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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

**UNAUDITED FINANCIAL STATEMENTS OF
CITIC CORPORATION LIMITED
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

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 (Cap. 571 of the laws of Hong Kong).

CITIC Corporation Limited (“**CITIC Corporation**”), a wholly-owned subsidiary of the Company, is a company incorporated in the People’s Republic of China (“**PRC**”). As CITIC Corporation issued medium-term notes and super & short-term commercial paper in the PRC, it is required to announce the financial statements of itself and its subsidiaries prepared in accordance with the PRC Generally Accepted Accounting Principles periodically in accordance with the relevant regulations of the People’s Bank of China and the National Association of Financial Market Institutional Investors.

The unaudited financial statements of CITIC Corporation for the nine months ended 30 September 2020 are available on China Bond, China Money, Beijing Financial Assets Exchange and Shanghai Clearing House at www.chinabond.com.cn, www.chinamoney.com.cn, www.cfae.cn and www.shclearing.com, respectively, and are set out at the end of this announcement.

By Order of the Board
CITIC Limited
Zhu Hexin
Chairman

Hong Kong, 30 October 2020

As at the date of this announcement, the executive directors of the Company are Mr Zhu Hexin (Chairman), Mr Xi Guohua and Ms Li Qingping; the non-executive directors of the Company are Mr Song Kangle, Mr Liu Zhuyu, Mr Peng Yanxiang, Ms Yu Yang, Mr Liu Zhongyuan and Mr Yang Xiaoping; and the independent non-executive directors of the Company are Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh, Mr Shohei Harada and Mr Gregory Lynn Curl.

Consolidated Balance Sheet

as at 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	30 September 2020	31 December 2019
Cash and deposits	586,820,592	636,017,415
Placements with banks and non-bank financial institutions	217,288,284	203,060,737
Derivative financial instruments	28,030,218	17,433,199
Trade and other receivables	132,466,732	130,342,868
Contract assets	10,412,759	9,753,400
Inventories	17,025,580	14,430,214
Financial assets held under resale agreements	49,473,625	9,958,161
Loans and advances to customers and other parties	4,255,806,065	3,925,022,750
Investments in financial assets		
- Financial assets held for trading	409,974,943	354,046,041
- Bond investments	931,518,765	932,503,997
- Other bond investments	781,113,733	628,780,182
- Other equity instruments investments	6,460,735	5,985,229
Long-term equity investments	74,449,601	72,771,391
Investment properties	9,376,451	9,429,705
Fixed assets	38,918,153	39,234,426
Construction in progress	6,117,667	5,766,131
Right-of-use assets	12,264,533	12,768,274
Intangible assets	14,869,668	14,534,076
Goodwill	6,937,052	7,527,758
Deferred tax assets	49,892,419	34,393,379
Other assets	26,382,371	25,360,981
Total assets	7,665,599,946	7,089,120,314

Consolidated Balance Sheet (continued)

as at 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	30 September 2020	31 December 2019
Borrowing from central banks	124,385,657	240,298,225
Placements from banks and non-bank financial institutions	91,051,486	95,059,140
Financial liabilities held for trading	5,750,999	1,286,156
Derivative financial instruments	27,804,743	16,897,736
Trade and other payables	78,037,338	87,549,887
Contract liabilities	15,083,233	12,826,952
Financial assets sold under repurchase agreements	120,653,174	114,450,216
Deposits from banks and non-bank financial institutions and customers	5,556,518,844	5,033,350,028
Employee benefits payables	24,244,783	27,572,180
Taxes payable	17,685,631	13,600,581
Bank and other loans	41,530,944	39,413,727
Debt instruments issued	805,799,027	674,690,522
Lease liabilities	12,227,483	12,208,531
Provisions	9,445,479	8,791,512
Deferred tax liabilities	2,183,663	2,306,518
Other liabilities	12,651,503	13,047,825
Total liabilities	6,945,053,987	6,393,349,736
Paid-in capital	139,000,000	139,000,000
Capital reserve	40,119,271	40,328,800
Other comprehensive income	1,980,843	7,152,156
Surplus reserve	10,142,684	10,142,684
General reserve	41,879,468	41,879,468
Retained earnings	221,429,183	197,232,083
Total equity attributable to owners of the Company	454,551,449	435,735,191
Non-controlling interests	265,994,510	260,035,387
Total owners' equity	720,545,959	695,770,578
Total liabilities and owners' equity	7,665,599,946	7,089,120,314

Consolidated Income Statement

for the nine months ended 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2020	2019
Operating income	185,126,806	197,928,598
Less: Total operating costs	137,020,046	140,961,121
Including: Operating costs	23,384,342	38,140,254
Taxes and surcharges	1,727,672	1,668,288
Selling and distribution expenses	495,527	1,637,436
General and administrative expenses	38,087,885	40,568,995
Research and development expenses	425,938	684,450
Financial expenses	1,868,611	2,039,084
Expected credit losses	69,908,484	55,761,347
Impairment losses	1,121,587	461,267
Add: (Loss)/gain from changes in fair value	(14,260)	268,638
Investment income	1,064,245	2,867,413
Assets disposal gain	27,224	28,490
Other gain	356,528	224,772
Operating profit	49,540,497	60,356,790
Add: Non-operating income	349,331	502,507
Less: Non-operating expenses	397,840	343,475
Profit before income tax	49,491,988	60,515,822
Less: Income tax expense	8,248,238	9,887,035
Net profit for the period	41,243,750	50,628,787
Attributable to: Owners of the Company	26,769,772	34,283,390
Non-controlling interests	14,473,978	16,345,397

Consolidated Cash Flow Statement

for the nine months ended 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2020	2019
Cash flows from operating activities		
Cash received from sale of goods and rendering of services	28,492,287	51,824,801
Net decrease in deposits with banks and non-bank financial institutions	34,297,949	-
Net increase in deposits from customers	452,979,201	373,680,410
Net decrease in deposits with central banks	-	55,008,972
Net increase in deposits from banks and non-bank financial institutions	64,951,898	109,773,320
Interests, fee and commission received	257,454,504	251,777,929
Net increase in financial assets sold under repurchase agreements	6,209,807	-
Net increase of financial liabilities held for trading	3,310,932	-
Net decrease in investments in financial assets held for trading purposes	-	15,842,915
Refund of taxes	304,570	535,730
Cash received from other operating activities	30,649,334	24,129,903
Sub-total of cash inflows from operating activities	878,650,482	882,573,980
Cash paid for goods and services	25,840,069	44,830,511
Net increase in loans and advance to customers and other parties	393,348,146	384,477,263
Net decrease in borrowing from central banks	113,873,620	48,963,065
Net increase in deposits with central banks	11,348,557	-
Net increase in deposits with banks and non-bank financial institutions	-	30,709,989
Net increase in placements with banks and non-bank financial institutions	23,033,186	20,163,230
Net decrease in placements from banks and non-bank financial institutions	3,721,647	43,349,272
Net decrease in financial assets sold under repurchase agreements	-	57,976,109
Net increase in financial assets held under resale agreements	39,483,454	16,179,248
Net decrease of financial liabilities held for trading	-	855,842
Net increase of financial assets held for trading purposes	37,478,255	-
Interests, fee and commission paid	94,409,005	95,107,864
Cash paid to and on behalf of employees	26,491,913	25,529,179
Cash paid for various taxes	31,687,631	26,710,894
Cash paid for other operating activities	36,585,680	72,222,537
Sub-total of cash outflows from operating activities	837,301,163	867,075,003
Net cash flows from operating activities	41,349,319	15,498,977

Consolidated Cash Flow Statement (continued)

for the nine months ended 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2020	2019
Cash flows from investing activities:		
Cash received from disposal of financial investments	1,719,119,235	1,521,524,895
Cash received from returns on investments	2,361,236	1,642,605
Cash received from disposal of fixed assets, intangible assets and other long-term assets	291,990	762,080
Cash received from disposal of associates and joint ventures	13,698	46,790
Net cash received from disposal of subsidiaries	2,932,178	-
Cash received from other investing activities	446,509	1,033,632
Sub-total of cash inflows from investing activities	1,725,164,846	1,525,010,002
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	3,313,698	3,824,701
Cash paid for acquisition of financial investments	1,902,302,830	1,683,071,011
Net cash payment for disposal of subsidiaries	-	11,529
Net cash payment for acquisition of subsidiaries	417,168	205,988
Cash paid for acquisition of associates and joint ventures	711,000	550,474
Cash paid for other investing activities	1,694,046	2,016,541
Sub-total of cash outflows from investing activities	1,908,438,742	1,689,680,244
Net cash flows from investing activities	(183,273,896)	(164,670,242)
Cash flows from financing activities:		
Cash received from capital contributions	300,198	1,195,400
(Including: Cash received by subsidiaries from non-controlling interests)	300,198	1,195,400
Cash received from new banks and other loans	25,232,689	23,857,025
Cash received from issuance of debt instruments	576,901,547	409,251,007
Cash received from other financing activities	246,115	95,519
Sub-total of cash inflows from financing activities	602,680,549	434,398,951
Cash paid for repayment of banks and other loans and debt instruments issued	464,614,661	418,248,309
Principal and interest elements of lease payment	2,411,673	2,306,080
Cash paid for dividends, profit distributions or interest	32,410,243	34,535,994
(Including: Dividends and profits paid by subsidiaries to non-controlling interests)	4,467,446	4,490,216
Transactions with non-controlling interests	747,037	-
Cash paid for other financing activities	332,493	1,050,550
Sub-total of cash outflows from financing activities	500,516,107	456,140,933
Net cash flows from financing activities	102,164,442	(21,741,982)
Effect of foreign exchange rate changes on cash and cash equivalents	(2,825,306)	4,313,665
Net decrease in cash and cash equivalents	(42,585,441)	(166,599,582)
Add: Cash and cash equivalents at the beginning of the period	386,389,154	432,801,673
Cash and cash equivalents at the end of the period	343,803,713	266,202,091

Balance Sheet

as at 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	30 September 2020	31 December 2019
Cash and deposits	26,194,826	17,678,774
Trade and other receivables	29,281,376	30,093,052
Loans and advances to customers and other parties	4,299,598	5,263,957
Investments in financial assets		
- Financial assets held for trading	34,083,603	40,749,488
Long-term equity investments	222,049,594	220,095,002
Fixed assets	513,513	537,771
Intangible assets	9,826	8,706
Other assets	-	4,423
Total assets	316,432,336	314,431,173
Trade and other payables	18,667,276	24,426,931
Taxes payable	(2,203)	150
Bank and other loans	5,999,115	6,503,077
Debt instruments issued	48,074,082	45,739,411
Provisions	700,000	700,000
Deferred tax liabilities	598,766	1,240,892
Other liabilities	809,549	823,786
Total liabilities	74,846,585	79,434,247
Paid-in capital	139,000,000	139,000,000
Capital reserve	49,724,923	49,614,251
Other comprehensive income	1,162,291	1,162,291
Surplus reserve	10,142,684	10,142,684
Retained earnings	41,555,853	35,077,700
Total owners' equity	241,585,751	234,996,926
Total liabilities and owners' equity	316,432,336	314,431,173

Income Statement

for the nine months ended 30 September 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2020	2019
Operating income	10,850,876	15,348,292
Less: Total operating costs	2,512,863	1,810,844
Including: Taxes and surcharges	1,259	2,016
General and administrative expenses	594,514	475,745
Financial expenses	1,397,090	1,333,083
Expected credit losses	520,000	-
Operating profit	8,338,013	13,537,448
Add: Non-operating income	81	-
Less: Non-operating expenses	102,891	96,817
Profit before income tax	8,235,203	13,440,631
Less: Income tax expense	(642,949)	520,622
Net profit for the period	8,878,152	12,920,009

Cash Flow Statement

for the six months ended 30 June 2020 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2020	2019
Cash flows from operating activities:		
Interests, fee and commission received	110,228	123,476
Cash received from other operating activities	14,143,552	11,305,339
Sub-total of cash inflows from operating activities	14,253,780	11,428,815
Interests, fee and commission paid	6,719	5,279
Cash paid for various taxes	408,897	7,379
Cash paid for other operating activities	706,352	866,630
Sub-total of cash outflows from operating activities	1,121,968	879,288
Net cash flows from operating activities	13,131,812	10,549,527
Cash flows from investing activities:		
Cash received from disposal of financial investments	5,155,125	3,445,192
Sub-total of cash inflows from investing activities	5,155,125	3,445,192
Cash paid for acquisition of financial investments	5,071,106	34,812,259
Entrusted loans to subsidiaries	-	1,240,000
Sub-total of cash outflows from investing activities	5,071,106	36,052,259
Net cash flows from investing activities	84,019	(32,607,067)
Cash flows from financing activities:		
Cash received from new bank and other loans	8,500,000	-
Cash received from issuance of debt instruments	11,000,000	20,000,000
Sub-total of cash inflows from financing activities	19,500,000	20,000,000
Cash paid for repayment of banks and other loans and debt instruments issued	18,002,000	10,018,397
Cash paid for dividends, profit distributions or interest	9,349,403	1,371,252
Sub-total of cash outflows from financing activities	27,351,403	11,389,649
Net cash flows from financing activities	(7,851,403)	8,610,351
Effect of foreign exchange rate changes on cash and cash equivalents	24,380	8,794
Net increase/(decrease) in cash and cash equivalents	5,388,808	(13,438,395)
Add: Cash and cash equivalents at the beginning of the period	13,376,980	24,363,924
Cash and cash equivalents at the end of the period	18,765,788	10,925,529