	495	345
At 31 December 2025	(10,998)	(3,528)	(3,293)	(10,116)	(27,935)

As at 31 December 2025, the deferred tax assets/liabilities offset by the Group were RMB10,604 million (31 December 2024: RMB10,717 million).

(c) Deductible temporary difference and tax losses not recognised as deferred tax assets

The Group has not recognised deferred tax assets in respect of the following items:

	As at 31 December	
	2025	2024
Deductible temporary differences	9,535	13,673
Tax losses	19,931	23,257
	29,466	36,930

It is not probable that future taxable profits against which the above deductible temporary differences and tax losses can be utilised by the Group. As at 31 December 2025, tax losses amounting to RMB12,515 million (31 December 2024: RMB14,854 million) that can be carried forward against future taxable income are expiring within 5 years.

37 Deposits from banks and non-bank financial institutions

	As at 31 December	
	2025	2024
Banks	224,321	349,456
Non-bank financial institutions	657,147	583,403
	881,468	932,859
Accrued interest	1,808	2,300
	883,276	935,159

38 Placements from banks and non-bank financial institutions

	As at 31 December	
	2025	2024
Banks	202,337	144,748
Non-bank financial institutions	751	771
	203,088	145,519
Accrued interest	711	125
	203,799	145,644
Analysed by remaining maturity:		
– Within 3 months	143,419	99,229
– Between 3 months and 1 year	53,594	42,636
– Over 1 year	6,075	3,654
	203,088	145,519
Accrued interest	711	125
	203,799	145,644

39 Financial liabilities at fair value through profit or loss

	As at 31 December	
	2025	2024
Financial liabilities at fair value through profit or loss		
Debt instruments	10,967	24,253
Stocks	18,119	9,528
Non-controlling interests in consolidated structured entities and others	1,197	463
	30,283	34,244
Financial liabilities designated at fair value through profit or loss		
Beneficiary certificates and structured notes	139,225	88,014
Non-controlling interests in consolidated structured entities and others	3,508	4,882
	142,733	92,896
	173,016	127,140

In 2025, there were no significant changes in the fair value of financial liabilities designated as at fair value through profit or loss due to the changes in credit risks of the Group (2024: None).

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40 Customer brokerage deposits

	As at 31 December	
	2025	2024
Customer brokerage deposits	517,630	361,926

Customer brokerage deposits represent the amount received from and repayable to customers arising from the ordinary course of the Group's securities brokerage activities.

41 Trade and other payables

	As at 31 December	
	2025	2024
Financial liabilities		
Trade and bills payables	105,893	106,231
Settlement accounts	84,333	42,571
Client deposits payable	152,030	134,310
Dividends payable	5,609	4,639
Other payables	119,861	89,877
	467,726	377,628
Non-financial liabilities		
Advances	1,067	264
Other taxes payables	9,025	8,004
	10,092	8,268
	477,818	385,896

At the financial position date, the ageing analysis of the Group's trade and bills payables based on the invoice date is as follows:

	As at 31 December	
	2025	2024
Within 1 year	83,877	82,196
Between 1 and 2 years	6,685	7,278
Between 2 and 3 years	4,990	2,809
Over 3 years	10,341	13,948
	105,893	106,231

42 Financial assets sold under repurchase agreements

	As at 31 December	
	2025	2024
By counterparties		
The People's Bank of China	358,122	196,732
Banks	257,147	210,420
Non-bank financial institutions	199,640	56,250
Others	69,337	208,451
	884,246	671,853
Accrued interest	1,463	234
	885,709	672,087
By types of collateral		
Debt securities	724,614	483,566
Stocks	36,595	46,493
Precious metals	30,557	13,524
Discounted bills	2,524	76,732
Others	89,956	51,538
	884,246	671,853
Accrued interest	1,463	234
	885,709	672,087

The Group did not derecognise financial assets transferred as collateral in connection with repurchase agreements. As at 31 December 2025, legal title of these collateral pledged has not been transferred to counterparties (31 December 2024: Not been transferred).

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43 Deposits from customers

(a) Types of deposits from customers

	As at 31 December	
	2025	2024
Demand deposits		
Corporate customers	1,974,729	1,965,191
Personal customers	473,380	439,965
	2,448,109	2,405,156
Time and call deposits		
Corporate customers	2,186,503	2,066,876
Personal customers	1,320,869	1,221,680
	3,507,372	3,288,556
Outward remittance and remittance payables	84,261	68,167
Accrued interest	77,785	86,060
	6,117,527	5,847,939

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

	As at 31 December	
	2025	2024
Bank acceptances	440,829	465,680
Letters of credit	46,061	43,450
Guarantees	28,352	21,411
Others	42,373	30,284
	557,615	560,825

44 Bank and other loans

(a) Types of loans

	As at 31 December	
	2025	2024
Bank loans		
Unsecured loans	185,611	177,750
Loan pledged with assets (note (d))	18,712	24,503
	204,323	202,253
Other loans		
Unsecured loans	38,684	39,352
Loan pledged with assets (note (d))	2,703	3,250
	41,387	42,602
	245,710	244,855
Accrued interest	457	711
	246,167	245,566

(b) Maturity of loans

	As at 31 December	
	2025	2024
Bank loans		
– Within 1 year or on demand	113,665	97,500
– Between 1 and 2 years	42,167	45,055
– Between 2 and 5 years	30,123	36,892
– Over 5 years	18,368	22,806
	204,323	202,253
Other loans		
– Within 1 year or on demand	1,230	1,616
– Between 1 and 2 years	7,719	32,827
– Between 2 and 5 years	29,898	5,546
– Over 5 years	2,540	2,613
	41,387	42,602
	245,710	244,855
Accrued interest	457	711
	246,167	245,566

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44 Bank and other loans (Continued)

(c) Bank and other loans are denominated in the following currencies

	As at 31 December	
	2025	2024
RMB	129,409	122,112
US\$	51,770	55,846
HK\$	63,103	65,400
Other currencies	1,428	1,497
	245,710	244,855
Accrued interest	457	711
	246,167	245,566

- (d) As at 31 December 2025, the Group's bank and other loans of RMB21,415 million (31 December 2024: RMB27,753 million) are pledged with cash and deposits, trade and other receivables, inventories, financial assets held for trading, fixed assets, ROU assets and intangible assets with an aggregate carrying amount of RMB82,328 million (31 December 2024: RMB92,096 million).
- (e) The Group's banking facilities are subject to the fulfilment of covenants relating to balance sheet ratios or ownership of a minimum shareholding in certain entities of the Group, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 50 (b). As at 31 December 2025, none of the covenants relating to drawn down facilities have been breached (31 December 2024: nil).
- (f) The Group has entered into supplier financing arrangements with financial institutions to obtain financing facilities thereunder. As at 31 December 2025, the balances of the financial liabilities under these arrangements amounted to RMB1,075 million (31 December 2024: RMB880 million), and since the payments are classified as non-cash transactions, the Group has not presented them in the consolidated cash flow statement. The carrying amount of the repayments of trade financing loans amounted to RMB5,843 million in 2025 (31 December 2024: RMB6,885 million).

45 Debt instruments issued

	As at 31 December	
	2025	2024
Certificates of interbank deposit issued	930,618	930,954
Corporate bonds issued	260,736	217,194
Notes issued	220,865	226,962
Subordinated bonds issued	78,174	83,120
Beneficiary certificates	25,159	19,166
Convertible corporate bonds (note (a))	4,349	11,246
Certificates of deposit issued	–	1,460
	1,519,901	1,490,102
Accrued interest	6,169	7,036
	1,526,070	1,497,138
Analysed by remaining maturity:		
– Within 1 year or on demand	1,119,178	1,098,235
– Between 1 and 2 years	135,852	99,482
– Between 2 and 5 years	131,362	154,731
– Over 5 years	133,509	137,654
	1,519,901	1,490,102
Accrued interest	6,169	7,036
	1,526,070	1,497,138

The Group did not have any defaults of principal, interest or other breaches with respect to its debt instruments issued for the year ended 31 December 2025 (2024: nil).

(a) Convertible corporate bonds

As approved by the relevant regulatory authorities in China, CITIC Bank made a public offering of RMB40,000 million A-share convertible corporate bonds (the "CITIC Bank convertible bonds") on 4 March 2019. CITIC Corporation Limited, as its parent company, has subscribed RMB26,388 million, 65.97% of the total corporate bonds, which is the same percentage of the Group's interest in CITIC Bank's common shares, and it was transferred to CITIC Financial Holdings Co., Ltd. at nil consideration on 22 June 2022. On 4 March 2025, the CITIC Bank convertible bonds were delisted in the Shanghai Stock Exchange.

As approved by the relevant regulatory authorities in China, CITIC Special Steel, the Group's subsidiary, made a public offering of RMB5,000 million A-share convertible corporate bonds (the "CITIC Steel convertible bonds") on 25 February 2022. The CITIC Steel convertible bonds have a term of 6 years from 25 February 2022 to 24 February 2028, at coupon rates of 0.2% for the first year, 0.4% for the second year, 0.9% for the third year, 1.3% for the fourth year, 1.6% for the fifth year and 2.0% for the sixth year. The conversion of these convertible bonds begins on the first trading day (3 March 2022) after six months upon the completion date of the offering until the maturity date (from 3 September 2022 to 24 February 2028). As at 31 December 2025, RMB4,403 million (31 December 2024: RMB4,178 million) of the CITIC Special Steel convertible bonds (including accrued interest) were recognised in debt instruments issued, and RMB693 million (31 December 2024: RMB693 million) were recognised in non-controlling interests.

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46 Provisions

	Environmental restoration expenditures	Others	Total
Provisions (excluding impairment provision of credit commitments and guarantees provided)			
At 1 January 2024	1,540	2,094	3,634
Exchange differences and others	(88)	(4)	(92)
Charge for the year	72	1,251	1,323
Payments made during the year	–	(1,666)	(1,666)
At 31 December 2024	1,524	1,675	3,199
At 1 January 2025	1,524	1,675	3,199
Exchange differences and others	34	(266)	(232)
Charge for the year	14	2,460	2,474
Payments made during the year	–	(884)	(884)
At 31 December 2025	1,572	2,985	4,557
Impairment provision of credit commitments and guarantees provided			
			Total
At 1 January 2024			12,496
Exchange differences and others			329
Reversals for the year			(2,223)
At 31 December 2024			10,602
At 1 January 2025			10,602
Exchange differences and others			(18)
Charge for the year			391
At 31 December 2025			10,975
Total			
At 31 December 2024			13,801
At 31 December 2025			15,532

47 Share capital and reserves

(a) Share capital

As at 31 December 2025, the number of ordinary shares in issue of the Company was 29,090,262,630 (31 December 2024: 29,090,262,630).

(b) Nature and purpose of reserves

(i) Capital reserve

Considerations paid to acquire subsidiaries under common control, for instance, in 2014, a total consideration of RMB226,996 million paid by the Company to acquire the shares of CITIC Corporation Limited, are debited against the capital reserve in the Group's consolidated financial statements. In addition, gains or losses from transactions with non-controlling interests are directly debited or credited to the capital reserve in the Group's consolidated financial statements.

(ii) Hedging reserve

The hedging reserve comprises the effective portion of the hedging instruments used in cash flow hedging and the accumulated net change in fair value, and the cash flow hedging are measured subsequently in accordance with the relevant accounting policies set out in Note 2 (k)(ii).

(iii) Investment related reserves

The investment related reserves comprise the cumulative net change in the fair value of investments in financial assets at FVOCI until the financial assets are derecognised and share of other comprehensive income of associates and joint ventures, and are dealt with in accordance with the accounting policies set out in Note 2 (j)(i) and Note 2 (g), respectively.

(iv) General reserve

Pursuant to the relevant notices issued by regulatory bodies, certain subsidiaries under comprehensive financial services segment in Chinese mainland are required to set aside a general reserve to cover potential losses.

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of overseas operations as well as the effective portion of any foreign exchange differences arising from hedges of the net investment in these operations. The reserve is dealt with in accordance with the accounting policies set out in Note 2 (i).

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's stability and growth, so that it can continue to provide returns for shareholders.

The Group actively and regularly reviews and manages its capital structure, with reference to such financial ratios like debt (total of debt instruments issued and bank and other loans) to total equity ratio, to maintain a balance between the higher shareholders' returns that might be possible with of borrowings obtained and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Certain subsidiaries under comprehensive financial services segment are subject to capital adequacy requirements imposed by the external regulators. There was no non-compliance of capital requirements as at 31 December 2025 (31 December 2024: nil).

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48 Movement of allowances for impairment losses

	For the year ended 31 December 2025				At 31 December
	At 1 January	Charge	Write-offs/ transfer out	Exchange differences and others (note (i))	
Allowances for expected credit losses					
Deposits and placements with banks and non-bank financial institutions (Notes 19 and 21)	245	22	–	(2)	265
Receivables (excluding prepayments) and others (note (ii))	26,673	10,685	(5,420)	232	32,170
Loans and advances to customers and other parties (Note 27)	145,935	50,651	(67,556)	13,294	142,324
Investments in financial assets (Note 29)					
– Financial assets at amortised cost	27,691	951	(4,082)	1,338	25,898
– Debt investments at FVOCI	3,285	558	(277)	(77)	3,489
Credit commitments and guarantees provided (Note 46)	10,602	391	–	(18)	10,975
	214,431	63,258	(77,335)	14,767	215,121
Allowances for impairment losses					
Inventories (Note 25)	10,729	2,122	(2,310)	631	11,172
Interests in associates (Note 32)	8,026	249	(17)	(132)	8,126
Interests in joint ventures (Note 33)	1,783	152	–	(41)	1,894
Fixed assets (Note 34)	43,462	838	(82)	(678)	43,540
Intangible assets	15,469	554	–	(375)	15,648
Prepayments (Note 23)	133	106	(10)	–	229
Goodwill (Note 35)	6,137	–	(6)	(12)	6,119
Other assets	2,334	148	(47)	(77)	2,358
	88,073	4,169	(2,472)	(684)	89,086
	302,504	67,427	(79,807)	14,083	304,207

48 Movement of allowances for impairment losses (Continued)

	For the year ended 31 December 2024 (Restated)				At 31 December
	At 1 January	Charge/ (reversal)	Write-offs/ transfer out	Exchange differences and others (note (i))	
Allowances for expected credit losses					
Deposits and placements with banks and non-bank financial institutions (Notes 19 and 21)	202	41	–	2	245
Receivables (excluding prepayments) and others (note (ii))	27,929	3,501	(6,160)	1,403	26,673
Loans and advances to customers and other parties (Note 27)	139,655	54,828	(61,310)	12,762	145,935
Investments in financial assets (Note 29)					
– Financial assets at amortised cost	28,584	2,418	(3,292)	(19)	27,691
– Debt investments at FVOCI	3,284	777	(797)	21	3,285
Credit commitments and guarantees provided (Note 46)	12,496	(2,182)	(41)	329	10,602
	212,150	59,383	(71,600)	14,498	214,431
Allowances for impairment losses					
Inventories (Note 25)	9,913	1,334	(546)	28	10,729
Interests in associates (Note 32)	8,258	136	(683)	315	8,026
Interests in joint ventures (Note 33)	1,518	233	–	32	1,783
Fixed assets (Note 34)	43,048	67	(512)	859	43,462
Intangible assets	15,134	19	–	316	15,469
Prepayments (Note 23)	100	28	(6)	11	133
Goodwill (Note 35)	6,160	17	–	(40)	6,137
Other assets	2,341	61	(74)	6	2,334
	86,472	1,895	(1,821)	1,527	88,073
	298,622	61,278	(73,421)	16,025	302,504

Notes:

(i) Others include recovery of loans written off.

(ii) Movement of allowances for impairment losses for accrued interest of loans and advances to customers and other parties, investments in financial assets are included in others.

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49 Contingent liabilities and commitments

(a) Credit commitments

Credit commitments in connection with the Group take the form of loan commitments, credit card commitments, guarantees, letters of credit and acceptances.

Loan commitments and credit card commitments represent the undrawn amount of approved loans with signed contracts and credit card limits. Financial guarantees and letters of credit represent guarantees provided by the Group to guarantee the performance of customers to third parties. Bank acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects the majority acceptances to be settled simultaneously with the reimbursement from the customers.

The contractual amounts of credit commitments by category as at the financial position date are set out below. The amounts disclosed in respect of loan commitments and credit card commitments assume that amounts are fully drawn down. The amounts of guarantees, letters of credit and acceptances represent the maximum potential loss that would be recognised as at the financial position date if counterparties failed to perform as contracted.

	As at 31 December	
	2025	2024
Contractual amount		
Loan commitments		
With an original maturity of within 1 year	5,025	16,885
With an original maturity of 1 year or above	58,423	37,179
	63,448	54,064
Credit card commitments	792,650	812,562
Acceptances	830,989	852,758
Letters of credit	367,176	322,670
Guarantees	250,949	272,468
	2,305,212	2,314,522

49 Contingent liabilities and commitments (Continued)

(b) Credit commitments analysed by credit risk weighted amount

	As at 31 December	
	2025	2024
Credit risk weighted amount on credit commitments	684,030	679,525

Notes:

- (i) The above credit risk weighted amount is solely in connection with the credit commitments held by CITIC Bank under the comprehensive financial services segment of the Group.
- (ii) The credit risk weighted amount refers to the amount as computed in accordance with the rules set out by the NFRA and depends on the status of counterparties and the maturity characteristics. The risk weighting used is ranging from 0% to 150%.

(c) Redemption commitment for treasury bonds

As an underwriting agent of PRC treasury bonds, CITIC Bank has the responsibility to buy back those bonds sold by it, should the holders decide to early redeem the bonds held. The redemption price for the bonds at any time before their maturity dates is based on the nominal value plus any interest unpaid and accrued up to the redemption date. Accrued interest payables to the treasury bond holders are calculated in accordance with relevant rules of the MOF and the People's Bank of China. The redemption price may be different from the fair value of similar instruments traded at the redemption date.

The redemption obligations below represent the nominal value of treasury bonds underwritten and sold by CITIC Bank, but not yet matured at the financial position date:

	As at 31 December	
	2025	2024
Redemption commitment for treasury bonds	2,904	2,615

The original terms of the above treasury bonds range from one to five years. The Group believes that the amount of treasury bonds accepted in advance before the maturity date is insignificant. The MOF will not timely pay the treasury bonds which are accepted in advance, but will pay the principal and interest according to the issuance agreement when the treasury bonds mature.

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49 Contingent liabilities and commitments (Continued)

(d) Guarantees provided

Except for guarantees that have been recognised as liabilities, the guarantees issued by the Group at the financial position date are as follows:

	As at 31 December	
	2025	2024
Related parties	5,591	6,835
Third parties	647	2,153
	6,238	8,988

As at financial position date, the counter guarantees issued to the Group by related parties and third parties mentioned above are as follows:

	As at 31 December	
	2025	2024
Related parties	568	1,600

The relationship and transaction with related parties are disclosed in Note 51.

(e) 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.

(i) There are a number of disputes with Mineralogy, and their details are disclosed in Note 3 (k).

(ii) There are some issues in dispute with MCC, and their details are disclosed in Note 3 (l).

(f) Capital commitments

As at the financial position date, the Group had the following capital commitments not provided for in these consolidated financial statements:

	As at 31 December	
	2025	2024
Contracted for	14,854	15,110

50 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the business of the Group. The Group has established policies and procedures to identify and analyse these risks, to set appropriate risk limits and controls, and to constantly monitor the risks and limits by means of reliable and up-to-date management information systems. The Group regularly updates and enhances its risk management policies and systems to reflect changes in markets, products and best practice risk management processes. Internal auditors also perform regular audits to ensure compliance with policies and procedures.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk management

Credit risk refers to the risk of loss caused by default of debtor or counterparty. Credit risk also occurs when the Group makes unauthorised or inappropriate loans and advances to customers, financial commitments or investments. The credit risk exposures of the Group mainly arise from the Group's loans and advances to customers, bonds, interbank business, receivables, lease receivables, other debt investments, off-balance sheet items such as credit commitments, financing businesses including margin financing and securities lending, and also stock-pledged repo.

The Group has standardised management on the entire credit business process including loan application, and its investigation approval and granting of loan, and monitoring of non-performing loans. Through strictly standardising the credit business process, strengthening the whole process management of pre-loan investigation, credit rating and credit granting, examination and approval, loan review and post-loan monitoring, improving the risk of slow-release of collateral, accelerating the liquidation and disposal of non-performing loans, and promoting the upgrading and transformation of credit management system, the credit risk management level of the Group has been comprehensively improved.

In addition to the credit risk to the Group caused by credit assets, for treasury business, the Group manages the credit risk for treasury business through prudently selecting peers and other financial institutions with comparable credit levels as counterparties, balancing credit risk with returns on investment, comprehensively considering internal and external credit rating information, granting credit hierarchy, and using credit management system to review and adjust credit commitments on a timely basis, etc. In addition, the Group provides off-balance sheet commitment and guarantee business to customers, so it is possible for the Group to make payment on behalf of the customer in case of customer's default and bear risks similar to the loan. Therefore, the Group applies similar risk control procedures and policies to such business to reduce the credit risk.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Credit risk management (Continued)

The Group's credit risk of securities financing transactions mainly arises from the provision of false information provided by customers, failure to repay liabilities at required time limit, violation of contractual agreements on size and structure of positions, violation of regulatory requirements on transactions and involvement of legal disputes on assets provided as collateral. The Company primarily adopts the risk education, credit collection, credit granting, daily marking-to-market, customer risk alert, mandatory liquidation, judicial recourse and other methods to control those credit risks.

The Group is also confronted with credit risk resulting from receivables that arising from sale of goods and rendering of services within the non-comprehensive financial services segments. The relevant subsidiaries have established a credit policy under which individual credit evaluations are performed on all customers to determine the credit limit and terms applicable to the customers. These evaluations focus on the customers' financial position, the external ratings of the customers and their bank credit records where available.

Measurement of expected credit losses

The Group adopts the ECL model on its debt instruments which are classified as financial assets measured at amortised cost and at FVOCI, margin accounts, credit commitments and financial guarantees in accordance with the provisions of HKFRS 9.

The Group mainly applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade and other receivables and contract assets, regardless of whether there is significant financing component or not. For other financial assets that are included in the measurement of ECL, the Group evaluates whether the credit risks of related financial assets have increased significantly since initial recognition, and uses the impairment model to measure their loss allowances respectively to recognise ECL and their movements:

Stage 1: Financial instruments with no significant increase in credit risk since its initial recognition will be classified as "stage 1" and the Group continuously monitors their credit risk. The loss allowances of financial instruments in stage 1 are measured based on the ECL in the next 12 months, which represents the proportion of the ECL in the lifetime due to possible default events in the next 12 months.

Stage 2: If there is a significant increase in credit risk since initial recognition, the Group transfers the related financial instruments to stage 2, but it will not be considered as credit-impaired instruments. The ECL of financial instruments in stage 2 is measured based on the lifetime ECL.

Stage 3: If a financial asset has shown signs of credit impairment from initial recognition, it will be moved to Stage 3. The expected credit losses of financial assets in Stage 3 are measured based on the lifetime ECL.

Purchased or originated credit-impaired financial assets refers to financial assets that are credit-impaired at the initial recognition. Loss allowances on these assets are the lifetime ECL.

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Measurement of expected credit losses (Continued)

The Group estimates the ECL in accordance with HKFRS 9, and the key judgments and assumptions adopted by the Group are as follows:

(1) **Significant increase in credit risk**

On each financial position date, the Group evaluates whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition. When one or more quantitative or qualitative threshold, or upper limit are triggered, the credit risk of financial instruments would be considered as increased significantly.

By setting quantitative and qualitative threshold, and upper limit, the Group determines whether the credit risk of financial instruments has increased significantly since initial recognition. The judgment mainly includes the days past due, the absolute level and relative level of the change of default probability, the change of credit risk classification and other conditions indicating significant changes in credit risk.

(2) **Definition of default and credit-impaired assets**

When credit impairment occurred, the Group defines that the financial asset is in default. In general, a financial asset that is overdue for more than 90 days is considered to be in default.

When one or more events that adversely affect the expected future cash flow of a financial asset occurs, the financial asset becomes a credit-impaired financial asset. Evidence of credit-impaired financial assets includes the following observable information:

- The issuer or borrower/debtor is in significant financial difficulties;
- The borrower/debtor is in breach of financial covenant(s) such as default or overdue in repayment of interests or principal etc.;
- The creditor gives the debtor concession that would not be offered otherwise, considering economic or contractual factors relating to the debtor's financial difficulties;
- It is becoming probably that the borrower/debtor will enter bankruptcy or other debt restructuring;
- An active market for that financial asset has disappeared because of financial difficulties from issuer or borrower/debtor;
- Financing financial assets are subject to mandatory liquidation measures and the collateral value is no longer sufficient for financing amounts;
- Violation grade for bond issuers or bonds in the latest external rating;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

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For the year ended 31 December 2025
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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Measurement of expected credit losses (Continued)

(2) Definition of default and credit-impaired assets (Continued)

The Group's default definition has been consistently applied to the modeling of default probability, default risk exposure and default loss rate in the Group's expected credit loss calculation process.

(3) Inputs for measurement of ECL

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred or whether an asset is considered to be credit-impaired. Related definitions are as follows:

- The probability of default ("PD") represents the likelihood of a borrower/debtor defaulting on its financial obligations, either over the next 12 months or over the remaining lifetime of the obligation.
- Loss given default ("LGD") represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim, and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default and is calculated on a 12-month or lifetime basis.
- Exposure at default ("EAD") is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime of the obligation.

The Group regularly monitors and reviews the assumptions related to the calculation of expected credit losses, including the PD and the change in the value of collateral over time.

The Group categorises exposures with similar risk characteristics and estimates the PD, LGD, EAD by the exposures respectively. In 2025, based on data accumulation, the Group optimised and updated relevant models and parameters. The Group has acquired sufficient information to assure the reliability of the statistics. The Group makes allowances for its expected credit losses based on on-going assessment of and follow-up on the status of its customers and their financial assets respectively on an individual basis.

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Measurement of expected credit losses (Continued)

(4) Forward-looking information

The assessment of significant increase in credit risk and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each asset portfolio.

These economic variables have different impacts on the PD and LGD of different risk groups. Expert judgment has also been applied in this process, forecasts of these economic variables are estimated by the experts of the Group on a semi-annual basis, and the impact of these economic variables on the PD and the LGD was determined by the results of expert judgement.

In addition to the base economic scenario, the Group determines the possible scenarios and their weighting by a combination of statistical analysis and expert judgment. The Group measures ECL as either a probability weighted 12 months ECL (stage 1) or a probability weighted lifetime ECL (stage 2 and stage 3). These probability-weighted ECL are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

Macroeconomic scenario and weighting information

The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio, which mainly include GDP, producer price index, the total retail sales of consumer goods, currency in circulation and per capita disposable income of urban residents, etc. Based on comprehensive considerations of internal and external data, expert forecasts, and the best estimate of future outcomes, the Group makes regular forecasts of the macro indicators in three macro-economic scenarios, i. e., the positive, neutral and negative scenarios, to determine the coefficients for forward-looking adjustments. Neutral is defined as the most likely to happen in the future, as compared with other scenarios. Positive scenario and negative scenario represent the likely scenario that is better off or worse off as compared with the neutral scenario.

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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(i) Maximum credit risk exposure

The maximum exposure to credit risk as at the financial position date without taking into consideration of any collateral held or other credit enhancement is represented by the net balance of each type of financial assets in the consolidated statement of financial position after deducting any impairment allowance. A summary of the maximum credit risk exposure of financial instruments for which allowance for impairment losses is recognised is as follows:

	As at 31 December	
	2025	2024
Deposits with central banks, banks and non-bank financial institutions	644,379	603,287
Placements with banks and non-bank financial institutions	430,296	382,012
Trade and other receivables	319,977	208,369
Financial assets held under resale agreements	223,686	179,829
Loans and advances to customers and other parties	5,732,960	5,589,459
Refundable deposits	102,372	68,215
Margin accounts	207,652	138,332
Investments in financial assets		
– At amortised cost	1,301,701	1,108,159
– Debt investments at FVOCI	1,510,835	926,931
Cash held on behalf of customers	433,832	315,761
Contract assets	21,640	22,414
Other financial assets	9	3,063
	10,929,339	9,545,831
Credit commitments and guarantees provided	2,311,450	2,323,510
Maximum credit risk exposure	13,240,789	11,869,341

The maximum credit risk exposure for debt instruments at the financial position date without taking into consideration of any collateral held or other credit enhancement is represented by the balance of each type of debt instruments in the consolidated statement of financial position. A summary of the maximum credit risk exposure for which allowance for impairment losses is not recognised is as follows:

	As at 31 December	
	2025	2024
Derivative financial instruments	80,365	135,218
Placements with banks and non-bank financial institutions	15,802	–
Loans and advances to customers and other parties at FVPL	15,267	11,612
Investments in financial assets		
– Financial assets at FVPL (debt instruments)	1,091,526	1,042,778
Maximum credit risk exposure	1,202,960	1,189,608

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(ii) Expected credit losses

The following table explains the changes in the gross carrying amount for loans and advances to customers and other parties using ECL model to assess allowance for impairment loss for the year:

	For the year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	5,539,939	121,240	74,293	5,735,472
Movements:				
Net transfers out from stage 1	(105,062)	–	–	(105,062)
Net transfers into stage 2	–	26,519	–	26,519
Net transfers into stage 3	–	–	78,543	78,543
Net increase/(decrease) during the year (note (i))	243,462	(14,006)	(13,763)	215,693
Write-offs	–	–	(65,870)	(65,870)
Others (note (ii))	(8,559)	888	(8)	(7,679)
Balance at 31 December 2025	5,669,780	134,641	73,195	5,877,616
	For the year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	5,345,134	96,978	72,149	5,514,261
Movements:				
Net transfers out from stage 1	(121,079)	–	–	(121,079)
Net transfers into stage 2	–	42,321	–	42,321
Net transfers into stage 3	–	–	78,758	78,758
Net increase/(decrease) during the year (note (i))	307,470	(19,096)	(15,774)	272,600
Write-offs	–	–	(61,310)	(61,310)
Others (note (ii))	8,414	1,037	470	9,921
Balance at 31 December 2024	5,539,939	121,240	74,293	5,735,472

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For the year ended 31 December 2025
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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(ii) Expected credit losses (Continued)

The following table explains the changes in the gross carrying amount for investments in financial assets using ECL model to assess allowance for impairment loss for the year:

	For the year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	2,002,353	10,540	49,925	2,062,818
Movements:				
Net transfers out from stage 1	(2,791)	–	–	(2,791)
Net transfers into stage 2	–	1,177	–	1,177
Net transfers into stage 3	–	–	1,614	1,614
Net increase/(decrease) during the year (note (i))	264,500	1,193	(3,328)	262,365
Write-offs	–	–	(4,025)	(4,025)
Others (note (ii))	(8,902)	326	25	(8,551)
Balance at 31 December 2025	2,255,160	13,236	44,211	2,312,607
	For the year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	2,014,880	7,237	50,347	2,072,464
Movements:				
Net transfers out from stage 1	(4,215)	–	–	(4,215)
Net transfers into stage 2	–	3,704	–	3,704
Net transfers into stage 3	–	–	511	511
Net increase/(decrease) during the year (note (i))	(13,239)	(1,210)	2,822	(11,627)
Write-offs	–	–	(3,566)	(3,566)
Others (note (ii))	4,927	809	(189)	5,547
Balance at 31 December 2024	2,002,353	10,540	49,925	2,062,818

Notes:

- (i) Net increase/(decrease) mainly includes changes in carrying amount due to newly purchased or originated credit-impaired financial assets or de-recognition excluding write-offs.
- (ii) Others include net changes in accrued interest and effect of exchange differences during the year.

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(ii) Expected credit losses (Continued)

Movements of the loss allowances for loans and advances to customers and other parties using ECL model to assess allowance for impairment loss for the year is as follows:

	For the year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	63,090	29,548	53,924	146,562
Movements (note (i)):				
Net transfers out from stage 1	(2,947)	–	–	(2,947)
Net transfers into stage 2	–	1,542	–	1,542
Net transfers into stage 3	–	–	27,899	27,899
Net increase/(decrease) during the year (note (ii))	7,684	(2,506)	(6,109)	(931)
Write-offs	–	–	(65,870)	(65,870)
Parameters change for the year (note (iii))	(3,319)	(961)	29,968	25,688
Others (note (iv))	(82)	97	13,216	13,231
Balance at 31 December 2025	64,426	27,720	53,028	145,174
	For the year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	64,854	27,217	48,264	140,335
Movements (note (i)):				
Net transfers out from stage 1	(3,143)	–	–	(3,143)
Net transfers into stage 2	–	6,156	–	6,156
Net transfers into stage 3	–	–	33,564	33,564
Net increase/(decrease) during the year (note (ii))	6,715	(5,012)	(5,077)	(3,374)
Write-offs	–	–	(61,310)	(61,310)
Parameters change for the year (note (iii))	(5,303)	131	25,749	20,577
Others (note (iv))	(33)	1,056	12,734	13,757
Balance at 31 December 2024	63,090	29,548	53,924	146,562

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For the year ended 31 December 2025
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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(ii) Expected credit losses (Continued)

Movements of the loss allowances for investments in financial assets using ECL model to assess allowance for impairment loss for the year is as follows:

	For the year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2025	4,441	1,112	25,460	31,013
Movements (note (i)):				
Net transfers out from stage 1	(396)	–	–	(396)
Net transfers out from stage 2	–	(65)	–	(65)
Net transfers into stage 3	–	–	461	461
Net increase during the year (note (ii))	526	637	7	1,170
Write-offs	–	–	(4,025)	(4,025)
Parameters change for the year (note (iii))	(306)	523	1,112	1,329
Others (note (iv))	(17)	175	83	241
Balance at 31 December 2025	4,248	2,382	23,098	29,728
	For the year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2024	5,605	1,639	24,662	31,906
Movements (note (i)):				
Net transfers out from stage 1	(121)	–	–	(121)
Net transfers out from stage 2	–	(101)	–	(101)
Net transfers into stage 3	–	–	222	222
Net increase during the year (note (ii))	(728)	(567)	1,349	54
Write-offs	–	–	(3,566)	(3,566)
Parameters change for the year (note (iii))	(309)	138	2,960	2,789
Others (note (iv))	(6)	3	(167)	(170)
Balance at 31 December 2024	4,441	1,112	25,460	31,013

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(ii) Expected credit losses (Continued)

Notes:

- (i) Movements mainly includes the impacts on ECL due to changes in stages.
- (ii) Net increase/(decrease) mainly includes changes in allowance for impairment due to newly purchased or originated credit-impaired financial assets or de-recognition excluding write-offs.
- (iii) Parameters change mainly includes the impacts on ECL due to unwinding of discount, regular update on modeling parameters resulting from changes in PD and LGD excluding changes in stages.
- (iv) Others include changes of impairment losses of accrued interest, recovery of loans written off and effect of exchange differences.

(iii) Loans and advances to customers and other parties analysed by industry sector:

	As at 31 December					
	2025			2024		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Corporate loans						
– Manufacturing	670,597	11.4%	219,271	556,303	9.7%	197,564
– Rental and business services	630,312	10.7%	177,986	563,056	9.8%	156,726
– Water, environment and public utility management	435,375	7.4%	91,220	435,579	7.6%	95,727
– Real estate	300,324	5.1%	208,544	284,749	5.0%	195,332
– Wholesale and retail	262,771	4.5%	90,427	225,211	3.9%	93,242
– Transportation, storage and postal services	169,136	2.9%	69,030	148,943	2.6%	62,888
– Production and supply of electric power, gas and water	149,170	2.5%	51,417	118,007	2.1%	46,539
– Construction	137,879	2.3%	32,897	117,996	2.1%	37,087
– Financial industry	107,896	1.8%	10,720	91,519	1.6%	8,896
– Others	424,130	7.2%	117,549	361,902	6.2%	107,616
	3,287,590	55.8%	1,069,061	2,903,265	50.6%	1,001,617
Personal loans	2,379,535	40.4%	1,656,013	2,372,797	41.2%	1,593,382
Discounted bills	201,637	3.4%	–	449,133	7.8%	–
	5,868,762	99.6%	2,725,074	5,725,195	99.6%	2,594,999
Accrued interest	24,121	0.4%	165	21,889	0.4%	161
	5,892,883	100%	2,725,239	5,747,084	100%	2,595,160

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50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(iv) Loans and advances to customers and other parties analysed by geographical sector:

	As at 31 December					
	2025			2024		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Chinese mainland	5,637,032	95.7%	2,627,556	5,507,313	95.8%	2,497,806
Excluding Chinese mainland	231,730	3.9%	97,518	217,882	3.8%	97,193
	5,868,762	99.6%	2,725,074	5,725,195	99.6%	2,594,999
Accrued interest	24,121	0.4%	165	21,889	0.4%	161
	5,892,883	100%	2,725,239	5,747,084	100%	2,595,160

(v) Loans and advances to customers and other parties analysed by type of security:

	As at 31 December	
	2025	2024
Unsecured loans	1,782,277	1,632,232
Guaranteed loans	1,159,774	1,048,643
Secured loans		
– Loans secured by collateral	2,260,628	2,195,865
– Pledged loans	464,446	399,322
	5,667,125	5,276,062
Discounted bills	201,637	449,133
	5,868,762	5,725,195
Accrued interest	24,121	21,889
Gross loans and advances	5,892,883	5,747,084

50 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

(vi) Rescheduled loans and advances to customers and other parties

Rescheduled loans and advances are those loans and advances which have been restructured or renegotiated because of deterioration in the financial position of the borrower/debtor, or of the inability of the borrower/debtor to meet the original repayment schedule and for which the revised repayment terms are a concession that the Group would not otherwise consider.

	As at 31 December			
	2025		2024	
	Gross balance	% of total loans and advances	Gross balance	% of total loans and advances
Rescheduled loans and advances	37,986	0.64%	29,866	0.52%
– Rescheduled loans and advances overdue more than 3 months	4,525	0.08%	1,891	0.03%

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

As at 31 December 2025, the Group did not enter into significant enforceable master netting arrangements with counterparties and therefore there were no significant offsettings of any assets and liabilities in the consolidated statement of financial position (31 December 2024: nil).

(b) Liquidity risk

Liquidity risk arises when there is mismatch between amounts and maturity dates of financial assets and financial liabilities.

Each of the Group's operating entity formulates liquidity risk management policies and procedures within the Group's overall liquidity risk management framework and takes into consideration of the business and regulatory requirements applicable to individual entity.

The Group manages liquidity risk by holding liquid assets (including deposits, other short-term funds and securities) of appropriate quality and quantity to ensure that short-term funding requirements are covered within prudent limits. Adequate standby facilities are maintained to provide strategic liquidity to meet unexpected and material demand for payments in the ordinary course of business.

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50 Financial risk management and fair values (Continued)

(b) Liquidity risk (Continued)

The following tables indicate the analysis by remaining maturities of the Group's financial assets and financial liabilities at the financial position date:

	As at 31 December 2025					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	934,644	4,248,140	2,983,103	2,696,691	1,274,721	12,137,299
Total financial liabilities	(4,177,260)	(5,407,969)	(1,567,002)	(174,491)	(28,439)	(11,355,161)
Financial asset-liability (gap)/surplus	(3,242,616)	(1,159,829)	1,416,101	2,522,200	1,246,282	782,138

	As at 31 December 2024					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	758,452	3,970,640	2,950,197	2,413,122	1,145,669	11,238,080
Total financial liabilities	(3,758,230)	(5,028,113)	(1,510,662)	(167,555)	(24,261)	(10,488,821)
Financial asset-liability (gap)/surplus	(2,999,778)	(1,057,473)	1,439,535	2,245,567	1,121,408	749,259

The table below presents the undiscounted cash flows of the Group's financial assets and financial liabilities by remaining maturities at the financial position date:

	As at 31 December 2025					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	934,644	4,477,138	3,428,874	3,142,153	1,279,505	13,262,314
Total financial liabilities	(4,177,260)	(5,600,781)	(1,667,085)	(189,111)	(28,477)	(11,662,714)
Financial asset-liability (gap)/surplus	(3,242,616)	(1,123,643)	1,761,789	2,953,042	1,251,028	1,599,600

	As at 31 December 2024					Total
	Repayable on demand (note (i))	Within 1 year	Between 1 and 5 years	More than 5 years	Undated (note (ii))	
Total financial assets	758,452	4,188,413	3,425,226	2,844,049	1,147,411	12,363,551
Total financial liabilities	(3,758,230)	(5,143,637)	(1,633,379)	(181,296)	(24,268)	(10,740,810)
Financial asset-liability (gap)/surplus	(2,999,778)	(955,224)	1,791,847	2,662,753	1,123,143	1,622,741

50 Financial risk management and fair values (Continued)

(b) Liquidity risk (Continued)

Note:

- (i) For loans and advances to customers and other parties which are overdue within one month yet are not impaired, the balances are reported under repayable on demand.
- (ii) For financial assets, the undated period amount represents the balances of loans and advances to customers and other parties being credit-impaired or overdue for more than one month. Equity investments and investment funds are also reported under undated period.

Credit commitments include bank acceptances, credit card commitments, letters of guarantee issued, loan commitments and letters of credit issued. The tables below summarise the amounts of credit commitments by remaining contractual maturity.

	As at 31 December 2025			Total
	Within 1 year	Between 1 and 5 years	More than 5 years	
Loan commitments	8,037	30,872	24,539	63,448
Guarantees	164,335	86,287	327	250,949
Letters of credit	366,415	761	–	367,176
Acceptances	830,989	–	–	830,989
Credit card commitments	785,295	7,335	20	792,650
Total	2,155,071	125,255	24,886	2,305,212

	As at 31 December 2024			Total
	Within 1 year	Between 1 and 5 years	More than 5 years	
Loan commitments	8,509	17,002	28,553	54,064
Guarantees	163,334	108,786	348	272,468
Letters of credit	321,577	1,093	–	322,670
Acceptances	852,758	–	–	852,758
Credit card commitments	812,562	–	–	812,562
Total	2,158,740	126,881	28,901	2,314,522

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50 Financial risk management and fair values (Continued)

(c) Interest rate risk

Each of the Group's operating entities has formulated its own interest risk management policies and procedures covering identification, measurement, monitoring and control of interest risk. The Group manages interest rate risk to control potential loss from interest rate risk at an acceptable level by taking into account market conditions.

(i) Financial asset-liability gap

Interest rate risk arises from mismatch between repricing dates of financial assets and financial liabilities affected by market interest rate volatility.

	As at 31 December 2025				
	Non-interest bearing	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Total financial assets	1,418,030	7,812,006	1,639,172	1,268,091	12,137,299
Total financial liabilities	(1,271,701)	(8,366,706)	(1,506,751)	(210,003)	(11,355,161)
Financial asset-liability surplus/(gap)	146,329	(554,700)	132,421	1,058,088	782,138

	As at 31 December 2024				
	Non-interest bearing	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Total financial assets	1,262,152	7,321,823	1,696,230	957,875	11,238,080
Total financial liabilities	(982,543)	(7,943,741)	(1,385,663)	(176,874)	(10,488,821)
Financial asset-liability surplus/(gap)	279,609	(621,918)	310,567	781,001	749,259

50 Financial risk management and fair values (Continued)

(c) Interest rate risk (Continued)

(ii) Effective interest rate

	As at 31 December			
	2025		2024	
	Effective interest rate	RMB million	Effective interest rate	RMB million
Assets				
Cash and deposits	0.35% ~ 1.61%	648,888	0.35% ~ 2.22%	603,287
Placements with banks and non-bank financial institutions	2.29%	446,098	3.14%	404,801
Financial assets held under resale agreements	1.62%	223,686	1.81%	179,829
Loans and advances to customers and other parties	3.67%	5,748,227	4.24%	5,601,071
Investments in financial assets	2.43% ~ 2.67%	3,937,426	2.80% ~ 2.93%	3,538,851
Others		2,016,815		1,747,586
		13,021,140		12,075,425
Liabilities				
Borrowings from central banks	1.90%	204,025	2.48%	124,151
Deposits from banks and non-bank financial institutions	1.41%	883,276	2.01%	935,159
Placements from banks and non-bank financial institutions	2.46%	203,799	3.15%	145,644
Financial assets sold under repurchase agreements	1.78%	885,709	2.10%	672,087
Deposits from customers	1.52%	6,117,527	1.89%	5,847,939
Bank and other loans	0.31% ~ 6.50%	246,167	0.03% ~ 9.80%	245,566
Debt instruments issued	0.50% ~ 6.00%	1,526,070	0.05% ~ 6.19%	1,497,138
Others		1,457,906		1,184,727
		11,524,479		10,652,411

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50 Financial risk management and fair values (Continued)

(c) Interest rate risk (Continued)

(iii) Sensitivity analysis

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on the Group's profit before taxation. As at 31 December 2025, it is estimated that a general increase or decrease of 100 basis points in interest rates, with all other variables held constant, the Group's profit before taxation would decrease or increase by RMB6,150 million (31 December 2024: decrease or increase by RMB5,930 million).

This sensitivity analysis is based on a static interest rate risk profile of the Group's financial assets and financial liabilities and certain simplified assumptions. The analysis only measures the impact of changes in the interest rates within one year, showing how annualised interest income would have been affected by repricing of the Group's financial assets and financial liabilities within the one-year period. The analysis is based on the following assumptions: (1) all assets and liabilities that reprice or mature within three months and after three months but within one year reprice or mature at the beginning of the respective periods; (2) there is a parallel shift in the yield curve and in interest rates; and (3) there are no other changes to the portfolio, all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Because of its hypothetical nature with the assumptions adopted, actual changes in the Group's profit before taxation resulting from increases or decreases in interest rates may differ from the results of this sensitivity analysis.

(d) Currency risk

Currency risk arises from the changes in exchange rates on the Group's foreign currency denominated assets and liabilities. The Group measures its currency risk with foreign currency exposures, and manages currency risk by entering into spot foreign exchange transactions, use of derivatives (mainly foreign forwards and swaps), and matching its foreign currency denominated assets with corresponding liabilities in the same currency.

The revenue from the Group's Sino Iron Project is denominated in US\$, which is the functional currency for this entity. A substantial portion of its development and operating expenditure are denominated in Australian Dollars. The Group entered into plain vanilla forward contracts to manage the foreign currency risks.

The Group funded the Sino Iron Project and the acquisition of bulk cargo vessels by borrowing US\$ loans to match the future cash outflows of these assets. The Group's investments in the Sino Iron Project and bulk cargo vessels (whose functional currency is in US\$) have been designated as an accounting hedge against other US\$ loans.

50 Financial risk management and fair values (Continued)

(d) Currency risk (Continued)

The exposure to currency risk arising from the financial assets and financial liabilities at the financial position dates is as follows (expressed in equivalent amount of RMB million):

	As at 31 December 2025				
	RMB	HK\$	US\$	Others	Total
Total financial assets	10,960,865	347,493	685,377	143,564	12,137,299
Total financial liabilities	(10,103,551)	(362,090)	(782,224)	(107,296)	(11,355,161)
Financial asset-liability surplus/(gap)	857,314	(14,597)	(96,847)	36,268	782,138

	As at 31 December 2024				
	RMB	HK\$	US\$	Others	Total
Total financial assets	10,163,564	267,950	686,466	120,100	11,238,080
Total financial liabilities	(9,396,042)	(297,955)	(712,554)	(82,270)	(10,488,821)
Financial asset-liability surplus/(gap)	767,522	(30,005)	(26,088)	37,830	749,259

The Group uses sensitivity analysis to measure the potential effect of changes in foreign currency exchange rates on the Group's total comprehensive income.

Assuming all other risk variables remained constant, 100 basis points strengthening or weakening of RMB against HK\$, US\$ and other currencies as at 31 December 2025 would decrease or increase the Group's total comprehensive income by RMB752 million (31 December 2024: decrease or increase by RMB532 million).

This sensitivity analysis is based on a static foreign exchange exposure profile of financial assets and financial liabilities and certain simplified assumptions. The analysis is based on the following assumptions: (i) the foreign exchange sensitivity is the total comprehensive income change recognised as a result of 100 basis points fluctuation in the absolute value of the closing (middle) of each foreign currency against RMB; (ii) the exchange rates against RMB for all foreign currencies change in the same direction simultaneously and do not take into account the correlation effect of changes in different foreign currencies; and (iii) the foreign exchange exposures calculated include both spot foreign exchange exposures, forward foreign exchange exposures and options, and all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Because of its hypothetical nature with the assumptions adopted, actual changes in the Group's total comprehensive income resulting from increases or decreases in foreign exchange rates may differ from the results of this sensitivity analysis.

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50 Financial risk management and fair values (Continued)

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying amounts of financial instruments measured at fair value as at the financial position date across the three levels of the fair value hierarchy defined in HKFRS 13, *Fair value measurement*, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1: fair values measured using quoted market for similar active markets for identical financial instruments;
- Level 2: fair values measured using quoted prices in active market for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data;
- Level 3: fair values measured using valuation techniques in which any significant input is not based on observable market data.

The fair value of the Group's financial assets and financial liabilities are determined as follows:

- If traded in active markets, fair values of financial assets and financial liabilities with standard terms and conditions are determined with reference to quoted market bid prices and ask prices, respectively;
- If not traded in active markets, fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models or discounted cash flow analysis using prices from observable current market transactions for similar instruments. If there are no available observable current market transactions prices for similar instruments, quoted prices from counterparty is used for the valuation, and management performs analysis on these prices. Discounted cash flow analysis using the applicable yield curve for the duration of the instruments is used for derivatives other than options, and option pricing models are used for option derivatives.

50 Financial risk management and fair values (Continued)

(e) Fair values (Continued)

(i) Financial instruments carried at fair value (Continued)

	As at 31 December 2025			Total
	Level 1	Level 2	Level 3	
Assets				
Bills receivable at FVOCI	–	10,178	–	10,178
Loans and advances to customers and other parties at FVOCI	–	318,212	–	318,212
Loans and advances to customers and other parties at FVPL	–	–	15,267	15,267
Derivative financial assets	2,194	73,972	4,190	80,356
Investments in financial assets	699,082	1,773,367	166,354	2,638,803
Other assets	–	7,500	–	7,500
	701,276	2,183,229	185,811	3,070,316
Liabilities				
Financial liabilities at FVPL	(16,781)	(136,174)	(20,061)	(173,016)
Derivative financial liabilities	(6,429)	(91,041)	(14,292)	(111,762)
	(23,210)	(227,215)	(34,353)	(284,778)
	As at 31 December 2024			Total
	Level 1	Level 2	Level 3	
Assets				
Bills receivable at FVOCI	–	10,139	–	10,139
Loans and advances to customers and other parties at FVOCI	–	522,973	–	522,973
Loans and advances to customers and other parties at FVPL	–	–	11,612	11,612
Derivative financial assets	1,504	129,743	3,971	135,218
Investments in financial assets	560,233	1,752,375	118,084	2,430,692
Other assets	–	2,660	–	2,660
	561,737	2,417,890	133,667	3,113,294
Liabilities				
Financial liabilities at FVPL	(10,808)	(97,004)	(19,328)	(127,140)
Derivative financial liabilities	(932)	(127,596)	(5,803)	(134,331)
	(11,740)	(224,600)	(25,131)	(261,471)

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50 Financial risk management and fair values (Continued)

(e) Fair values (Continued)

(i) Financial instruments carried at fair value (Continued)

In 2025, there were no significant transfers among instruments in three levels (2024: nil) and no significant changes in valuation techniques for determining the fair values of the Group's financial instruments (2024: nil).

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	For the year ended 31 December 2025						
	Assets			Liabilities			
	Loans and advances to customers and other parties at FVPL	Derivatives financial assets	Investments in financial assets	Total	Financial liabilities at fair value through profit or loss	Derivatives financial liabilities	Total
At 1 January 2025	11,612	3,971	118,084	133,667	(19,328)	(5,803)	(25,131)
Total profit/(losses):	(29)	9,508	6,787	16,266	2,273	(29,264)	(26,991)
- in profit or loss	(29)	9,508	6,758	16,237	(1,492)	(29,264)	(30,756)
- in other comprehensive income	-	-	29	29	3,765	-	3,765
Net settlements and others	3,684	(9,289)	41,483	35,878	(3,006)	20,775	17,769
At 31 December 2025	15,267	4,190	166,354	185,811	(20,061)	(14,292)	(34,353)

	For the year ended 31 December 2024						
	Assets			Liabilities			
	Loans and advances to customers and other parties at FVPL	Derivatives financial assets	Investments in financial assets	Total	Financial liabilities at fair value through profit or loss	Derivatives financial liabilities	Total
At 1 January 2024	5,558	6,337	164,626	176,521	(20,628)	(5,228)	(25,856)
Total profit/(losses):	87	(3,497)	1,722	(1,688)	(268)	2,974	2,706
- in profit or loss	87	(3,497)	2,790	(620)	(268)	2,974	2,706
- in other comprehensive income	-	-	(1,068)	(1,068)	-	-	-
Net settlements and others	5,967	1,131	(48,264)	(41,166)	1,568	(3,549)	(1,981)
At 31 December 2024	11,612	3,971	118,084	133,667	(19,328)	(5,803)	(25,131)

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50 Financial risk management and fair values (Continued)

(e) Fair values (Continued)

(iii) Methods and assumptions in estimating fair values

As at the financial position date, the Group adopted the following major methods and assumptions in estimating the fair value of financial instruments.

Investments in financial assets and financial liabilities

Fair value is based on quoted market prices as at the financial position date for trading financial assets and financial liabilities (excluding derivatives), financial assets held for investment if there is an active market. If an active market does not exist for financial assets held for investment, the fair value is determined using valuation techniques.

Derivatives

The fair values of foreign currency and interest rate contracts are either based on their listed market prices or by discount cash flow model at the measurement date.

Financial guarantees

The fair values of financial guarantees are determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that the lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made.

51 Material related parties

(a) Relationship of related parties

- (i) In addition to subsidiaries, related parties include parent company, ultimate controlling shareholder's fellow entities, associates and joint ventures of the Group.
- (ii) CITIC Group, the parent and the ultimate controlling shareholder of the Group, is a state-owned company established in Beijing in 1979.

51 Material related parties (Continued)

(b) Related party transactions

(i) Transaction amounts with related parties

	For the year ended 31 December 2025			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Sales of goods	–	296	3,216	3,512
Purchase of goods	–	773	28,865	29,638
Interest income (note (2))	89	113	2,432	2,634
Interest expenses	13	1,426	511	1,950
Fee and commission income	23	7	103	133
Fee and commission expenses	–	20	4	24
Income from other services	12	214	2,687	2,913
Expenses for other services	–	145	972	1,117
Interest income from deposits and receivables	–	–	335	335
Other operating expenses	–	1,294	1,137	2,431

	For the year ended 31 December 2024			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Sales of goods	–	260	4,119	4,379
Purchase of goods	–	727	23,193	23,920
Interest income (note (2))	67	92	1,453	1,612
Interest expenses	63	1,635	582	2,280
Fee and commission income	22	5	58	85
Fee and commission expenses	–	26	1	27
Income from other services	6	167	4,025	4,198
Expenses for other services	–	45	337	382
Interest income from deposits and receivables	–	–	768	768
Other operating expenses	–	1,494	1,082	2,576

Notes:

- (1) These above transactions with related parties were conducted under the normal commercial terms.
- (2) Interest rates of loans and advances to the related parties were determined at rates negotiated between the Group and the corresponding related parties on a case by case basis.
- (3) During the relevant years, CITIC Bank, a subsidiary of the Group, entered into transactions with related parties in the ordinary course of its banking businesses including lending, assets transfer (i. e. issuance of asset-backed securities in the form of public placement), wealth management, investment, deposit, settlement and clearing, off-balance sheet transactions, and purchase, sale and leases of property. These banking transactions were conducted under normal commercial terms and conditions and priced at the relevant market rates prevailing at the time of each transaction.

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51 Material related parties (Continued)

(b) Related party transactions (Continued)

(ii) Outstanding balances with related parties

	As at 31 December 2025			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Assets				
Cash and deposits	–	–	16,691	16,691
Placements with banks and non-bank financial institutions	–	4,743	59,719	64,462
Derivative financial instruments	–	–	283	283
Trade and other receivables	7	1,249	25,426	26,682
Contract assets	–	8	3,056	3,064
Financial assets held under resale agreements	–	1,078	526	1,604
Loans and advances to customers and other parties (note (2))	1,001	8,887	14,499	24,387
Investments in financial assets				
– Financial assets at FVPL	–	74	3,618	3,692
– Debt investments at FVOCI	1,616	130	957	2,703
– Equity investments at FVOCI	–	–	454	454
– Financial assets at amortised cost	1,037	–	1,070	2,107
ROU assets	–	653	39	692
Liabilities				
Deposits from bank and non-bank financial institutions	–	25	25,633	25,658
Derivative financial instruments	–	–	254	254
Trade and other payables	605	11,057	8,140	19,802
Contract liabilities	50	5	332	387
Deposits from customers	3,696	19,129	11,439	34,624
Bank and other loans	226	35,532	2,807	38,565
Debt instruments issued	–	200	1,770	1,970
Lease liabilities	–	648	30	678
Off-balance sheet items				
Guarantees provided (note (3))	–	–	5,591	5,591

51 Material related parties (Continued)

(b) Related party transactions (Continued)

(ii) Outstanding balances with related parties (Continued)

	As at 31 December 2024			Total
	Parent company	Ultimate controlling shareholder's fellow entities	Associates and joint ventures	
Assets				
Cash and deposits	–	–	26,378	26,378
Placements with banks and non-bank financial institutions	–	3,903	52,647	56,550
Derivative financial instruments	–	–	370	370
Trade and other receivables	–	1,136	27,278	28,414
Contract assets	–	8	2,382	2,390
Financial assets held under resale agreements	–	1,389	599	1,988
Loans and advances to customers and other parties (note (2))	2,995	7,984	8,365	19,344
Investments in financial assets				
– Financial assets at FVPL	–	58	3,935	3,993
– Debt investments at FVOCI	1,643	–	844	2,487
– Equity investments at FVOCI	–	–	453	453
– Financial assets at amortised cost	1,041	–	556	1,597
ROU assets	–	68	27	95
Liabilities				
Deposits from bank and non-bank financial institutions	–	6	14,224	14,230
Derivative financial instruments	–	–	447	447
Trade and other payables	491	11,436	9,803	21,730
Contract liabilities	127	7	787	921
Deposits from customers	4,588	12,399	13,479	30,466
Bank and other loans	1,234	36,060	250	37,544
Debt instruments issued	–	2,027	204	2,231
Lease liabilities	–	73	23	96
Off-balance sheet items				
Guarantees provided (note (3))	–	–	6,835	6,835

Notes:

- (1) These above transactions with related parties which were conducted under the normal commercial terms.
- (2) Interest rates of loans and advances to the related parties were determined at rates negotiated among the Group and the corresponding related parties on a case by case basis.
- (3) The guarantees provided by the Group to the related parties were based on the terms agreed among the Group and the related parties on a case by case basis.

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51 Material related parties (Continued)

(b) Related party transactions (Continued)

(iii) For the year ended 31 December 2025, CITIC Bank transferred loans and other financial assets with an original book value of RMB4,850 million (2024: RMB2,920 million) to China CITIC Financial Asset Management Co., Ltd. Among these, the transferred non-performing loans had an original book value of RMB2,532 million (2024: RMB1,400 million), and the transferred non-performing structured financing had a book value of RMB2,318 million (2024: RMB1,520 million). All of the above-mentioned financial assets are qualified for full de-recognition.

(c) Transactions with other state-owned entities in the PRC

In addition to these related party transactions disclosed in Note 51 (b), transactions with other state-owned entities include but are not limited to the following:

- sales and purchases of goods and provision of services;
- purchase, sale and leases of property and other assets;
- lending and deposit taking;
- taking and placing of inter-bank balances;
- derivative transactions;
- entrusted lending and other custody services;
- insurance and securities agency, and other intermediary services;
- sale, purchase, underwriting and redemption of bonds issued by other state-owned entities; and
- rendering and receiving of utilities and other services.

51 Material related parties (Continued)

(d) Key management personnel remuneration

For the year ended 31 December 2025, the aggregate amount of the remuneration before tax paid to directors and executive officers of the Company amounted to RMB8.51 million (2024: RMB6.54 million).

52 Interests in structured entities

(a) Structured entities in which the Group holds an interest

The Group holds an interest in some structured entities through investments in debt securities issued by these structured entities. Such structured entities include wealth management products, investment management products, trust investment plans, asset-backed securities and investment funds and the Group does not consolidate these structured entities.

The following table sets out an analysis of the carrying amounts of interests held by the Group as at the financial position date in the structured entities, as well as an analysis of the line items in the consolidated statement of financial position in which the relevant assets are recognised:

	As at 31 December 2025				
	Investments in financial assets				
Gross amount	Financial assets at amortised cost	Financial assets at FVPL	Debt investments at FVOCI	Total	Maximum loss exposure
Wealth management products	-	14,971	-	14,971	14,971
Investment management products	27,092	17,987	-	45,079	45,079
Trust investment plans	162,806	18,862	-	181,668	181,668
Asset-backed securities	109,230	37,736	16,664	163,630	163,630
Investment funds	-	547,263	-	547,263	547,263
Total	299,128	636,819	16,664	952,611	952,611

	As at 31 December 2024				
	Investments in financial assets				
Gross amount	Financial assets at amortised cost	Financial assets at FVPL	Debt investments at FVOCI	Total	Maximum loss exposure
Wealth management products	-	9,114	-	9,114	9,114
Investment management products	20,162	11,415	-	31,577	31,577
Trust investment plans	176,543	10,340	-	186,883	186,883
Asset-backed securities	76,613	840	34,056	111,509	111,509
Investment funds	-	519,063	-	519,063	519,063
Total	273,318	550,772	34,056	858,146	858,146

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52 Interests in structured entities (Continued)

- (b) Structured entities sponsored by the Group which the Group does not consolidate but holds an interest

The investments issued by unconsolidated structured entities sponsored by the Group are primarily wealth management products, trust investment plans, investment funds and investment management products. The nature and purpose of these structured entities are for the Group to generate fees from managing assets on behalf of investors. These structured entities are financed through the issuance of products to investors. The interests in unconsolidated structured entities held by the Group mainly include fees charged by providing management services.

Wealth management products, trust investment plans, investment funds and investment management products

As at 31 December 2025, the aggregate amount of assets held by the unconsolidated wealth management products, trust investment plans, investment funds and investment management products which are sponsored by the Group was RMB10,042,782 million (31 December 2024: RMB8,291,602 million).

In 2025, the amount of fee and commission income and net interest income recognised from the above-mentioned structured entities sponsored by the Group was RMB19,699 million (2024: RMB15,468 million) and RMB129 million (2024: RMB303 million).

- (c) Transfers of financial assets

The Group entered into transactions which involved securitisation transactions and transfers of financial assets.

These transactions were entered into in the normal course of business by which recognised financial assets were transferred to third parties or structured entities. Transfers of assets may give rise to full or partial de-recognition of the financial assets concerned. On the other hand, where transferred assets do not qualify for de-recognition as the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets.

Details of securitisation transactions and financial assets transfer transactions conducted by the Group for the year ended 31 December 2025 totaled RMB107,840 million (2024: RMB90,980 million).

52 Interests in structured entities (Continued)

(c) Transfers of financial assets (Continued)

Securitisation transactions

In 2025, the original book value of financial assets transferred by the Group through asset securitisation transactions was RMB42,516million (2024: RMB28,760 million), which qualified for full de-recognition.

Transfer of loans and other financial assets

In 2025, the Group transferred loans and other financial assets by other means with original book value of RMB65,324 million (2024: RMB62,220 million), including RMB14,084 million (2024: RMB8,434 million) of non-performing loans, RMB2,318 million (2024: RMB3,362 million) of non-performing structured investments and RMB48,922 million (2024: RMB50,424 million) of bills receivable and other financial assets. The Group carried out assessment based on the transfer of risks and rewards of ownership in accordance with Note 2 (j) and Note 3 (i), and concluded that these transferred assets qualified for full de-recognition.

53 Supplementary information to the consolidated cash flow statement

(a) Cash and cash equivalents held by the Group are as follows:

	As at 31 December	
	2025	2024
Cash	4,509	5,200
Bank deposits on demand	85,893	108,456
Surplus deposit reserve funds	75,805	6,833
Investments in debt securities and others with original maturities of three months or less	78,619	61,868
Deposits with banks and non-bank financial institutions due within three months	134,319	103,308
Placements with banks and non-bank financial institutions due within three months	58,412	99,734
Cash and cash equivalents in the consolidated cash flow statement	437,557	385,399

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

53 Supplementary information to the consolidated cash flow statement

(Continued)

(b) Reconciliation of financing liabilities

	For the year ended 31 December				
	Bank and other loans	Debt instruments issued	Interest expense	Lease liabilities	Total
At 31 December 2023	235,132	1,213,580	8,165	20,348	1,477,225
Cash flows	(15,925)	299,833	(49,169)	(6,087)	228,652
Foreign exchange adjustments	4,526	1,108	1,779	28	7,441
Bank loans arising from supplier finance arrangement	6,804	–	–	–	6,804
Other non-cash movements	14,318	(24,419)	46,972	4,760	41,631
At 31 December 2024	244,855	1,490,102	7,747	19,049	1,761,753
Cash flows	(43,641)	81,265	(44,434)	(5,644)	(12,454)
Foreign exchange adjustments	(2,679)	(1,079)	848	42	(2,868)
Bank loans arising from supplier finance arrangement	4,883	–	–	–	4,883
Other non-cash movements	42,292	(50,387)	42,465	5,007	39,377
At 31 December 2025	245,710	1,519,901	6,626	18,454	1,790,691

(c) Issuance and redemption of other equity instruments by subsidiaries

In 2025, CITIC Bank, a subsidiary of the Group, did not issue or redeemed capital debentures without fixed terms (2024: issued RMB30,000 million of capital debentures without fixed terms, redeemed RMB39,993 million of capital debentures without fixed terms).

In 2025, CITIC Securities, a subsidiary of the Group, issued RMB7,500 million of capital debentures without fixed terms (2024: issued RMB14,000 million of capital debentures without fixed terms).

54 Financial position and reserve movement of the Company

	As at 31 December	
	2025	2024
Non-current assets		
Interests in subsidiaries	438,621	444,263
Interests in joint ventures	–	32
Investments in financial assets		
– Financial assets at fair value through profit or loss	3,329	3,238
– Derivative financial instruments	8	–
	441,958	447,533
Current assets		
Amounts due from subsidiaries	66,170	70,537
Trade and other receivables	137	155
Cash and deposits	1,835	1,438
	68,142	72,130
Total assets	510,100	519,663
Current liabilities		
Bank and other loans	14,735	17,284
Amounts due to subsidiaries and other related parties	15,568	15,514
Trade and other payables	11	10
Employee benefits payables	228	227
Income tax payable	1,949	1,729
Debt instruments issued	5,346	2,191
	37,837	36,955
Non-current liabilities		
Long term borrowings	69,478	68,775
Debt instruments issued	34,504	40,800
	103,982	109,575
Total liabilities	141,819	146,530
Equity		
Share capital	307,576	307,576
Reserves	60,705	65,557
Total ordinary shareholders' funds	368,281	373,133
Total liabilities and equity	510,100	519,663

The financial position of the Company was approved and authorised for issue by the board of directors on 27 March 2026.

Director: Xi Guohua

Director: Zhang Wenwu

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

54 Financial position and reserve movement of the Company (Continued)

(a) Reserve movement of the Company

	Share capital (Note 47 (a))	Capital reserve (Note 47 (b)(i))	Hedging reserve (Note 47 (b)(ii))	Retained earnings	Exchange reserve (Note 47 (b)(v))	Total
As at 1 January 2025	307,576	505	23	18,022	47,007	373,133
Other comprehensive income	-	-	8	-	(9,319)	(9,311)
Profit attributable to shareholders of the Company	-	-	-	18,941	-	18,941
Dividends paid to ordinary shareholders of the Company	-	-	-	(16,291)	-	(16,291)
Others	-	1,809	-	-	-	1,809
As at 31 December 2025	307,576	2,314	31	20,672	37,688	368,281
As at 1 January 2024	307,576	505	(11)	21,294	38,988	368,352
Other comprehensive income	-	-	34	-	8,019	8,053
Profit attributable to shareholders of the Company	-	-	-	12,000	-	12,000
Dividends paid to ordinary shareholders of the Company	-	-	-	(15,272)	-	(15,272)
As at 31 December 2024	307,576	505	23	18,022	47,007	373,133

55 Post balance sheet events

The Group does not have any significant events after the balance sheet date that need to be disclosed.

56 Comparative figures

Restatements have been made on some of the comparative amounts to ensure the comparability with current year's financial statements.

57 Approval of the consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the board of directors on 27 March 2026.

58 Possible impact of amendments, new standards and interpretations issued but not yet adopted for the year ended 31 December 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Group is assessing the impact of such new standards and amendments to standards and will adopt the relevant standards and amendments to standards in the subsequent periods as required.

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

59 Principal subsidiaries, associates and joint ventures

(a) Principal subsidiaries

Name of company	Place of incorporation/ Type of legal entity	Principal activity	Shares issued	Proportion of ownership interest		
				Attributable to the Group	Held by the Company	Held by subsidiaries
CITIC Corporation Limited 中國中信有限公司	Chinese mainland/ Limited liability	Investment holding	N/A	100%	100%	0%
CITIC Financial Holdings Co., Ltd. 中國中信金融控股有限公司	Chinese mainland/ Limited liability	Investment holding	N/A	100%	0%	100%
CITIC Pacific Limited 中信泰富有限公司	British Virgin Islands	Investment holding	51,097	100%	100%	0%
CITIC Pacific Special Steel Group Co., Ltd. 中信泰富特鋼集團股份有限公司	Chinese mainland/Stock limited company (listed)	Special steel production	5,047,158,005	83.85%	0%	83.85%
NanJing Iron & Steel Co., Ltd. 南京鋼鐵股份有限公司	Chinese mainland/Stock limited company (listed)	Production and sales of steel product	6,165,091,011	62.76%	0%	62.76%
Shanghai Zhongte Pacific Steel Co., Ltd. 上海中特泰富鋼管有限公司	Chinese mainland/ Limited liability	Sale of steel and consultation on electric power technology	N/A	100%	0%	100%
Dah Chong Hong Holdings Limited 大昌行集團有限公司	Hong Kong	Consumer goods	1,891,247,220	100%	0%	100%
CITIC Mining International Ltd. 中信礦業國際有限公司	Cayman Islands	Resources and energy	1	100%	100%	0%
CITIC Metal Group Ltd. 中信金屬集團有限公司	Hong Kong	Resources and energy	11,800,000,000	100%	0%	100%
CITIC Telecom International Holdings Limited 中信國際電訊集團有限公司	Hong Kong (listed)	Telecom services	3,700,891,382	57.54%	0%	57.54%
CITIC Finance Company International Limited 中信財務(國際)有限公司	Hong Kong	Financial services	N/A	100%	100%	0%
China CITIC Bank Corporation Limited 中信銀行股份有限公司	Chinese mainland/Stock limited company (listed)	Banking industry	90,645,162,264	65.79%	0%	65.79%

59 Principal subsidiaries, associates and joint ventures (Continued)

(a) Principal subsidiaries (Continued)

Name of company	Place of incorporation/ Type of legal entity	Principal activity	Shares issued	Proportion of ownership interest		
				Attributable to the Group	Held by the Company	Held by subsidiaries
CITIC Securities Company Limited 中信証券股份有限公司	Chinese mainland/Stock limited company (listed)	Securities related services	14,820,546,829	19.84%	0%	19.84%
CITIC International Financial Holdings Limited 中信國際金融控股有限公司	Hong Kong	Banking industry	7,502,832,116	100%	0%	100%
CITIC Trust Co., Ltd. 中信信託有限責任公司	Chinese mainland/ Limited liability	Trust services	N/A	100%	0%	100%
CITIC Finance Company Limited 中信財務有限公司	Chinese mainland/ Limited liability	Financial services	N/A	98.69%	0%	98.69%
CITIC Consumer Finance Co., Ltd. 中信消費金融有限公司	Chinese mainland/ Limited liability	Consumer finance	N/A	70%	0%	70%
CITIC Resources Holdings Limited 中信資源控股有限公司	Bermuda (listed)	Resources and energy	7,857,727,149	59.50%	0%	59.50%
CITIC Australia Pty Limited 中信澳大利亞有限公司	Australia	Resources and energy	85,882,017	100%	0%	100%
CITIC Heavy Industries Co., Ltd. 中信重工機械股份有限公司	Chinese mainland/Stock limited company (listed)	Manufacturing	4,579,553,437	64.38%	0%	64.38%
CITIC Construction Company Limited 中信建設有限責任公司	Chinese mainland/ Limited liability	Engineering contracting	N/A	100%	0%	100%
CITIC Urban Development & Operation Co., Ltd. 中信城市開發運營有限責任公司	Chinese mainland/ Limited liability	Real estate development	N/A	100%	0%	100%
CITIC Heye Investment Co., Ltd. 中信和業投資有限公司	Chinese mainland/ Limited liability	Real estate development	N/A	100%	0%	100%
CITIC Capital Mansion Co., Ltd. 中信京城大廈有限責任公司	Chinese mainland/ Limited liability	Real estate management	N/A	100%	0%	100%
CITIC Building Property Management Co., Ltd. 北京中信國際大廈物業管理有限公司	Chinese mainland/ Limited liability	Real estate management	N/A	100%	0%	100%

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in millions of Renminbi, unless otherwise stated)

59 Principal subsidiaries, associates and joint ventures (Continued)

(a) Principal subsidiaries (Continued)

Name of company	Place of incorporation/ Type of legal entity	Principal activity	Shares issued	Proportion of ownership interest		
				Attributable to the Group	Held by the Company	Held by subsidiaries
CITIC Industrial Investment Group Corp., Ltd. 中信興業投資集團有限公司	Chinese mainland/Limited liability	Infrastructure and elderly services	N/A	100%	0%	100%
CITIC Dicastal Company Limited 中信戴卡股份有限公司	Chinese mainland/ Stock limited company	Manufacturing	1,971,342,713	42.11%	0%	42.11%
CITIC Environment Investment Group Co., Limited 中信環境投資集團有限公司	Chinese mainland/Limited liability	Energy conservation and environmental protection	N/A	100%	0%	100%
China Zhonghaizhi Corporation 中國中海直有限責任公司	Chinese mainland/Limited liability	General aviation	N/A	51.03%	0%	51.03%
CITIC Investment Holdings Limited 中信投資控股有限公司	Chinese mainland/Limited liability	Investment holding	N/A	100%	0%	100%
CITIC Asia Satellite Holding Company Limited 中信亞洲衛星控股有限公司	British Virgin Islands	Information industry	60,524,465	100%	0%	100%
CITIC Press Corporation 中信出版集團股份有限公司	Chinese mainland/ Stock limited company (listed)	Publishing	190,151,515	73.50%	0%	73.50%
CITIC Holdings Co., Ltd. 中信控股有限責任公司	Chinese mainland/Limited liability	Service	N/A	100%	0%	100%

59 Principal subsidiaries, associates and joint ventures (Continued)

(b) Principal associates

Details of the Group's interest in principal associates, which are accounted for using the equity method in the consolidated financial statements of the Group are as follows:

Name of company	Place of incorporation	Principal activity	Shares issued	Proportion of ownership interest		
				Attributable to the Group	Held by the Company	Held by subsidiaries
China Overseas Land & Investment Ltd. 中國海外發展有限公司	Hong Kong (listed)	Real estate development	10,944,883,535	10.01%	0%	10.01%
China Securities Co., Ltd. 中信建投證券股份有限公司	Chinese mainland (listed)	Securities related services	7,756,694,797	9.47%	0%	9.47%
Ivanhoe Mines Ltd.	Canada (listed)	Resources and energy	1,424,585,516	21.20%	0%	21.20%

(c) Principal joint ventures

Details of the Group's interest in principal joint ventures, which are accounted for using the equity method in the consolidated financial statements of the Group are as follows:

Name of company	Place of incorporation	Principal activity	Shares issued	Proportion of ownership interest		
				Attributable to the Group	Held by the Company	Held by subsidiaries
CITIC Prudential Life Insurance Co., Ltd. 中信保誠人壽保險有限公司	Chinese mainland	Insurance and reinsurance	N/A	50%	0%	50%
中船置業有限公司	Chinese mainland	Real estate development	N/A	50%	0%	50%
上海瑞博置業有限公司	Chinese mainland	Real estate development	N/A	50%	0%	50%

Independent Auditor's Report



To the Members of CITIC Limited

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of CITIC Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 142 to 299, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HSAs”) as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Measurement of expected credit losses for loans and advances to customers and other parties and investments in financial assets
- Consolidation of structured entities – Non-principal guaranteed wealth management products
- Impairment of the Sino Iron Project

Measurement of expected credit losses for loans and advances to customers and other parties and investments in financial assets

Refer to Note 2 (j), Note 3 (b), Note 27 and Note 29 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

As at 31 December 2025, the gross balance of loans and advances to customers and other parties and accrued interest included for the purpose of expected credit loss assessment in the Group's consolidated statement of financial position, amounted to RMB5,877,616 million, for which management recognised an impairment allowance of RMB145,174 million; the gross balance of investments in financial assets and accrued interest included for the purpose of expected credit loss assessment amounted to RMB2,312,607 million, for which management recognised an impairment allowance of RMB29,728 million.

The Group uses an expected credit loss ("ECL") model to measure the loss allowance for loans and advances to customers and other parties and investments in financial assets in accordance with Hong Kong Financial Reporting Standard 9, *Financial instruments*.

Our audit procedures to assess ECL for loans and advances to customers and other parties and investments in financial assets included the following:

- With the assistance of KPMG's IT audit team, understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of loans and advances to customers and other parties and investments in financial assets, the credit risk staging process and the measurement of ECL for loans and advances to customers and other parties and investments in financial assets.
- With the assistance of KPMG's financial risk management specialists, assessing the appropriateness of the ECL model in determining the loss allowance of loans and advances to customers and other parties and investments in financial assets and the appropriateness of the key parameters and assumptions in the model, which included credit risk staging, probability of default, loss given default, exposure at default, adjustments for forward-looking information and other adjustments, and assessing the appropriateness of related key management judgement.

Independent Auditor's Report

Measurement of expected credit losses for loans and advances to customers and other parties and investments in financial assets (continued)

Refer to Note 2 (j), Note 3 (b), Note 27 and Note 29 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

The determination of ECL allowance of loans and advances to customers and other parties and investments in financial assets is subject to the application of a number of key parameters and assumptions, including the credit risk staging, probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. Extensive management judgment is involved in the selection of those parameters and the application of the assumptions.

The amount of impairment of the loans and advances to customers and other parties and investments in financial assets is significant, and the measurement has a high degree of estimation uncertainty. The measurement of ECL applied significant management judgments and assumptions, and involved significant inherent risk. In view of these reasons, we identified this as a key audit matter.

- Assessing the completeness and accuracy of key data used in the ECL model, comparing the total balance of the loans and advances to customers and other parties and investments in financial assets used by management to assess the ECL allowance with the general ledger to check the completeness of the data. We also selected samples to compare information of individual loan and advance to customers and investments in financial assets with the underlying agreements and other related documentation to assess the accuracy of data, checking the accuracy of key external data used by management by comparing them with public sources.
- For key parameters used in the ECL model which were derived from system generated internal data, assessing the accuracy of input data by comparing the input data with original documents on a sample basis, involving KPMG's IT audit team to assess the accuracy of the loans and advances' overdue information on a sample basis.

Measurement of expected credit losses for loans and advances to customers and other parties and investments in financial assets (continued)

Refer to Note 2 (j), Note 3 (b), Note 27 and Note 29 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

- Evaluating the reasonableness of management's assessment on whether the credit risk of the loans and advances to customers and other parties and investments in financial assets have, or have not, increased significantly since initial recognition and whether the loans and advances to customers and other parties and investments in financial assets are credit-impaired by selecting risk-based samples, analysing the portfolio by industry sector to select samples in industries more vulnerable to the current economic situation with reference to other borrowers with potential credit risk. For selected samples, reviewing the overdue information of loans and advances to customers and other parties and investments in financial assets, making enquiries of the credit managers about the borrowers' business operations, checking borrowers' financial information and researching market information about borrowers' businesses, to understand the status in regard to the borrowers' credit risk, and to assess the reasonableness of credit risk staging.
- For corporate loans and advances and investments in financial assets that are credit-impaired, selecting samples to evaluate the forecasted future cash flows prepared by the Group based on financial information of borrowers and guarantors, collateral valuations, other available information and possible future factors together with discount rates in supporting the computation of loss allowance.

Independent Auditor’s Report

Measurement of expected credit losses for loans and advances to customers and other parties and investments in financial assets (continued)

Refer to Note 2 (j), Note 3 (b), Note 27 and Note 29 to the consolidated financial statements.

The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"><li data-bbox="810 573 1442 735">• Based on our procedures performed, selecting samples and assessing the accuracy of calculation for loans and advances to customers and other parties and investments in financial assets’ credit losses by using the ECL model.<li data-bbox="810 778 1442 907">• Performing retrospective review of ECL model components and significant assumptions; to assess whether the results indicate possible management bias on loss estimation.<li data-bbox="810 950 1442 1112">• Assessing the reasonableness of the disclosures in the financial statements in relation to ECL for loans and advances to customers and other parties and investments in financial assets against prevailing accounting standards.

Consolidation of structured entities – Non-principal guaranteed wealth management products

Refer to Note 2 (f), Note 3 (j) and Note 52 to the consolidated financial statements.

The Key Audit Matter

As at 31 December 2025, all of non-principal guaranteed wealth management products (“WMPs”) issued and managed by the Group are structured entities that are not included in the scope of consolidation.

In determining whether the Group retains any partial interest in a structured entity for non-principal guaranteed WMPs or should consolidate it, management is required to consider the power it possesses, its exposure to variable returns, and its ability to use its power to affect returns. These factors are not purely quantitative and need to be considered collectively in the overall substance of the transactions.

We have identified this as a key audit matter due to the material balance and significant management judgements were involved in assessing the consolidation of the structured entities for non-principal guaranteed WMPs.

How the matter was addressed in our audit

Our audit procedures related to consolidation of structured entities for non-principal guaranteed WMPs included the following:

- Understanding and assessing the design, implementation, and operating effectiveness of key internal controls of financial reporting over measurement of interests in and consolidation of structured entities for non-principal guaranteed WMPs.
- Selecting samples of structured entities for non-principal guaranteed WMPs and performing the following procedures:
 - Inspecting the related contracts, internal establishment documents and information disclosed to the investors to understand the purpose of the establishment of the structured entity for non-principal guaranteed WMPs and the involvement the Group has with the structured entity for non-principal guaranteed WMPs and to assess management’s judgement over whether the Group can exercise power over the structured entity for non-principal guaranteed WMPs.

Consolidation of structured entities – Non-principal guaranteed wealth management products (continued)

Refer to Note 2 (f), Note 3 (j) and Note 52 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

- Performing independent analysis and tests on the variable returns from the structured entities for non-principal guaranteed WMPs, including but not limited to commission income and asset management fees earned, gains from investments, retention of residual income, and, if any, liquidity, and other support provided to the structured entities for non-principal guaranteed WMPs, to assess management's judgement as to the exposure, or rights, to variable returns from the Group's involvement in such an entity.
- Inspecting management's analysis of the structured entity for non-principal guaranteed WMPs, including qualitative analysis and the calculation of the magnitude and variability associated with the Group's economic interests in the structured entity for non-principal guaranteed WMPs, to assess management's judgement over the Group's ability to affect its variable returns from the structured entity for non-principal guaranteed WMPs.
- Assessing management's judgement over whether the structured entity for non-principal guaranteed WMPs should be consolidated or not.
- Assessing the reasonableness of the disclosures in the financial statements in relation to the measurement of interests in and consolidation of structured entities for non-principal guaranteed WMPs against prevailing accounting standards.

Impairment of the Sino Iron Project

Refer to Note 2 (u), Note 3 (d), Note 3 (k) and Note 9 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

Management performs impairment testing of the Sino Iron Project (the "Project") when indicators of impairment are identified.

Our audit procedures to evaluate management's assessment of impairment indicators of the Project included the following:

As at 31 December 2025, management assessed whether indicators of impairment exist on the Project by considering external and internal sources of information, including:

- The assessment of outstanding litigation and disputes in respect of the Project as disclosed in Note 3 (k) to the consolidated financial statements.
- The production profile of the Project (mainly including ore grades, operating cost and production output).
- Forward iron ore prices.
- Foreign exchange rates, particularly between Australian and United States dollars.
- The risk-free borrowing rates.

- Understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the impairment indicator assessment process.

- Assessing management's evaluation of indicators of impairment, including consideration of both external and internal sources of information with reference to our understanding of the Group and the requirements of prevailing accounting standards.

- Enquiring management and external legal counsels to understand the latest development of the outstanding litigations and disputes and the implications of such outstanding litigations and disputes; and assessing whether this resulted in an indicator of impairment with reference to our latest understanding of the progress of the outstanding litigations.

Management determined that no impairment indicator existed for the Project as at 31 December 2025.

- Evaluating whether there are significant adverse changes in the economic environment impacting the Project by considering movements in forward iron ore prices, exchange rates and risk-free borrowing rates.

We identified management's assessment of impairment indicators of the Project as a key audit matter because the assessment, especially in relation to the assessment of outstanding litigation and disputes, involves significant management judgements which may be subject to management bias.

- Comparing budget versus actual performance during the last 12 months to evaluate economic performance of the asset.

Independent Auditor's Report

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the *Independent auditor's assurance report on Continuing Connected Transactions* that forms part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Audit and Risk Management Committee for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit and Risk Management Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Siu Tung (practising certificate number: P04535).

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 March 2026

Corporate Information

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Website

www.citic.com contains a description of CITIC Limited's business, copies of half-year and annual reports to shareholders, announcements, press releases and other information.

Stock Codes

The Stock Exchange of Hong Kong Limited:	00267
Bloomberg:	267:HK
Reuters:	0267.HK
American Depositary Receipts:	CTPCY
CUSIP Reference No.:	17304K102

Share Registrar

Shareholders should contact CITIC Limited's Share Registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at +852 2980 1333, or by fax at +852 2810 8185, on matters such as transfer of shares, change of name or address, or loss of share certificates.

Investor Relations

Investors, shareholders and research analysts may contact CITIC Limited by telephone at +86 10 5966 8959; +852 2820 2275, or by email at ir@citic.com.

Auditor

KPMG

Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance.

Financial Calendar

For the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting:

Record Date:	26 June 2026
Closure of Register:	23 June 2026 to 26 June 2026 (both days inclusive)

For the purpose of ascertaining shareholders' entitlement to the proposed final dividend:

Record Date:	7 July 2026
Closure of Register:	3 July 2026 to 7 July 2026 (both days inclusive)

Annual General Meeting:	26 June 2026
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Dividend payment:	21 August 2026
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Annual Report 2025

The Annual Report is available on CITIC Limited's website at www.citic.com under the 'Investor Relations' section and the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk.

For those Shareholders and Non-registered shareholders who wish to receive the printed version of the Annual Report can refer to "Corporate Communication Requests" in the 'Investor Relations' section of CITIC Limited's website at www.citic.com for details.

CITIC Limited

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