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CITIC Limited
中國中信股份有限公司

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

ANNOUNCEMENT

**REPORT FOR THE THIRD QUARTER OF 2023 OF
CHINA CITIC BANK CORPORATION LIMITED**

This announcement is made by CITIC Limited (the “Company”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company notes the announcement (the “CITIC Bank Announcement”) of today’s date made by China CITIC Bank Corporation Limited (“CITIC Bank”), a principal subsidiary of the Company, in relation to the unaudited consolidated results of CITIC Bank and its subsidiaries for the third quarter ended 30 September 2023. The CITIC Bank Announcement is available on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and is set out at the end of this announcement.

By Order of the Board
CITIC Limited
Zhu Hexin
Chairman

Hong Kong, 26 October 2023

As at the date of this announcement, the executive directors of the Company are Mr Zhu Hexin (Chairman), Mr Xi Guohua, Mr Liu Zhengjun and Mr Wang Guoquan; the non-executive directors of the Company are Ms Yu Yang, Mr Zhang Lin, Ms Li Yi, Mr Yue Xuekun, Mr Yang Xiaoping and Mr Mu Guoxin; and the independent non-executive directors of the Company are Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh, Mr Gregory Lynn Curl and Mr Toshikazu Tagawa.

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中信銀行
CHINA CITIC BANK

中 信 銀 行 股 份 有 限 公 司
China CITIC Bank Corporation Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 998)

REPORT FOR THE THIRD QUARTER OF 2023

The board of directors (the “**Board of Directors**”) of China CITIC Bank Corporation Limited (the “**Bank**” or the “**Company**”) is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (collectively, the “**Group**”) for the third quarter ended 30 September 2023 (the “**reporting period**”), which have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This report is made in Chinese and English. Should there be any discrepancies between the two versions, the Chinese version shall prevail.

IMPORTANT NOTICE:

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Bank guarantee that the information contained in the *Report for the Third Quarter of 2023 of China CITIC Bank Corporation Limited* (hereinafter referred to as the “**Report for the Third Quarter of 2023**” or “**this report**”) does not contain any false records, misleading statements or material omissions, and assume several and joint liabilities for its truthfulness, accuracy and completeness.

Mr. Fang Heying as the Chairman and executive director of the Bank, Mr. Liu Cheng as executive director and President of the Bank, Mr. Wang Kang as the Vice President and Chief Financial Officer of the Bank, and Mr. Xue Fengqing as the General Manager of the Finance and Accounting Department of the Bank hereby declare and guarantee the truthfulness, accuracy and completeness of the financial report contained in the Report for the Third Quarter of 2023.

The financial statements contained in this report, which were prepared in accordance with the International Financial Reporting Standards (IFRS), are unaudited.

For the purpose of this report, amounts are expressed in Renminbi (RMB) unless otherwise stated.

1. BASIC INFORMATION ON THE COMPANY

Secretary to the Board of Directors	Zhang Qing				
Joint Company Secretaries	Zhang Qing, Kam Mei Ha Wendy (FCG, HKFCG)				
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Telephone Number/Fax Number for Investors	+86-10-66638188/+86-10-65559255				
Email Address for Investors	ir@citicbank.com				
Customer Service and Complaint Hotline	95558				
Listing Venue, Stock Name and Stock Code	Ordinary shares		Shanghai Stock Exchange	CNCB	601998
	A-share	Preference shares	Shanghai Stock Exchange	CITIC Excellent 1	360025
	Convertible corporate bonds		Shanghai Stock Exchange	CITIC Convertible Bonds	113021
	H-share	Ordinary shares	The Stock Exchange of Hong Kong Limited	CITIC Bank	0998

2. PRINCIPAL FINANCIAL DATA

2.1 Principal Accounting Data and Financial Indicators

Unit: RMB million

Item	30 September 2023	31 December 2022	Increase/ (decrease) over the end of the previous year (%)
Total assets	8,922,023	8,547,543	4.38
Total loans and advances to customers <i>(Note)</i>	5,465,228	5,152,772	6.06
Total liabilities	8,198,567	7,861,713	4.28
Total deposits from customers <i>(Note)</i>	5,456,281	5,099,348	7.00
Total equity attributable to the equity holders of the Bank	702,654	665,418	5.60
Total equity attributable to the ordinary shareholders of the Bank	587,713	550,477	6.76
Net asset per share attributable to the ordinary shareholders of the Bank (RMB/share)	12.00	11.25	6.67

Note: For the convenience of analysis, total loans and advances to customers and total deposits from customers mentioned in this section and “3.1 Operating Results” did not include the corresponding accrued interests.

Unit: RMB million

Item	July- September 2023	July- September 2023 year- on-year increase/ (decrease) (%)	January- September 2023	January- September 2023 year- on-year increase/ (decrease) (%)
Operating income	50,062	(3.68)	155,947	(2.65)
Profit before tax	16,776	(4.25)	59,143	5.18
Net profit attributable to the equity holders of the Bank	15,366	5.40	51,433	9.19
Annualized return on average assets	0.70%	Up 0.01 percentage points	0.80%	Up 0.03 percentage points
Annualized return on average equity	9.51%	Down 0.25 percentage points	11.35%	Up 0.19 percentage points
Basic earnings per share (RMB/share)	0.29	7.41	0.99	10.00
Diluted earnings per share (RMB/share)	0.25	4.17	0.88	8.64
Net cash flows generated from operating activities	N/A	N/A	(4,461)	(191.21)

2.2 Changes in the Group's Major Accounting Data and Financial Indicators and Reasons

Items in the above-mentioned major accounting data and financial indicators that changed by more than 30% compared with the end of last year or the same period of last year and the reasons for the changes are as follows:

Unit: RMB million

Item	January– September 2023	Increase/ (Decrease) over the end of last year or the same period of last year (%)	Reasons for changes
Net cash flows generated from operating activities	(4,461)	(191.21)	Net cash outflows used in operating activities were RMB4.461 billion, and the figure for the same period of last year was RMB4.891 billion of net cash inflows, mainly due to the increase in cash outflows from loans and interbank business.

2.3 Note on Differences between the Financial Statements Prepared in accordance with the PRC Accounting Standards and the IFRS Respectively

There is no difference between the net assets attributable to the equity holders of the Bank as at the end of September 2023 and the net profit attributable to the equity holders of the Bank for the reporting period of the Group calculated as per the PRC Accounting Standards and those of the Group calculated as per the IFRS.

3. MANAGEMENT DISCUSSION AND ANALYSIS

3.1 Operating Results

During the first three quarters in 2023, in the face of complicated and changeable environment both at home and abroad, the Group fully implemented the decisions and plans of the CPC Central Committee and the State Council, strictly followed regulatory requirements, and firmly upheld the “three business orientations” and “four business themes”. It spared no effort to promote its transformation and development, and achieved steady growth in its operating results.

The Group’s assets and liabilities grew steadily with its loans granted to key fields increasing soundly, and both the quality and efficiency of serving the real economy were enhanced. As at the end of the reporting period, the Group’s total assets amounted to RMB8,922.023 billion, representing an increase of 4.38% as compared to the end of last year. Total loans and advances to customers stood at RMB5,465.228 billion, representing an increase of RMB312.456 billion, or 6.06% over the end of the previous year, with the year-on-year increment up by RMB70.197 billion. Specifically, the balance of corporate loans (excluding discounted bills), personal loans (excluding credit cards) and credit card loans increased by RMB195.189 billion, RMB127.898 billion, and RMB12.300 billion over the end of the previous year, respectively. As at the end of the reporting period, the Group’s total liabilities amounted to RMB8,198.567 billion, representing an increase of 4.28% over the end of the previous year. Deposits from customers amounted to RMB5,456.281 billion, representing an increase of RMB356.933 billion or 7.00% over the end of the previous year, with the year-on-year increment up by RMB66.025 billion. Specifically, corporate deposits and personal deposits recorded an increase of RMB196.992 billion and RMB159.941 billion over the end of the previous year.

From January to September 2023, the Group’s net profit attributable to the equity holders of the Bank stood at RMB51.433 billion, up by 9.19% year-on-year. The Group realized return on assets (ROA) of 0.80%, up by 0.03 percentage points year-on-year, and its return on equity (ROE) was 11.35%, up by 0.19 percentage points year-on-year, indicating increased return on investment. It realized operating income of RMB155.947 billion, a year-on-year decrease of 2.65% due to the impact of continuous narrowing of interest margin. Specifically, net interest income registered RMB109.239 billion, a year-on-year decrease of 1.90%; net interest margin was 1.82%, a year-on-year decrease of 0.14 percentage points, mainly due to the decline of interest rate exerting continuous pressure on return on assets, and the relative rigidity of deposit costs. Net non-interest income declined by 4.37% year-on-year to RMB46.708 billion, due to the overall market trend, drop in wealth management fees, and decline in net gain on investment securities.

3.2 Key Businesses and Indicators

Development of three core capabilities

With the “342 Action Plan for Developing Core Business Capabilities” always as its guiding strategy, the Bank carried out business operation focusing on the three core capabilities, namely wealth management, asset management and comprehensive financing, and achieved excellent results. As at the end of the reporting period, the balance of the Bank’s personal AUM (including market value)¹ amounted to RMB4.18 trillion, representing an increase of 6.72% compared with the end of last year; the total amount of wealth management products stood at RMB1.67 trillion, representing an increase of 5.63% over the end of last year; and the balance of comprehensive financing amounted to RMB12.83 trillion, representing an increase of 4.28% over the end of last year.

Serving real economy

The Bank thoroughly implemented the major decisions and plans for the credit extension of the CPC Central Committee, the State Council and regulatory authorities, continuously enhanced the quality and efficiency of serving the real economy, and effectively prevented and mitigated material risks. During the first three quarters of 2023, the Bank closely followed the national industrial development strategy and stepped up business expansion in key areas supported by the state. It vigorously promoted the development of a modern industrial system and increased support for green credit, strategic emerging industries and high-tech industries. As at the end of the reporting period, the Bank’s balances of green credit, loans to strategic emerging industries, medium and long-term loans to manufacturing industries posted RMB428.292 billion², RMB503.511 billion, and RMB247.084 billion, respectively, up by 28.20%, 18.69%, and 22.2% from the end of last year. The growth rates of the loans above were all higher than the growth rate of total loans.

During the first three quarters of 2023, the Bank continued to strengthen its support for micro and small enterprises, reinforced system and mechanism support, and enhanced product innovation capability. It strengthened the supply of policy resources, and implemented the policy of fee reduction and interest concession. The Bank also strengthened the initiative and effectiveness of risk compliance management, and promoted the sustainable and high-quality development of inclusive finance business. As at the end of the reporting period, the Bank’s inclusive loans to micro and small enterprises stood at RMB529.616 billion, representing an increase of RMB83.624 billion compared with the end of last year, with its growth rate at 11.24 percentage points higher than that of total loans. The number of customers with loan balance reached 270.8 thousand, representing an increase of 40.9 thousand from the end of last year.

¹ Including the personal AUM of subsidiaries of the Bank.

² Statistics of the People’s Bank of China.

During the first three quarters of 2023, the Bank earnestly implemented the national strategic plan for rural revitalization, strictly followed regulatory policies and requirements, and further strengthened system and mechanism building. It enhanced featured service capability, increased granting of credit funds, and continuously improved the quality and efficiency of financial services for rural revitalization. As at the end of the reporting period, the balance of the Bank's agriculture-related loans was RMB554.645 billion, representing an increase of RMB67.715 billion over the beginning of the year. The balance of inclusive agriculture-related loans posted RMB39.465 billion, representing an increase of RMB6.399 billion over the beginning of the year, and the loan growth rate was 11.84 percentage points higher than that of all loans.

Overview of sector results

The Bank's corporate banking business actively implemented the national policy orientation, realized steady growth in the scale of corporate loans, and enhanced the quality and efficiency of serving the real economy. As at the end of the reporting period, the Bank's general corporate loan amounted to RMB2,485.960 billion, representing an increase of RMB186.564 billion or 8.11% from the end of last year, with the year-on-year increment of 2.02 percentage points. During the first three quarters of 2023, the Bank continued to deepen collaboration with CITIC Group and cooperation with CITIC Securities, CITIC Trust and other financial subsidiaries of CITIC Group. As at the end of the reporting period, the balance of corporate wealth management reached RMB194.917 billion. The Bank focused on comprehensive and in-depth management of corporate customers, and constantly improved its stratified and classified customer management system. As at the end of the reporting period, the total number of corporate customers was 1,126.2 thousand, representing an increase of 88.9 thousand from the end of last year. The Bank continued to strengthen its services to enterprises in the new economy, with a total of 17,853 enterprises³ with specialized, sophisticated techniques and unique, novel products served, representing an increase of 2,831 compared with the end of last year.

³ Due to the needs of corporate customer management, the Bank conducted adjustment on the statistic criteria for enterprises with specialized, sophisticated techniques and unique, novel products, and the base number as at the beginning of the year has been restated accordingly.

The Bank's retail banking was driven by operating income and continued to enhance the quality and efficiency of its development through value creation. In terms of wealth management, the Bank firmly built an intelligent investment advisory service system driven by investment and research, properly provided services in asset allocation and pension reserves for personal customers in their key life stages with a focus on their lifecycle, and integrated and simultaneously enhanced customer value and bank value. During the first three quarters of 2023, the Bank adhered to the transformation of its net worth capability, which led to an increase of retail assets under management, and made proper layout for fund distribution despite unfavorable market situations. The proportion of regular premium business and value contribution of insurance distribution were continuously enhanced, the service plan was upgraded for family trust of private banking, the cross-border financial capacity was released, and the growth momentum of retail assets under management became more diversified. The retail credit business maintained growth momentum. The Bank increased the supply of housing mortgage loans, continued to develop consumer finance, and increased credit card installment transactions and credit scale. It focused on high-quality customer acquisition and refined operation, new customer activation and its ability to manage a full range of customers significantly improved. From January to September 2023, the Bank accumulatively activated more than 5 million debit customers, and monthly active contracts for mobile payment in September 2023 exceeded 20 million. The Bank built super channel 1.0. Centering on customer journey and focusing on key customers and high-potential customers, the Bank set automatic management strategy for all channels, and applied digital means to support the accurate adaptation of "all customers, all products and all channels". As at the end of the reporting period, the Bank had a total of 134 million personal customers, representing an increase of 7.0384 million from the end of last year.

The Bank's financial market business provided strong financing support to the real economy, and from January to September 2023, the bill business provided discount financing services to 13,342 enterprises. Specifically, the Bank provided services to 9,272 micro and small enterprises, accounting for 69.49% of total customers, representing an increase of 1,402 customers compared with the same period of last year. The accumulated rediscounted bills valued RMB190.728 billion, representing an increase of RMB65.419 billion, or 52.21% year-on-year. As a core trader on the interbank market, the Bank actively performed its duties by providing liquidity support to the market. From January to September 2023, market making of foreign currencies totaled USD2.06 trillion, up by 33.77% year-on-year, and the market making volume of bonds and derivatives totaled RMB6.13 trillion, representing a year-on-year rise of 32.68%. The Bank focused on the demands of interbank customers, and further improved its business acquisition from existing customers, expanded sales, revitalized ecosystem, optimized platform and strengthened support. As at the end of the reporting period, the number of contracted customers on the "Financial Institution+" platform reached 2,798, representing an increase of 133 from the end of last year. From January to September 2023, the accumulated trading volume via the platform reached RMB1,312.800 billion, representing a year-on-year increase of 98.74%.

3.3 Risk Management

During the first three quarters of 2023, the Bank closely followed the main line of stabilizing growth, expanding domestic demand and preventing risks, and combined the implementation of national policies with realizing high-quality development to enhance the quality and efficiency of serving the real economy. The Bank advanced “the combination of five policies”⁴, strengthened financing and comprehensive services focusing on stabilizing investment and promoting consumption, continuously increased credit granting in key areas and weak links of the economy, deepened management of small and medium-sized customers, and actively expanded financial services concerning consumption and people’s livelihood. The Bank strengthened the unified credit management as well as the prevention and control of concentration risks, and further optimized the credit structure. It continuously promoted the integration of audit, management and inspection⁵, improved the full-time approver mechanism and the post-lending and investment management system, carried out in-depth re-examination, and improved the quality and efficiency of the whole process of risk control. It also strengthened the control on overall asset quality, and implemented near maturity management and stratified and classified monitoring of key customers. It also enhanced risk prevention in key areas, advanced the resolution and disposal of key projects, intensified efforts in cash recovery, and achieved returns from problematic assets while vigorously “stabilizing quality”.

The Bank strengthened the overall planning of its digital risk control, continuously enhanced risk management technology research and development capabilities, and deepened the multi-level application of big data and artificial intelligence technologies. During the first three quarters of 2023, the Bank continuously improved the risk control capability of online businesses such as personal credit, auto finance, inclusive finance, transaction banking and international business, and promoted risk warning based on big data. It continued to improve its comprehensive intelligent risk management platform, and promoted the function integration and optimization of credit, market and operational risk systems. It kept enhancing the application of digital risk control tools in the credit process, including pre-lending approval, post-lending management, collection of problematic assets, hence empowering business development.

⁴ The “Five Policies” refer to industry research, credit policies, approval standards, marketing guidelines, and resource and evaluation policies.

⁵ The integration of audit refers to approval, post-lending and investment management and re-examination integration.

Risk management of real estate industry

The Bank strictly implemented the real estate control policies and regulatory requirements of the CPC Central Committee and the State Council, adapted to the new situation of material changes in the supply-demand relationship in the real estate market, and steadily implemented the credit strategy of “improving quality, stabilizing stock and optimizing increment”. It steadily and orderly carried out the incremental real estate business, gave comprehensive consideration to regions, entities and project layout, and mainly supported advantageous regions and high-quality real estate enterprises. It gave priority to supporting the inelastic demand for upgradation housing projects, long-term rental housing projects and government-subsidized housing, and selectively supported the “villages within cities” renovation projects. The Bank seized the opportunity to mitigate existing risks, assisted local governments in “ensuring the delivery of pre-sold housing projects and stabilizing people’s livelihood”, strengthened stratified and classified management of risk projects, and prevented the large-amount credit risk of real estate enterprise groups.

As for residential mortgage loans, the Bank actively implemented the national and local policies and requirements, grasped the trend of housing mortgage market, met the reasonable housing purchase demand of house buyers, and increased the mortgage supply. As at the end of the reporting period, the Bank’s personal housing mortgage loans amounted to RMB957.050 billion, representing an increase of RMB12.961 billion from the end of last year. The Bank’s personal housing mortgage loans were mainly concentrated in first and second tier cities⁶, accounting for 73.27% of the Bank’s personal housing mortgage loans. At the same time, the Bank’s latest weighted average mortgage ratio⁷ of personal housing mortgage loans maintained at around 36%, indicating sufficient collateral and strong risk resistance capacity. Affected by the real estate market downturn and economic slowdown, the NPL ratio of residential mortgage loans rose over the beginning of the year. As at the end of the reporting period, the NPL ratio of Bank’s personal residential mortgage loans was 0.53%. The Bank will continuously strengthen the risk prevention and control system and mechanism, strictly control project access, carry out loan investigation, review and post-lending inspection requirements, actively prevent and control real estate market risks, and maintain the stability of mortgage asset quality.

⁶ According to the locations, namely first or second-tier cities, of the Bank’s tier-1 branches.

⁷ Latest weighted average mortgage ratio = loan balance/latest collateral valuation*100%.

3.4 Asset Quality

During the first three quarters of 2023, the macroeconomic circumstances both in and outside of China were still challenging and complicated, and the asset quality of commercial banks faced relatively large pressure. The Group made sufficient anticipation and preparations in response to the changing trends of loan quality and through its pertinent measures for risk prevention and resolution and intensified efforts in risk resolution and NPL disposal, the changes in NPLs were within expectation and under control.

As at the end of reporting period, the balance of non-performing loans of the Group increased compared with the end of last year while the ratio of non-performing loans decreased, and the asset quality maintained steady. As at the end of the reporting period, the balance of the Group's non-performing loans amounted to RMB66.801 billion, up by RMB1.588 billion over the end of last year. The NPL ratio was 1.22%, down by 0.05 percentage points over the end of last year. The allowance coverage ratio rose by 8.32 percentage points over the end of last year to 209.51%. The ratio of allowance for impairment of loans to total loans stood at 2.56%, up by 0.01 percentage points from the end of last year.

Item	30 September 2023	31 December 2022
Non-performing loan ratio	1.22%	1.27%
Allowance coverage ratio	209.51%	201.19%
The ratio of allowance for impairment of loans to total loans	2.56%	2.55%

Five-tier Loan Classification

Unit: RMB million

Item	30 September 2023		31 December 2022	
	Balance	Percentage (%)	Balance	Percentage (%)
Performing loans	5,398,427	98.78	5,087,559	98.73
Pass	5,316,408	97.28	5,003,190	97.10
Special mention	82,019	1.50	84,369	1.63
Non-performing loans	66,801	1.22	65,213	1.27
Substandard	18,868	0.34	36,540	0.71
Doubtful	28,494	0.52	21,469	0.42
Loss	19,439	0.36	7,204	0.14
Total loans	5,465,228	100.00	5,152,772	100.00

3.5 Capital Adequacy Ratio

The Group calculated and disclosed its capital adequacy ratios according to the *Provisional Measures for Capital Management of Commercial Banks* promulgated by the former China Banking Regulatory Commission. During the reporting period, the Group met the regulatory capital requirements. In addition, on the premise of meeting regulatory measurement standards, the Group further set aside reserve capital, countercyclical capital and additional capital according to regulatory requirements, of which the requirement on reserve capital was 2.5%, requirement on countercyclical capital was 0% and requirement on additional capital was 0.5%.

As at the end of the reporting period, the Group recorded a core tier-one capital adequacy ratio of 8.81%, up by 0.07 percentage point over the end of the previous year, a tier-one capital adequacy ratio of 10.59%, down by 0.04 percentage points from the end of the previous year, and a capital adequacy ratio of 12.65%, down by 0.53 percentage points from the end of the previous year. The Bank recorded a core tier-one capital adequacy ratio of 8.42%, up by 0.09 percentage points from the end of the previous year; a tier-one capital adequacy ratio of 10.29%, down by 0.04 percentage points over the end of the previous year; and a capital adequacy ratio of 12.42%, down by 0.62 percentage points over the end of the previous year.

Unit: RMB million

Item	Regulatory value	30 September 2023		31 December 2022		Increase/(decrease) over the end of the previous year (%)	
		the Group	the Bank	the Group	the Bank	the Group	the Bank
Net core tier-one capital	–	591,942	516,578	551,863	481,359	7.26	7.32
Net tier-one capital	–	711,700	631,519	671,477	596,300	5.99	5.91
Net capital	–	849,676	762,317	832,087	752,857	2.11	1.26
Including:							
Minimum requirement on core tier-one capital	5.00%	335,918	306,914	315,775	288,765	6.38	6.29
Minimum requirement on tier-one capital	6.00%	403,101	368,297	378,930	346,518	6.38	6.29
Minimum requirement on capital	8.00%	537,468	491,063	505,240	462,024	6.38	6.29
Requirement on reserve capital	2.50%	167,959	153,457	157,888	144,382	6.38	6.29
Requirement on countercyclical capital	–	–	–	–	–	–	–
Requirement on additional capital	0.50%	33,592	30,691	–	–	–	–
Total risk-weighted assets	–	6,718,352	6,138,286	6,315,506	5,775,295	6.38	6.29
Core tier-one capital adequacy ratio	≥8.00%	8.81%	8.42%	8.74%	8.33%	Up 0.07 percentage points	Up 0.09 percentage points
Tier-one capital adequacy ratio	≥9.00%	10.59%	10.29%	10.63%	10.33%	Down 0.04 percentage points	Down 0.04 percentage points
Capital adequacy ratio	≥11.00%	12.65%	12.42%	13.18%	13.04%	Down 0.53 percentage points	Down 0.62 percentage points

Note: The Group calculated its capital adequacy ratios according to the *Provisional Measures for Capital Management of Commercial Banks*. Since the first quarter of 2022, the Group has consolidated JSC Altyn Bank in its capital (including capital adequacy ratios, leverage ratio and liquidity coverage ratio of different levels).

3.6 Leverage Ratio

Unit: RMB million

Item	Regulatory value	30 September 2023	30 June 2023	31 March 2023	31 December 2022
Leverage ratio	≥4.25%	6.61%	6.70%	6.65%	6.59%
Net tier-one capital	–	711,700	699,523	693,051	671,477
Adjusted balance of on- and off-balance sheet assets	–	10,763,241	10,434,553	10,414,279	10,193,191

3.7 Liquidity Coverage Ratio

Unit: RMB million

Item	Regulatory value	30 September 2023	31 December 2022
Liquidity coverage ratio	≥100.00%	143.64%	168.03%
Eligible premium liquid assets	–	995,507	1,087,933
Net cash outflow in the coming 30 days	–	693,080	647,452

4. SHAREHOLDER INFORMATION

4.1 Total Number of Ordinary Shareholders and Number of Preference Shareholders with Restored Voting Rights and Shareholdings of Top Ten Shareholders as at the End of the Reporting Period

Total number of ordinary shareholders (account)	137,079
Including: A-share ordinary shareholders (account)	110,465
H-share ordinary shareholders (account)	26,614

Shareholdings of Top Ten Ordinary Shareholders							
Name of shareholder	Nature of shareholder	Class of shares	Number of shares held at the end of the period (share)	Shareholding percentage (%)	Number of shares subject to restrictions on sale	Shares pledged/frozen/marked	Status
CITIC Financial Holdings	State-owned legal person	A share, H share	31,406,992,773	64.14	–	None	–
Hong Kong Securities Clearing Company Nominees Limited	Overseas legal person	H share	12,136,208,547	24.78	–	Unknown	–
China National Tobacco Corporation	State-owned legal person	A share	2,147,469,539	4.39	–	None	–
China Securities Finance Corporation Limited	State-owned legal person	A share	1,018,941,677	2.08	–	None	–
Central Huijin Asset Management Ltd.	State-owned legal person	A share	267,137,050	0.55	–	None	–
Hong Kong Securities Clearing Company Limited	Overseas legal person	A share	178,122,994	0.36	–	None	–
China Construction Bank Corporation	State-owned legal person	H share	168,599,268	0.34	–	None	–
China Merchants Bank Co., Ltd. – SSE Dividend Traded Open-ended Index Securities Investment Fund	Other	A share	56,722,559	0.12	–	None	–
Hebei Construction&Investment Group Co., Ltd	State-owned legal person	A share	31,034,400	0.06	–	None	–
China Poly Group Corporation Limited	State-owned legal person	A share	27,216,400	0.06	–	None	–

Notes:

- (1) The Bank had no preference shareholders with voting rights restored. All shares held by the above-mentioned shareholders were shares not subject to restrictions on sale of the Bank.
- (2) The shareholdings of A shareholders and H shareholders in the table above were calculated based on the Bank's share registers respectively maintained with China Securities Depository and Clearing Corporation Limited Shanghai Branch and Computershare Hong Kong Investor Services Limited.
- (3) Hong Kong Securities Clearing Company Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. The total number of shares held by Hong Kong Securities Clearing Company Nominees Limited is the aggregate number of H shares held in its capacity as nominee on behalf of all institutional and individual investors registered with the company as at the end of the reporting period. Hong Kong Securities Clearing Company Limited is an institution that is designated by others to hold shares, including the Shanghai Stock Connect shares held by Hong Kong and overseas investors, on behalf of others in its capacity as nominee shareholder.
- (4) CITIC Financial Holdings is a wholly-owned subsidiary of CITIC Corporation Limited. CITIC Corporation Limited is a wholly-owned subsidiary of CITIC Limited. CITIC Limited confirmed that as at the end of the reporting period, CITIC Limited and its subsidiaries (including CITIC Corporation Limited and CITIC Financial Holdings) together owned 32,284,227,773 shares of the Bank, accounting for 65.93% of the Bank's total shares, including 28,938,928,294 A shares and 3,345,299,479 H shares. CITIC Financial Holdings directly owned 31,406,992,773 shares of the Bank, accounting for 64.14% of the Bank's total shares, including 28,938,928,294 A shares and 2,468,064,479 H shares.
- (5) Summit Idea Limited confirmed that, as at the end of the reporting period, it held via Hong Kong Securities Clearing Company Nominees Limited 2,292,579,000 H shares of the Bank, accounting for 4.682% of the Bank's total shares. Summit Idea Limited is a wholly-owned affiliate of Xinhua Zhongbao Co., Ltd. ("**Xinhua Zhongbao**"). In addition to the aforementioned stake, Hong Kong Xinhua Investment Co., Ltd., a wholly-owned subsidiary of Xinhua Zhongbao, also owned 153,686,000 H shares of the Bank via Hong Kong Securities Clearing Company Nominees Limited, taking up 0.314% of the Bank's total shares.
- (6) Note on related party relations or concerted actions between ordinary shareholders listed in the above table: Hong Kong Securities Clearing Company Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. According to the *2023 Interim Report of China Construction Bank Corporation*, as at 30 June 2023, Central Huijin Investment Ltd. and its wholly-owned subsidiary Central Huijin Asset Management Ltd. together owned 57.31% equity of China Construction Bank Corporation. Except for these, the Bank was not aware of any related party relations or concerted actions between the shareholders listed in the above table.
- (7) As far as the Bank was aware, as at the end of the reporting period, none of the above-mentioned shareholders of the Bank participated in any margin trading, short selling or securities financing.

4.2 Total Number of Preference Shareholders and Shareholdings of Top 10 Preference Shareholders as at the End of the Reporting Period

Total number of preference shareholders at the end of the reporting period (account)

37

Shareholdings of Top 10 Preference Shareholders						
Name of shareholder	Nature of shareholder	Number of shares held (share)	Shareholding percentage (%)	Number of shares subject to restrictions on sale	Status	Shares pledged/frozen/marked Quantity
China Mobile Communications Group Co., Ltd.	State-owned legal person	43,860,000	12.53	–	None	–
China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai	Other	38,430,000	10.98	–	None	–
China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai	Other	38,400,000	10.97	–	None	–
Ping An Life Insurance Company of China, Ltd. – Universal – Individual Universal Insurance	Other	30,700,000	8.77	–	None	–
Ping An Life Insurance Company of China, Ltd. – Dividend – Dividends for Individual Insurance	Other	30,700,000	8.77	–	None	–
AVIC Trust Co., Ltd. – AVIC Trust • Tianji Win-Win No.2 Securities Investment Collective Capital Trust Plan	Other	21,930,000	6.27	–	None	–
Ping An Property & Casualty Insurance Company of China, Ltd. – Traditional – Ordinary Insurance Products	Other	19,290,000	5.51	–	None	–
China Resources SZITIC Trust Co., Ltd. – CR Trust • Yuanqi No. 80 Collective Capital Trust Plan	Other	14,875,000	4.25	–	None	–
Hwabao Trust Co., Ltd. – Hwabao Trust – Baofu Investment No. 1 Collective Capital Trust Plan	Other	11,650,000	3.33	–	None	–
Bosera Funds – ICBC – Bosera – ICBC – Flexible Allocation No. 5 Specific MultiClient Asset Management Plan	Other	10,300,000	2.94	–	None	–

Notes:

- (1) The shareholdings of the preference shareholders were calculated based on the information contained in the preference-share register of the Bank.
- (2) Note on related party relations or concerted actions of the above preference shareholders: Based on publicly available information, the Bank came to the preliminary conclusion that there was related party relation between China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai and China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai, and among Ping An Life Insurance Company of China, Ltd. – Universal – Individual Universal Insurance, Ping An Life Insurance Company of China, Ltd. – Dividend – Dividends for Individual Insurance and Ping An Property & Casualty Insurance Company of China, Ltd. – Traditional – Ordinary Insurance Products. Except for these, the Bank was not aware of any other related party relation or concerted action between the above-mentioned preference shareholders or between the above-mentioned preference shareholders and the top 10 ordinary shareholders.
- (3) “Shareholding percentage” means the percentage of preference shares held by preference shareholders in the total number of issued preference shares.

5. OTHER IMPORTANT EVENTS

5.1 Exercise of the option to redeem tier 2 capital bonds

In September 2023, the Bank redeemed its 10-year tier-2 fixed rate capital bonds of RMB30 billion issued in September 2018 in the national interbank bond market in full. Please refer to relevant announcements published on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on 14 September 2023 for detailed information.

5.2 Appointment and resignation of directors and senior management

On 17 April 2023, the Board of Directors of the Bank elected Mr. Fang Heying as Chairman of the Bank. Upon approval by the National Administration of Financial Regulation (NAFR), Mr. Fang Heying formally assumed the position of Chairman of the Board of Directors of the Bank as of 3 August 2023.

On 17 April 2023, the Board of Directors of the Bank appointed Mr. Liu Cheng as President of the Bank. Upon approval by the NAFR, Mr. Liu Cheng officially assumed the position of President of the Bank as of 3 August 2023.

On 16 November 2022, the 2nd extraordinary general meeting of 2022 of the Bank elected Mr. Zhou Bowen as an independent non-executive director of the 6th Session of the Board of Directors of the Bank. Upon approval by the NAFR, Mr. Zhou Bowen began to serve as an independent non-executive director of the Bank as of 31 August 2023. As Mr. Zhou Bowen has taken office as independent non-executive director of the Bank, Mr. He Cao, who has served his six years' term of office as an independent non-executive director of the Bank, resigns from his position as an independent non-executive director of the Bank as well as relevant positions in the special committees under the Board.

5.3 Others

Please refer to relevant announcements published on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for detailed information of other important events disclosed by the Bank as per regulatory requirements during the reporting period.

6. QUARTERLY FINANCIAL STATEMENTS

See the appendix.

China CITIC Bank Corporation Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Period of Nine Months Ended 30 September 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	July- September 2023	July- September 2022	January- September 2023	January- September 2022
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Interest income	80,165	78,640	239,402	233,082
Interest expense	(44,132)	(41,136)	(130,163)	(121,730)
Net interest income	36,033	37,504	109,239	111,352
Fee and commission income	9,304	9,526	30,253	30,206
Fee and commission expense	(1,376)	(1,007)	(3,262)	(2,852)
Net fee and commission income	7,928	8,519	26,991	27,354
Net trading gains	1,365	948	4,709	4,087
Net gains from investment securities	4,520	4,913	14,303	17,053
Other net operating income	216	90	705	346
Operating income	50,062	51,974	155,947	160,192
Operating expenses	(15,609)	(15,346)	(44,856)	(42,733)
Operating profit before impairment	34,453	36,628	111,091	117,459
Impairment losses on credit	(17,863)	(19,239)	(52,327)	(61,626)
Impairment losses on other assets	4	1	(238)	(31)
Revaluation (losses)/gains on investment properties	–	(1)	9	(14)
Share of gains from associates and joint ventures	182	132	608	444
Profit before tax	16,776	17,521	59,143	56,232
Income tax expense	(1,221)	(2,724)	(6,881)	(8,500)
Profit for the period	15,555	14,797	52,262	47,732
Profit attributable to:				
Equity holders of the Bank	15,366	14,579	51,433	47,103
Non-controlling interests	189	218	829	629

	July- September 2023	July- September 2022	January- September 2023	January- September 2022
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Other comprehensive income, net of tax:				
i. Items that cannot be reclassified into profit or loss				
– Fair value changes on financial investments designated to be measured at fair value through other comprehensive income	10	5	(149)	36
ii. Items to be reclassified into profit or loss				
– Other comprehensive income transferable to profit or loss under equity method	(8)	1	6	(28)
– Fair value changes on financial assets measured at fair value through other comprehensive income	(2,041)	(194)	1,573	(3,525)
– Impairment allowances on financial assets measured at fair value through other comprehensive income	60	330	508	222
– Exchange difference on translating foreign operations	346	3,254	2,799	5,136
– Others	20	–	11	6
Other comprehensive income, net of tax	(1,613)	3,396	4,748	1,847
Total comprehensive income	13,942	18,193	57,010	49,579

	July- September 2023	July- September 2022	January- September 2023	January- September 2022
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Total comprehensive income attributable to:				
Equity holders of the Bank	13,746	18,111	56,256	49,286
Non-controlling interests	196	82	754	293
Earnings per share attributable to the ordinary shareholders of the Bank:				
Basic earnings per share (RMB yuan)	0.29	0.27	0.99	0.90
Diluted earnings per share (RMB yuan)	0.25	0.24	0.88	0.81

China CITIC Bank Corporation Limited
Consolidated Statement of Financial Position

30 September 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	30 September 2023	31 December 2022
	<i>Unaudited</i>	<i>Audited</i>
Assets		
Cash and balances with central banks	398,053	477,381
Deposits with and loans to banks and non-bank financial institutions	79,992	78,834
Precious metals	9,160	5,985
Placements with banks and non-bank financial institutions	235,748	218,164
Derivative financial assets	63,144	44,383
Financial assets held under resale agreements	6,889	13,730
Loans and advances to customers	5,345,027	5,038,967
Financial investments		
– measured at fair value through profit or loss	604,497	557,594
– measured at amortized cost	1,177,819	1,135,452
– measured at fair value through other comprehensive income	778,482	804,695
– designated to be measured at fair value through other comprehensive income	4,802	5,128
Investment in associates and joint ventures	6,798	6,341
Investment properties	552	516
Property, plant and equipment	36,020	34,430
Right-of-use assets	10,647	10,824
Intangible assets	3,278	3,715
Goodwill	952	903
Deferred tax assets	54,598	55,011
Other assets	105,565	55,490
Total assets	<u>8,922,023</u>	<u>8,547,543</u>

	30 September	31 December
	2023	2022
	<i>Unaudited</i>	<i>Audited</i>
Liabilities		
Borrowings from central banks	168,282	119,422
Deposits from banks and non-bank financial institutions	985,914	1,143,776
Placements from banks and non-bank financial institutions	74,165	70,741
Financial liabilities measured at fair value through profit or loss	4,283	1,546
Derivative financial liabilities	60,928	44,265
Financial assets sold under repurchase agreements	352,614	256,194
Deposits from customers	5,520,407	5,157,864
Accrued staff costs	19,602	21,905
Taxes payable	3,921	8,487
Issued debt certificates	938,474	975,206
Lease liabilities	10,266	10,272
Provisions	10,905	9,736
Deferred tax liabilities	1	3
Other liabilities	48,805	42,296
Total liabilities	8,198,567	7,861,713

	30 September 2023 <i>Unaudited</i>	31 December 2022 <i>Audited</i>
Equity		
Share capital	48,967	48,935
Other equity instruments	118,060	118,076
Capital reserve	59,404	59,216
Other comprehensive income	3,388	(1,621)
Surplus reserve	54,727	54,727
General reserve	100,760	100,580
Retained earnings	317,348	285,505
Total equity attributable to the equity holders of the Bank	702,654	665,418
Non-controlling interests	20,802	20,412
Total equity	723,456	685,830
Total liabilities and equity	8,922,023	8,547,543

Approved and authorized for issue by the Board of Directors on 26 October 2023.

Fang Heying
Chairman and Executive Director

Liu Cheng
Executive Director and President

Wang Kang
Vice President and Chief Financial Officer

Xue Fengqing
General Manager of the Finance and Accounting Department

(Company Seal)

China CITIC Bank Corporation Limited**Consolidated Statement of Cash Flows**

For the Period of Nine Months Ended 30 September 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	January- September 2023	January- September 2022
	<i>Unaudited</i>	<i>Unaudited</i>
Operating activities		
Profit before tax	59,143	56,232
Adjustments for:		
– Revaluation gain on investments, derivatives and investment properties	(3,329)	(4,719)
– Net investment gain	(10,353)	(9,988)
– Net loss from disposal of fixed assets, intangible assets and other assets	35	27
– Unrealized foreign exchange gain	(1,258)	(120)
– Impairment losses on credit	52,327	61,626
– Impairment losses on other assets	238	31
– Depreciation and amortization	3,449	2,912
– Interest expense on debt certificates issued	18,719	20,321
– Dividend income from equity investment	(164)	(32)
– Depreciation of right-of-use assets and interest expense on lease liabilities	2,746	2,767
– Income tax paid	(11,636)	(14,295)
Subtotal	109,917	114,762
Changes in operating assets and liabilities:		
Decrease/(increase) in balances with central banks	2,477	(9,676)
Decrease in deposits with banks and non-bank financial institutions	1,435	10,426
Decrease/(increase) in placements with and loans to banks and non-bank financial institutions	9,264	(90,078)
Increase in financial assets at fair value through profit or loss	(66,596)	(35,983)
Decrease/(increase) in financial assets held under resale agreements	7,085	(41,040)
Increase in loans and advances to customers	(326,967)	(265,834)
Increase/(decrease) in borrowings from central banks	46,800	(46,525)
Decrease in deposits from banks and non-bank financial institutions	(158,937)	(71,388)
Increase in placements from banks and non-bank financial institutions	1,867	12,467
Increase in financial liabilities at fair value through profit or loss	2,658	3,378
Increase in financial assets sold under repurchase agreements	95,913	186,546
Increase in deposits from customers	331,300	262,717
Increase in other operating assets	(67,688)	(37,683)
Increase in other operating liabilities	7,011	12,802
Net cash flows from operating activities	(4,461)	4,891

	January- September 2023	January- September 2022
	<i>Unaudited</i>	<i>Unaudited</i>
Investing activities		
Proceeds from disposal and redemption of investments	1,972,962	1,931,638
Proceeds from disposal of property, plant and equipment, land use rights, and other assets	21	39
Cash received from equity investment income	533	350
Cash received from disposal of associates	72	–
Payments on acquisition of investments	(2,033,087)	(2,021,849)
Payments on acquisition of property, plant and equipment, land use rights and other assets	<u>(7,486)</u>	<u>(1,883)</u>
Net cash flows used in investing activities	<u>(66,985)</u>	<u>(91,705)</u>
Financing activities		
Cash received from debt securities issued	829,703	688,335
Cash received from issuing other equity instruments	–	4,033
Cash paid for redemption of debt securities issued	(866,669)	(582,984)
Interest paid on debt securities issued	(19,308)	(20,842)
Dividends paid	(18,164)	(16,715)
Principle and interest paid for leasing liabilities	<u>(2,611)</u>	<u>(2,472)</u>
Net cash flows from financing activities	<u>(77,049)</u>	<u>69,355</u>
Net decrease in cash and cash equivalents	(148,495)	(17,459)
Cash and cash equivalents as at 1 January	307,871	252,818
Effect of exchange rate changes on cash and cash equivalents	<u>6,907</u>	<u>12,242</u>
Cash and cash equivalents as at 30 September	<u>166,283</u>	<u>247,601</u>
Cash flows from operating activities include:		
Interest received	<u>241,353</u>	<u>239,732</u>
Interest paid, excluding interest paid for issued debt certificates	<u>(103,942)</u>	<u>(97,685)</u>

By Order of the Board
China CITIC Bank Corporation Limited
Fang Heying
Chairman

Beijing, the PRC
26 October 2023

As at the date of this announcement, the executive directors of the Bank are Mr. Fang Heying (Chairman) and Mr. Liu Cheng (President); the non-executive directors are Mr. Cao Guoqiang, Ms. Huang Fang and Mr. Wang Yankang; and the independent non-executive directors are Mr. Liu Tsz Bun Bennett, Mr. Zhou Bowen, Mr. Wang Huacheng and Ms. Song Fangxiu.