CITIGROUP GLOBAL MARKETS LIMITED

(Registered Number: 01763297)

UNAUDITED INTERIM REPORT AND FINANCIAL STATEMENTS

for the six months ended 30 June 2025

CITIGROUP GLOBAL MARKETS LIMITED

These condensed interim financial statements are unaudited

INTERIM REPORT

for the six months ended 30 June 2025

The Directors present their Interim management report on Citigroup Global Markets Limited (CGML or the Company) on a standalone basis for the six months ended 30 June 2025.

1. Introduction

CGML is a wholly owned, indirect subsidiary of Citigroup Inc (Citi), limited by shares. It is Citi's international broker dealer, and one of Citi's four major global booking hubs serving clients from its headquarters in London or its international subsidiaries and branches. It is a market maker in equity, fixed income and commodity products across cash, over-the-counter (OTC) derivatives and exchange-traded markets, as well as a provider of investment banking, capital markets and advisory services. CGML operates globally, generating the majority of its business from the United Kingdom, with the remainder mainly coming from North Asia and North America clusters.

CGML is authorised by the Prudential Regulation Authority (PRA) and regulated by the PRA and Financial Conduct Authority (FCA). CGML is also a Commodity Futures Trading Commission (CFTC) registered swap dealer, and United States Securities Exchange Commission (SEC) registered security-based swap dealer, and is considered a Risk-Taking Operating Material Legal Entity in Citi's Global Resolution Plan. As at 30 June 2025, it had four branch offices and three subsidiaries, listed below. The Italy branch of CGML is currently in liquidation. Changes after the reporting period are discussed in the Interim management report and in Note 14 'Events after the reporting period'.

EU Branches	**Subsidiaries**
Italy (in liquidation)	Citigroup Global Markets Europe AG (Germany)
Non-EU Branches	Citigroup Global Markets Funding Luxembourg SCA (Luxembourg)
Israel	Citigroup Global Markets Funding Luxembourg GP S.a.R.L. (Luxembourg)
Switzerland	
UAE	

CGML's businesses predominantly support the Markets and Investment Banking segments of Citi's operations and is almost entirely wholesale in nature, with a client base that encompasses corporates, financial institutions, institutional and other investors, as well as governments and public sector entities. CGML's business activities are:

- Equities (including Prime Finance, Futures and OTC Clearing)
- Rates and Fixed Income Financing
- Spread Products
- Commodities
- Investment Banking

The above business areas variously include market making, facilitating client flow trading and providing tailored solutions to client financing, risk or investment needs. Further details of these areas can be found in the Strategic Report of the Company's financial statements for the year ended 31 December 2024.

A number of CGML's functional operations are carried out in locations outside London, including at Citi Solution Centres in Belfast, Budapest, and Warsaw. In addition, CGML makes use of a number of affiliated and third party outsourcing arrangements.

2. Mission and Strategy

CGML's mission, in line with that of Citi, is to serve as a trusted partner to its clients by responsibly providing financial services that enable growth and economic progress. CGML's core activities are being a dealer, market maker and underwriter and providing advisory services. Whilst carrying out these activities, it ensures that actions are always in its clients' interests, create economic value and are systemically responsible.

CGML's strategy is aligned to that of Citi. Key 2025 priorities for the group are transformation, growth, expense and capital. As a global broker dealer, capital markets and investment advisor, CGML continues to focus on being the 'preferred partner' for its clients and to service their cross-border needs. CGML's strategic purpose was discussed and formalised during its annual Strategy Day, under the direction of the Board of Directors (the Board). The Strategy Day looks at the year ahead and drives the Board agenda. The key strategic priorities for CGML are as follows:

- *Deliver revenue growth through product strategy and client excellence*

  CGML continues to maintain a strong client franchise and competitive position by capturing new growth opportunities and wallet share gains, offering market-leading capabilities, developing innovative digital offerings, and addressing evolving client needs.

- *Transformation, including improved control environment, data quality, enhanced infrastructure and resilience.*

  CGML will drive and embed continuous improvement in its control environment, strong and decisive governance, and high standards of conduct through its three lines of defence. CGML will benefit from improved stability in core platforms and infrastructure, improved data quality and insights, enhanced client experience through agility, scalability and innovation, and operational resilience.

- *Talent, Conduct and Culture.*

  CGML will be an employer of choice and a great place to work: a place which drives effective corporate culture and excellence, where colleagues feel valued, respected, and can grow and develop successful and rewarding long-term careers.

- *Sustained profitability, expense discipline, capital, and improved returns*

  CGML continues to focus on financial resources management, expense discipline and improved returns through partnership between finance, businesses and functions. CGML will maintain focus on effective forward-looking scenario planning, forecasting, and management of financial, capital and liquidity resources through appropriate anticipatory actions to support planned growth as well as managing periods of market volatility and stress.

3. Financial Highlights

3.1 Income Statement Summary

	2025 **$ Million**	**2024** **$ Million**
Commission income and fees	445	432
Net dealing income	2,313	2,559
Interest receivable	1,562	1,909
Interest payable	(1,963)	(2,881)
Gross profit	**2,357**	**2,019**
Operating expenses	(1,688)	(1,915)
Impairment release /(loss) of investments	—	—
Other income and expenses	9	—
Operating profit on ordinary activities before taxation	**678**	**104**
Tax on profits on ordinary activities	(148)	(13)
Profit after taxation for the financial year	**530**	**91**

Gross Profit

Gross profit increased by $338 million, a 17% increase on 2024. This is largely driven by improved performance in Markets as a result of increased client activity compared to prior year.

Commission income and fees

Commission income and fees result from the Investment Banking business, from Equity Cash activity and from inter-company fees which are calculated on an arm's length basis. Commission income and fees increased by $13 through higher deal volumes in Investment Banking.

Net Dealing Income

The foremost contributors to net dealing income were the Fixed Income and Equities businesses. Net dealing income declined by $(246) million largely owing to a decrease in trading account net interest compared to prior year. As detailed in the "Material accounting policies" note on page 44 of the 2024 annual financial statements, interest arising on financial assets or financial liabilities that are "held for trading" or "designated at fair value" is reported within net deadline income. The decrease in net interest was partially offset by higher client activity across all markets as highlighted above.

Interest Receivable and Payable

Interest receivable and payable mainly reflects income and expense from collateralised financing transactions measured at amortised cost. It also includes amounts paid relating to inter-company funding and subordinated debt. Interest receivable and payable decreased compared to prior year from a reduction in collateralised financing transactions measured at amortised cost, largely during the second half of 2024.

Operating Expenses

Operating expenses were $1,688 million, an decrease of $227 million compared to 2024, with the largest costs relating to compensation and benefits of $899 million (2024: $871 million). The decrease in operating expenses was due to improvements in intercompany recoveries and charges from Citi affiliates relating to Citi's Transformation program and technology costs.

3. Financial Highlights (continued)

3.2 Balance Sheet

	30 June 2025	31 December 2024	30 June 2024
	$ Million	$ Million	$ Million
Total Assets	527,539	420,342	515,912
Total Liabilities	497,872	390,832	486,849
Shareholders' funds	29,667	29,510	29,063

CGML’s assets consist primarily of collateralised financing transactions, derivatives and trading inventory. Collateralised financing transactions include reverse repos and stock borrows; derivatives encompass interest rate, credit, equity and commodity derivatives; whilst bonds and equities form the largest categories of trading inventory. The Company’s liabilities predominantly comprise collateralised financing transactions, derivatives and securities sold not yet purchased. As highlighted in the 2024 annual financial statements, the second half of 2024 saw a significant decrease in total assets and liabilities, largely driven by collateralised financing transactions, as part of a wider initiative to reduce cross jurisdictional exposures. Total assets and liabilities increased by approximately $107 billion over the first half of 2025, including $45 billion in derivatives, with further increases across trading inventory and collateralised financing transactions measured at fair value through profit and loss.

Shareholders’ funds were $29,667 million (31 December 2024: $29,510 million) which represented a increase of $157 million. The increase in shareholders' funds is mainly driven by coupon payments on the AT1 notes, share based payments out of equity reserve, and the total comprehensive income for the period. Further details of the current period movements are presented in the Statement of Changes in Equity.

More detailed information about the composition of CGML’s balance sheet, including analyses of its derivative and inventory holdings, can be found in the Balance Sheet and the Notes to the Accounts, in particular Note 7 ‘Financial assets and liabilities accounting classification and fair values’.

4. 2025 Future Outlook

The Company will closely continue to identify, monitor and manage key emerging risks to its strategy or growth plan, while continuing to support Citi's reorganisation efforts. The Company has a stable business model that has proven its performance and resilience through recent periods of stress and places it in a strong and sustainable position to benefit from opportunities for future growth. The Company plans to continue to grow its businesses offsetting the planned reduction in the European Government bonds portfolio over the coming years.

The external regulatory environment continues to evolve, notably for CGML this includes revisions to the Capital and Liquidity frameworks. The Company continues to assess the implications of Capital Requirements Regulation III ("CRR III") which will come into affect in 2027.

5. Key performance indicators

In addition to the financial results of the Company, senior management considers the monitoring of a number of key financial and non-financial items critical to the Company’s future. Please refer to the Strategic Report of the Company’s financial statements for the year ended 31 December 2024 for further information.

6. Risk Management

The financial risk management objectives and policy and detailed exposure to market, liquidity, credit, country and operational risk have been disclosed in Note 29 ‘Financial instruments and risk management’ of the Company’s financial statements for the year ended 31 December 2024. The risk management objectives and policy have not materially changed in the reporting period and further details of the current period exposures are presented in the interim Management report under ‘Financial highlights’.

7. Statement of Directors' responsibilities

The Directors are responsible for preparing the Interim Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on Citi's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern basis

The financial statements are prepared on a going concern basis taking into account CGML's existing capital and liquidity resources. The Directors acknowledge the risk that extreme circumstances might adversely impact CGML's ability to continue trading and are satisfied that CGML has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions. As CGML is part of the Citigroup, the risks that apply to the parent also apply to all subsidiaries within the group including CGML. The risk factors impacting Citigroup Inc. are described in its 2024 annual report on form 10-K and in its 2025 interim reports on form 10-Q, which can be found at http://www.citigroup.com/citi/investor/sec.htm.

The Directors have reviewed the capital, liquidity and financial position of the Company including future capital, liquidity and financial plans covering a period of at least 12 months from the date of approval of these financial statements.

Based on the above, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore, have prepared the financial statements on a going concern basis. In addition, Citigroup Inc. continues to provide confirmation that it will provide sufficient funding to the Company to ensure that it maintains a sound financial situation and is in a position to meet its debt obligations for the foreseeable future.

Directors

The Directors who held office during the six months ended 30 June 2025 and since period end were:

Non-Executive
S J Clark
W M N Fall
J P Moulds
C von Koskull
I Plunkett

Executive
T Lee
N Atkinson (appointed on 16 May, 2025)
M Sen-Gosain
A Raja
E Ducsai
G Westgarth

Directors' indemnity

Throughout the period and at the date of this report the Company is party to a group-wide indemnity policy which benefits all of its current directors and is a qualifying third party indemnity provision for the purpose of section 236 of the Companies Act 2006.

Employment of disabled people

CGML is committed to a policy of recruitment and promotion on the basis of aptitude and skill without discrimination of any kind. Applications for employment by disabled persons are fully and fairly considered having regard to the aptitudes and skill of each applicant. Efforts are made to enable any employees who become disabled during employment to continue their careers within CGML. Training, career development and promotion of disabled persons are equitable and inclusive.

Citi engages Occupational Health Services via a specialist third party, this service can be accessed at anytime during employment to support employees with health conditions, disabilities or unique requirements. Citi uses Occupational Health to advise on reasonable adjustments and to assist those returning to work.

Political contributions

The Company made no political contributions or incurred any political expenditure during the period (2024: $nil).

Events after the reporting period

At the date on which these financial statements were approved, there were no significant events affecting the Company since the reporting period.

Auditors

The Company has elected not to have an audit of these interim financial statements. A full audit will be performed at 31 December 2025.

By order of the Board

JP Moulds
Chair and Non-Executive Director

30 September 2025

Incorporated in England and Wales
Registered office: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
Registered Number: 01763297

CITIGROUP GLOBAL MARKETS LIMITED

INCOME STATEMENT
for the six months ended 30 June 2025

	Notes	30 June 2025	30 June 2024
		$ Million	$ Million
Commission income and fees		445	432
Net dealing income		2,313	2,559
Interest receivable		1,562	1,909
Interest payable		(1,963)	(2,881)
Gross profit		2,357	2,019
Operating expenses		(1,688)	(1,915)
Impairment of investments in subsidiary	**8**	—	—
Net finance income on pension		10	—
Other expense		(1)	—
Operating profit on ordinary activities before taxation		678	104
Tax on profits on ordinary activities	**6**	(148)	(13)
Profit after taxation for the financial year		530	91

The accompanying notes on pages 13 to 38 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2025

	Notes	30 June 2025 $ Million	30 June 2024 $ Million
Profit after taxation for the financial year		530	91
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Gross losses on remeasurement of defined benefit pension asset		(14)	(15)
Deferred tax benefit associated with remeasurement of pension asset		4	1
Deferred tax charge associated with rate change on remeasurement of pension asset		—	—
(Losses)/gains on debt valuation adjustment (DVA) attributed to the change in credit risk		45	(44)
Deferred tax benefit/(charge) associated with loss on DVA		(13)	12
Total other comprehensive (expense)/income		22	(46)
Total comprehensive gain for the financial year		552	45

The net movement in the Statement of Comprehensive Income in respect of the pension scheme reflects changes in the actual and expected returns on scheme assets and liabilities and the related tax impact associated with the balance sheet valuation of the defined pension asset.

The accompanying notes on pages 13 to 38 form an integral part of these financial statements.

CITIGROUP GLOBAL MARKETS LIMITED

STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025

	Notes	Share Capital $ Million	Other equity instruments $ Million	Capital reserve $ Million	Equity reserve $ Million	Retained earnings $ Million	Total $ Million
At 1 January 2024		**20,999**	**4,300**	**—**	**1,282**	**2,807**	**29,388**
Profit after taxation for the year						91	91
Gross losses on remeasurement of defined benefit pension asset		—	—	—	—	(15)	(15)
Deferred tax benefit associated with remeasurement of pension asset		—	—	—	—	1	1
Gain on debt valuation adjustment (DVA)		—	—	—	—	(44)	(44)
Tax loss associated with gains on DVA		—	—	—	—	12	12
Total comprehensive income		—	—	—	—	(46)	(46)
Share based payment transactions		—	—	—	(127)	—	(127)
Deferred tax charge associated with share based payment transactions		—	—	—	35	—	35
Capital contribution		—	—	—	—	—	—
Dividend on other equity instruments		—	—	—	—	(278)	(278)
At 30 June 2024		**20,999**	**4,300**	**—**	**1,190**	**2,574**	**29,063**
At 31 December 2024		**20,999**	**4,300**	**—**	**1,129**	**3,082**	**29,510**
Profit after taxation for the year		—	—	—	—	530	530
Gross losses on remeasurement of defined benefit pension asset		—	—	—	—	(14)	(14)
Deferred tax benefit associated with remeasurement of pension asset		—	—	—	—	4	4
Loss on debt valuation adjustment (DVA)		—	—	—	—	45	45
Tax benefit associated with gains on DVA		—	—	—	—	(13)	(13)
Total comprehensive expense		—	—	—	—	22	22
Share based payment transactions		—	—	—	(175)	—	(175)
Deferred tax benefit associated with share based payment transactions		—	—	—	49	—	49
Capital contribution	**11**	—	—	—	—	—	—
Conversion of Capital reserve into Share capital	**11**	—	—	—	—	—	—
Other equity instruments issued	**11**	—	—	—	—	—	—
Dividend on other equity instruments		—	—	—	—	(269)	(269)
Loss on debt valuation adjustment (DVA) disposal		—	—	—	—	—	—
Tax benefit associated with loss on DVA disposal		—	—	—	—	—	—
At 30 June 2025		**20,999**	**4,300**	**—**	**1,003**	**3,365**	**29,667**

The other equity instruments relate to Additional Tier 1 notes. Further information is included in Note 11 ‘Capital and reserves’. The capital reserve includes capital contributions from the parent company, which are distributable. The equity reserve includes the fair value movement of the share based incentives issued, and other fair value movements captured in equity.

The accompanying notes on pages 13 to 38 form an integral part of these financial statements.

BALANCE SHEET

as at 30 June 2025

	Notes	30 June 2025 $ Million	31 December 2024 $ Million
Assets			
Financial assets at amortised cost			
– cash at bank		11,556	8,208
– collateralised financing transactions	**7**	83,289	89,274
Financial assets mandatorily at fair value through profit or loss			
– derivatives		223,202	178,675
– inventory		82,761	59,485
– equity securities held for investment		138	114
Financial assets designated at fair value through profit or loss		84,459	47,821
Investments in subsidiary and related undertakings	**8**	5,330	5,330
Pension asset		370	344
Current tax asset		237	224
Deferred tax asset		370	341
Other assets		35,827	30,526
Total Assets		**527,539**	**420,342**
Liabilities and Equity			
Financial liabilities at amortised cost			
– bank loans and overdrafts	**7**	316	1,086
– collateralised financing transactions	**7**	79,304	70,727
Financial liabilities mandatorily at fair value through profit or loss			
– derivatives		224,970	178,045
– securities sold but not yet purchased	**7**	41,168	32,285
Financial liabilities designated at fair value through profit or loss	**7**	99,419	63,100
Deferred tax liability		104	99
Other liabilities		42,291	35,190
Subordinated loans	**9**	10,300	10,300
Total Liabilities		**497,872**	**390,832**
Capital and reserves			
Called up share capital	**11**	20,999	20,999
Other equity instruments	**11**	4,300	4,300
Capital reserve	**11**	—	—
Retained earnings and other reserves		4,368	4,211
Shareholders' funds		**29,667**	**29,510**
Total Liabilities and Shareholders' Funds		**527,539**	**420,342**

The accompanying notes on pages 13 to 38 form an integral part of these financial statements.

The financial statements on pages 8 to 12 were approved by the Directors on 30 September 2025 and were signed on their behalf by:

G Westgarth
Director and Chief Financial Officer
Registered Number: 01763297

CITIGROUP GLOBAL MARKETS LIMITED

STATEMENT OF CASH FLOWS
for the six months ended 30 June 2025

	Notes	2025 $ Million	2024 $ Million
Cash flows from operating activities:			
Profit before taxation		678	104
Adjustments for:			
Depreciation and amortisation		14	21
Provision charged and other movements during the year		(45)	(110)
Expense related to Pension		32	(2)
Net impairment charge/(release) on investment securities	**8**	—	—
Net impairment loss on loans and advances		5	1
Net loss/(gain) on other fair value items		(23)	9
Other non-cash movements including exchange rate movements		(2)	(12)
Net interest (expense)/income		401	972
		1,060	983
Changes in:			
Financial assets at amortised cost		5,985	(13,677)
Financial assets mandatorily at fair value through profit or loss		(67,771)	(9,863)
Financial assets designated at fair value through profit or loss		(36,669)	12,806
Other assets		(5,820)	1,160
Financial liabilities at amortised cost		8,577	27,916
Financial liabilities mandatorily at fair value through profit or loss		55,826	(10,210)
Financial liabilities designated at fair value through profit or loss		36,300	(9,597)
Other liabilities		6,827	3,040
		4,315	2,558
Interest received		1,866	1,681
Interest paid		(1,611)	(3,065)
Income taxes paid		(159)	(63)
Net cash used in operating activities		**4,411**	**1,111**
Cash flows from investing activities			
Dividends received from investments		4	—
Acquisition of investment securities	**8**	—	—
Acquisition of intangible assets		(28)	(53)
Net cash used in investing activities		**(24)**	**(53)**
Cash flows from financing activities			
Issue of Additional Tier 1 capital	**11**	—	—
Capital contribution received from parent	**11**	—	—
Proceeds from issue of subordinated liabilities	**9**	—	—
Dividends paid on other equity instruments		(269)	(278)
Net cash from financing activities		**(269)**	**(278)**
Net increase in cash and cash equivalents		4,118	780
Cash at bank including bank overdrafts at 1 January		7,122	6,214
Cash at bank including bank overdrafts at 30 June		**11,240**	**6,994**

Under IAS 7, Bank overdrafts which are repayable on demand and which form an integral part of an entity's cash management are also included as a component of cash and cash equivalents in the Statement of Cash Flows.

1. Reporting Entity

This report comprises the unaudited condensed interim financial statements of CGML as at and for the six months ended 30 June 2025.

The financial statements of the Company at the year ended 31 December 2024 are available upon request from the Company's registered office at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, and are available online at https://www.citigroup.com/global/investors/other-regulatory-filings

2. Statement of compliance

These condensed interim financial statements have been prepared and approved by the Directors in accordance with the EU Transparency Directive as implemented in the UK via the Disclosure and Transparency Rules issued by the FCA. They have been drawn up in compliance with IAS 34 Interim Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. The condensed interim financial statements do not include all the information required for the full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2024.

3. Principal accounting policies

(a) Basis of presentation

These interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with UK-adopted international accounting standards, and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("EU-adopted IFRS"), and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2024. The financial statements have been prepared on a going concern basis, in accordance with the Companies Act 2006 as applicable to CGML. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The financial statements have been prepared in US Dollars, which is the functional and presentational currency of the Company, and any reference to $ in these financial statements refers to US Dollars. The Company has rounded figures to the nearest million $, unless otherwise stated.

As permitted under section 401 of the Companies Act 2006, consolidated financial statements have not been prepared because the Company is a wholly owned subsidiary of the ultimate parent, Citigroup Inc., which prepares consolidated financial statements under United States Generally Accepted Accounting Principles (US GAAP). The Company meets the criteria for exemption from the obligation to prepare and deliver group accounts that is available to a company included in non-European Economic Area (EEA) group accounts of a larger group. These financial statements therefore present information about the Company as an individual undertaking and not about its group. Citigroup Inc. makes its financial statements available to the public on a quarterly basis.

CGML continues to monitor the key risks for its liquidity and capital position including the impact of the conflict in Ukraine and the subsequent sanctions on Russia and the Company has shown that it would maintain sufficient capital and liquidity under a hypothetical scenario stressing energy commodity prices that could result.

The Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore, have prepared the financial statements on a going concern basis. In addition, Citigroup Inc. continues to provide confirmation that it will provide sufficient funding to the Company to ensure that it maintains a sound financial situation and is in a position to meet its debt obligations for the foreseeable future.

3. Principal accounting policies (continued)

(b) Changes in accounting policy and disclosures

The accounting policies applied in these interim financial statements are the same as those applied in the annual financial statements as at and for the year ended 31 December 2024, except for certain amendments and improvements to the IFRSs implemented as at 1 January 2025, which did not have a material impact on the Company unless otherwise noted below. There were no other material or amended standards or interpretations that resulted in a change in accounting policy for the six months ended 30 June 2025.

Standards and amendments issued and effective from 1 January 2025

From 1 January 2025

– Lack of Exchangeability (Amendments to IAS 21)

Standards and amendments issued but not yet effective

From 1 January 2026

The accounting standards and amendments set out below have been issued by the IASB, but are not yet effective for the Company. The Company does not plan on early adoption of these standards.

– Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7); and
– Annual Improvements to IFRS Accounting Standards -Volume 11
– Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)
– IFRS 18 Presentation and Disclosure in Financial Statements
– IFRS 19 Subsidiaries without Public Accountability: Disclosures
– Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

Except IFRS 18, these new or amended standards are not expected to have a significant impact on the Company's financial statements, and the Company does not plan to early adopt them.

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting period beginning on or after 1 January 2027. The standard introduces the following key new requirements:

– Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change;
– Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements;
– Enhanced guidance is provided on how to group information in the financial statements.

The Company is still in the process of assessing the impacts of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosure required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements.

4. Use of assumptions, estimates and judgements

The results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. The assumptions and estimates used in the preparation of the financial statements are described in detail in the Company's financial statements for the year ended 31 December 2024 and have not materially changed in the reporting period.

5. Turnover and results

As permitted by paragraph 4 of Schedule 1 to the Companies Act 2006 The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008 No 410), the format of the income statement and the Balance sheet have been adapted to the circumstances of the Company. Instead of turnover, the Directors have reported fee and commission income, net dealing income and interest receivable less interest payable in determining the gross profit of the Company.

6. Tax on profit on ordinary activities

(a) Analysis of tax charge in the year

	30 June 2025 $ Million	30 June 2024 $ Million
UK corporation tax		
Current tax on income for the period	63	70
Current tax on ATI coupon	(75)	(51)
Adjustment in respect of overseas tax for previous years	(2)	—
Overseas current tax	160	42
Adjustments in respect of prior periods	—	—
Total current tax	**146**	**61**
Deferred tax:		
Origination and reversal of temporary differences	2	(48)
Overseas Deferred tax in respect of Foreign branch operations	—	—
Total deferred tax	**2**	**(48)**
Tax on profit on ordinary activities per P&L	**148**	**13**

(b) Recognised in Statement of Changes in Equity

	30 June 2025 $ Million	30 June 2024 $ Million
Deferred tax benefit associated with remeasurement of pension asset	(4)	(1)
Deferred tax (benefit)/charge associated with share based payment transactions	(49)	(35)
Deferred tax (benefit)/charge associated with gains on debt valuation adjustment	13	(12)
Total current and deferred tax (credit)/charge recognised in equity	(40)	(48)

6. Tax on profit on ordinary activities (continued)

(c) Factors that will affect future tax charges

The statutory UK tax rate applying to CGML in the year was 28% (30 June 2024: 28%). This includes a surcharge of 3% on the profits of banking companies applicable from 1 January 2016. Overseas branches provided for taxation at the appropriate rates for the countries in which they operate.

A UK corporation tax increase from 19% to 25% was announced as part of the March 2021 Spring Budget, which was enacted on 10th June 2021, and is effective as of 1 April 2023. A reduction in the banking surcharge from 8% to 3% was also announced as part of the 2021 Autumn Statement, which was enacted on 2 February 2022, and is effective as of 1 April 2023.

The interim tax charge has been calculated based upon a forecast effective tax rate ("ETR") for the year of 19.45%. (30 June 2024: 12.98%), before accounting for discrete items, such as prior year adjustments. This is lower than the statutory rate due to permanent differences, the main ones being deductions for non-taxable income on gilts and AT1 coupons paid.

(d) Deferred tax

	30 June 2025 **$ Million**	**30 June 2024** **$ Million**
Deferred tax liability on pension asset (included within Other liabilities)	(104)	(91)
Deferred Tax asset on other temporary differences included in Other Assets	400	381

Deferred tax is recognised on the company's temporary differences as it is considered probable that taxable profits will arise against which these can be utilised.

The deferred tax asset is recognised at the tax rates at which the temporary differences are expected to reverse.

7. Financial assets and liabilities accounting classifications and fair values

The table below sets out the Company's classification of each class of financial assets and liabilities, and their fair values. Those measured at fair value, whether mandatorily or designated as such, are further allocated to levels in the fair value hierarchy in the table on the following page.

30 June 2025	Mandatorily at FVTPL $ Million	Designated at FVTPL $ Million	Amortised cost $ Million	Mandatorily at FVTPL - equity investments $ Million	Total carrying amount $ Million	Fair value $ Million
Cash	—	—	11,556	—	11,556	11,556
Derivatives	223,202	—	—	—	223,202	223,202
Inventory	82,761	—	—	—	82,761	82,761
Equity securities held for investment	—	—	—	138	138	138
Collateralised financing transactions	—	84,459	83,289	—	167,748	167,748
Cash collateral pledged	—	—	16,131	—	16,131	16,131
Trade debtors	—	—	18,740	—	18,740	18,740
Other debtors	—	—	143	—	143	143
	305,963	84,459	129,859	138	520,419	520,419
Bank loans and overdrafts	—	—	316	—	316	316
Derivatives	224,970	—	—	—	224,970	224,970
Securities sold but not yet purchased	41,168	—	—	—	41,168	41,168
Collateralised financing transactions	—	68,838	79,304	—	148,142	148,142
Hybrid financial liabilities	—	30,581	—	—	30,581	30,581
Cash collateral held	—	—	17,086	—	17,086	17,086
Trade creditors	—	—	16,088	—	16,088	16,088
Other creditors and accruals	—	—	3,634	—	3,634	3,634
Subordinated loans	—	—	10,300	—	10,300	11,076
	266,138	99,419	126,728	—	492,285	493,061

7. Financial assets and liabilities accounting classifications and fair values (continued)

31 December 2024	Mandatorily at FVTPL $ Million	Designated at FVTPL $ Million	Amortised cost $ Million	Mandatorily at FVTPL - equity investments $ Million	Total carrying amount $ Million	Fair value $ Million
Cash	—	—	8,208	—	8,208	8,208
Derivatives	178,675	—	—	—	178,675	178,675
Inventory	59,485	—	—	—	59,485	59,485
Equity securities held for investment	—	—	—	114	114	114
Collateralised financing transactions	—	47,821	89,274	—	137,095	137,095
Cash collateral pledged	—	—	14,355	—	14,355	14,355
Trade debtors	—	—	15,206	—	15,206	15,206
Other debtors	—	—	243	—	243	243
	238,160	47,821	127,286	114	413,381	413,381
Bank loans and overdrafts	—	—	1,086	—	1,086	1,086
Derivatives	178,045	—	—	—	178,045	178,045
Securities sold but not yet purchased	32,285	—	—	—	32,285	32,285
Collateralised financing transactions	—	38,231	70,727	—	108,958	108,958
Hybrid financial liabilities	—	24,869	—	—	24,869	24,869
Cash collateral held	—	—	17,372	—	17,372	17,372
Trade creditors	—	—	12,573	—	12,573	12,573
Other creditors and accruals	—	—	3,949	—	3,949	3,949
Subordinated loans	—	—	10,300	—	10,300	10,875
	210,330	63,100	116,007	—	389,437	390,012

7. Financial assets and liabilities accounting classifications and fair values (continued)

The following table shows an analysis of financial assets and liabilities measured at fair value by level in the hierarchy:

30 June 2025	**Level 1 $ Million**	**Level 2 $ Million**	**Level 3 $ Million**	**Total $ Million**
Financial assets mandatorily at fair value				
Derivatives	98	220,931	2,173	223,202
Government bonds	25,967	10,154	258	36,379
Non-government bonds	1,113	10,879	310	12,302
Equities	31,639	894	163	32,696
Commodities	—	1,258	—	1,258
Commercial Paper	—	126	—	126
	58,817	244,242	2,904	305,963
Financial assets designated at fair value				
Collateralised financing transactions	138	84,204	117	84,459
Other financial assets at fair value through P&L				
Equity securities held for investment	—	—	138	138
	58,955	328,446	3,159	390,560
Financial liabilities mandatorily at fair value				
Derivatives	106	221,005	3,859	224,970
Securities sold but not yet purchased	34,124	7,013	31	41,168
	34,230	228,018	3,890	266,138
Financial liabilities designated at fair value				
Collateralised financing transactions	1	68,835	1	68,837
Hybrid financial liabilities	—	27,157	3,425	30,582
	34,231	324,010	7,316	365,557

7. Financial assets and liabilities accounting classifications and fair values (continued)

31 December 2024	Level 1 $ Million	Level 2 $ Million	Level 3 $ Million	Total $ Million
Financial assets mandatorily at fair value				
Derivatives	25	176,594	2,056	178,675
Government bonds	17,833	7,723	61	25,617
Non-government bonds	213	7,260	275	7,748
Equities	23,099	1,031	68	24,198
Commodities	—	1,906	—	1,906
Commercial Paper	—	16	—	16
	41,170	194,530	2,460	238,160
Financial assets designated at fair value				
Collateralised financing transactions	61	47,713	47	47,821
Other financial assets at fair value through P&L				
Equity securities held for investment	—	—	114	114
	41,231	242,243	2,621	286,095
Financial liabilities mandatorily at fair value				
Derivatives	2	174,166	3,876	178,044
Securities sold but not yet purchased	27,052	5,208	26	32,286
	27,054	179,374	3,902	210,330
Financial liabilities designated at fair value				
Collateralised financing transactions	240	37,991	—	38,231
Hybrid financial liabilities	—	21,453	3,415	24,868
	27,294	238,818	7,317	273,429

During the 6 months ended 30 June 2025, above the $100 million threshold, a total balance of $0.3 billion was transferred to Level 1 from Level 2 and total balance of $0.2 billion was transferred to Level 2 from Level 1. Transfers between Level 1 and Level 2 were driven by changes in market activity on the individual instruments.

The following table shows an analysis of financial assets and liabilities classified as held at amortised cost by level in the hierarchy:

30 June 2025	Level 1 $ Million	Level 2 $ Million	Level 3 $ Million	Total $ Million
Financial assets at amortised cost				
Cash	—	11,556	—	11,556
Collateralised financing transactions	—	83,289	—	83,289
Cash collateral pledged	—	16,131	—	16,131
Trade debtors	—	18,740	—	18,740
Other debtors	—	143	—	143
	—	129,859	—	129,859
Financial liabilities at amortised cost				
Bank loans and overdrafts	—	316	—	316
Collateralised financing transactions	—	79,304	—	79,304
Cash collateral held	—	17,086	—	17,086
Trade creditors	—	16,088	—	16,088
Other creditors and accruals	—	3,634	—	3,634
Subordinated loans	—	10,300	—	10,300
	—	126,728	—	126,728

7. Financial assets and liabilities accounting classifications and fair values (continued)

31 December 2024	**Level 1 $ Million**	**Level 2 $ Million**	**Level 3 $ Million**	**Total $ Million**
Financial assets at amortised cost				
Cash	—	8,208	—	8,208
Collateralised financing transactions	—	89,274	—	89,274
Cash collateral pledged	—	14,355	—	14,355
Trade debtors	—	15,206	—	15,206
Other debtors	—	243	—	243
	—	127,286	—	127,286
Financial liabilities at amortised cost				
Bank loans and overdrafts	—	1,086	—	1,086
Collateralised financing transactions	—	70,727	—	70,727
Cash collateral held	—	17,372	—	17,372
Trade creditors	—	12,573	—	12,573
Other creditors	—	3,949	—	3,949
Subordinated loans	—	10,300	—	10,300
	—	116,007	—	116,007

Given the short term nature and characteristics of collateralised financing transactions, trade debtors, other debtors, trade creditors, other creditors and accruals the fair value has been assumed to approximate the carrying value. The fair value of subordinated loans has been calculated using the present value of future estimated cash flows, discounted using a discount rate of USD 3 month Overnight Indexed Swap (OIS) plus the Company's credit spread as at 30 June 2025.

Fair Value Measurement

IFRS 13 – *Fair Value Measurement,* defines fair value, establishes a consistent framework for measuring fair value and requires disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and therefore represents an exit price. Among other things, the standard requires the Company to maximise the use of observable inputs and minimise the use of unobservable inputs when measuring fair value.

Under IFRS 13, the probability of default of a counterparty is factored into the valuation of derivative positions and other positions, and the impact of the Company's own credit risk is also factored into the valuation of derivatives and other liabilities that measured at fair value.

Fair Value Hierarchy Principles

IFRS 13 specifies a hierarchy of inputs based on whether the inputs are observable or unobservable. Observable inputs are developed using market data and reflect market participant assumptions, while unobservable inputs reflect the Company's market assumptions.

The two types of inputs have created the following fair value hierarchy:

- Level 1: Quoted prices for identical instruments in active markets.
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant inputs and value drivers are observable in the market.
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Fair Value Hierarchy Principles (continued)

As required under the fair value hierarchy, the Company considers relevant and observable market inputs in its valuations where possible.

The fair value hierarchy classification approach typically utilises rules-based and data driven selection criteria to determine whether an instrument is classified as Level 1, Level 2, or Level 3:

- The determination of whether an instrument is quoted in an active market and therefore considered a Level 1 instrument is based upon the frequency of observed transactions and the quality of independent market data available on the measurement date.
- A Level 2 classification is assigned where there is observability of prices / market inputs to models, or where any unobservable inputs are not significant to the valuation. The determination of whether an input is considered observable is based on the availability of independent market data and its corroboration, for example through observed transactions in the market.
- Otherwise, an instrument is classified as Level 3.

Determination of Fair Value and Hierarchy Levels

For assets and liabilities carried at fair value, the Company measures fair value using the procedures set out below, irrespective of whether the assets and liabilities are measured at fair value as a result of an election, or because they are required to be measured at fair value.

When available, the Company uses quoted market prices from active markets to determine fair value and classifies such items as Level 1. In some specific cases where a market price is available, the Company will apply practical expedients (such as matrix pricing) to calculate fair value, in which case the items may be classified as Level 2.

The Company may also apply a price-based methodology, that utilises, where available, quoted prices or other market information obtained from recent trading activity in positions with the same or similar characteristics to the position being valued. If relevant and observable prices are available, those valuations may be classified as Level 2. However, when there are one or more significant unobservable "price" inputs, those valuations will be classified as Level 3. Furthermore, when a quoted price is considered stale, a significant adjustment to the price of a similar security may be necessary to reflect differences in the terms of the actual security or loan being valued, or alternatively, when prices from independent sources are insufficient to corroborate the valuation, the "price" inputs are considered unobservable and the fair value measurements are classified as Level 3.

If quoted market prices are not available, fair value is based upon internally developed valuation techniques that use, where possible, current market-based parameters, such as interest rates, currency rates and option volatilities. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified as Level 3 even though there may be some significant inputs that are readily observable.

Where valuation techniques are verified, where possible, to prices obtained from independent vendors or brokers. Vendors' and brokers' valuations may be based on a variety of inputs ranging from observed prices to proprietary valuation models, and the Company assesses the quality and relevance of this information in determining the estimate of the fair value. The following section describes the valuation methodologies used by the Company to measure various financial instruments at fair value. Where appropriate, the description includes details of the valuation models, the key inputs to those models and any significant assumptions.

Market valuation adjustments

Generally, the unit of account for a financial instrument is the individual financial instrument. The Company applies market valuation adjustments that are consistent with the unit of account, which do not include adjustment due to the size of the Company's position, except as follows.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Market valuation adjustments (continued)

IFRS 13 permits an exception, through an accounting policy election, to measure the fair value of a portfolio of financial assets and financial liabilities on the basis of the net open risk position when certain criteria are met. Citi has elected to measure certain portfolios of financial instruments that meet those criteria, such as derivatives, on the basis of the net open risk position. The Company applies market valuation adjustments, including adjustments to account for the size of the net open risk position.

Valuation adjustments are applied to items classified as Level 2 or Level 3 in the fair value hierarchy to ensure that the fair value reflects the price at which the net open risk position could be exited. These valuation adjustments are based on the bid/offer spread for an instrument in the market. When Citi has elected to measure certain portfolios of financial investments, such as derivatives, on the basis of the net open risk position, the valuation adjustment may take into account the size of the position.

Credit valuation adjustments (CVA) and funding valuation adjustments (FVA) are applied to certain over-the-counter (OTC) derivative instruments where adjustments to reflect counterparty credit risk, own credit risk and term funding risk are required to estimate fair value. This principally includes derivatives with a base valuation (e.g., discounted using overnight indexed swap (OIS)) requiring adjustment for these effects, such as uncollateralised interest rate swaps. The CVA represents a portfolio-level adjustment to reflect the risk premium associated with the counterparty's (assets) or Company's (liabilities) non-performance risk.

The FVA represents a market funding risk premium inherent in the uncollateralised portion of a derivative portfolio and in certain collateralised derivative portfolios that do not include standard credit support annexes (CSAs), such as where the CSA does not permit the reuse of collateral received. Company's FVA methodology leverages the existing CVA methodology to estimate a funding exposure profile. The calculation of this exposure profile considers collateral agreements in which the terms do not permit the Company to reuse the collateral received, including where counterparties post collateral to third-party custodians. Company's CVA and FVA methodologies consist of two steps:

- First, the exposure profile for each counterparty is determined using the terms of all individual derivative positions and a Monte Carlo simulation or other quantitative analysis to generate a series of expected cash flows at future points in time. The calculation of this exposure profile considers the effect of credit risk mitigants and sources of funding, including pledged cash or other collateral and any legal right of offset that exists with a counterparty through arrangements such as netting agreements. Individual derivative contracts that are subject to an enforceable master netting agreement with a counterparty are aggregated as a netting set for this purpose, since it is those aggregate net cash flows that are subject to non performance risk. This process identifies specific, point-in-time future cash flows that are subject to non performance and term funding risk, rather than using the current recognised net asset or liability as a basis to measure the CVA and FVA.
- Second, for CVA, market-based views of default probabilities derived from observed credit spreads in the credit default swap (CDS) market are applied to the expected future cash flows determined in step one. Citi's own credit CVA is determined using Citi-specific CDS spreads for the relevant tenor. Generally, counterparty CVA is determined using CDS spread indices for each credit rating and tenor. For certain identified netting sets where individual analysis is practicable (e.g., exposures to counterparties with liquid CDSs), counterparty-specific CDS spreads are used. For FVA, a term structure of spreads is applied to the expected funding exposures (e.g., the market liquidity spread used to represent the term funding premium associated with certain OTC derivatives).

The CVA and FVA are designed to incorporate a market view of the credit and funding risk, respectively, inherent in the derivative portfolio. However, most unsecured derivative instruments are negotiated bilateral contracts and are not commonly transferred to third parties. Derivative instruments are normally settled contractually or, if terminated early, are terminated at a value negotiated bilaterally between the parties. Thus, the CVA and FVA may not be realised upon a settlement or termination in the normal course of business.

In addition, all or a portion of these adjustments may be reversed or otherwise adjusted in future periods in the event of changes in the credit or funding risk associated with the derivative instruments.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase

No quoted prices exist for these instruments, since fair value is determined using a discounted cash flow technique. Cash flows are estimated based on the terms of the contract, taking into account any embedded derivative or other features. These cash flows are discounted using interest rates appropriate to the maturity of the instrument as well as the nature of the underlying collateral. Generally, when such instruments are recorded at fair value, they are classified within Level 2 of the fair value hierarchy, as the inputs used in the valuation are readily observable. However, certain long-dated positions are classified within Level 3 of the fair value hierarchy

Trading Account Assets and Liabilities—Trading Securities and Trading Loans

When available, the Company uses quoted market prices in active markets to determine the fair value of trading securities; such items are classified within Level 1 of the fair value hierarchy. Examples include government securities and exchange-traded equity securities.

For bonds and secondary market loans traded over the counter, the Company generally determines fair value utilising various valuation techniques, including discounted cash flows, price-based and internal models. Fair value estimates from these internal valuation techniques are verified, where possible, to prices obtained from independent sources, including third-party vendors.

A price-based methodology utilises, where available, quoted prices or other market information obtained from recent trading activity of instruments with similar characteristics to the bond or loan being valued. The yields used in discounted cash flow models are derived from the same price information. Trading securities and loans priced using such methods are generally classified as Level 2. However, when the significant inputs to the valuation are unobservable, or prices from independent sources are insufficient to corroborate valuation, a loan or security is generally classified as Level 3. Where internal valuation techniques are used to determine fair value estimates, prices from independent sources, including third-party vendors, are utilized when possible.

When the Company's principal exit market for a portfolio of loans is through securitisation, the Company uses the securitisation price as a key input into the fair value of the loan portfolio. The securitisation price is determined from the assumed proceeds of a hypothetical securitisation within the current market environment. Where such a valuation approach is possible, loan portfolios are typically classified as Level 2 in the fair value hierarchy.

Trading Account Assets and Liabilities — Derivatives

Exchange-traded derivatives, measured at fair value using quoted (i.e., exchange) prices in active markets, where available, are classified within Level 1 of the fair value hierarchy.

Derivatives without a quoted price in an active market and derivatives executed over the counter are valued using internal valuation techniques. These derivative instruments are classified as either Level 2 or Level 3 depending on the observability of the significant inputs to the valuation.

The valuation techniques depend on the type of derivative and the nature of the underlying instrument. The principal techniques used to value these instruments are discounted cash flows and internal models, such as derivative pricing models (e.g., Black-Scholes and Monte Carlo simulations).

The key inputs depend upon the type of derivative and the nature of the underlying instrument and include interest rate yield curves, foreign exchange rates, volatilities and correlation.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Investments

The investments category includes available-for-sale debt and marketable equity securities whose fair values are generally determined by utilising similar procedures described for trading securities above or, in some cases, using vendor pricing as the primary source.

Also included in investments are non-public investments in private equity and real estate entities. Determining the fair value of non-public securities involves a significant degree of management's judgment, as no quoted prices exist and such securities are not generally traded. In addition, there may be transfer restrictions on private equity securities. The Company's process for determining the fair value of such securities utilises commonly accepted valuation techniques, including guideline public company analysis and comparable transactions. In determining the fair value of non public securities, the Company also considers events such as a proposed sale of the investee company, initial public offerings, equity issuances or other observable transactions. Private equity securities are generally classified within Level 3 of the fair value hierarchy.

Short-Term Borrowings and Long-Term Debt

Where fair value accounting has been elected, the fair value of non-structured liabilities is determined by utilising internal models using the appropriate discount rate for the applicable maturity. Such instruments are classified within Level 2 of the fair value hierarchy when all significant inputs are readily observable.

The Company determines the fair value of hybrid financial instruments, including structured liabilities, using the appropriate derivative valuation methodology (described above in "Trading Account Assets and Liabilities—Derivatives") given the nature of the embedded risk profile. Such instruments are classified as Level 2 or Level 3 depending on the observability of significant inputs to the valuation.

Collateralised financing transactions

No quoted prices exist for such financial instruments and so fair value is determined using a discounted cash-flow technique. Cash flows are estimated based on the terms of the contract, taking into account any embedded derivative or other features. Expected cash flows are discounted using market rates appropriate to the maturity of the instrument as well as the nature and amount of collateral taken or received. Generally, when such instruments are held at fair value, they are classified within Level 2 of the fair value hierarchy as the inputs used in the valuation are readily observable.

Changes in Level 3 Fair Value Category

The following tables present the changes in the Level 3 fair value category for the period ended 30 June 2025 and year ended 31 December 2024. Gains and losses presented below include changes in the fair value related to both observable and unobservable inputs. CGML often hedges positions with offsetting positions that are classified in a different level.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Changes in Level 3 Fair Value Category (continued)

At 30 June 2025	At 1 January 2025	Gain/(loss) recorded in the profit and loss statement: Realised	Gain/(loss) recorded in the profit and loss statement: Unrealised	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	At 30 June 2025
	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million
Financial assets mandatorily at fair value										
Derivatives	2,056	(370)	952	705	(22)	—	(371)	389	(1,166)	2,173
Government bonds	61	—	7	198	(5)	—	—	—	(3)	258
Non-government bonds	275	3	10	385	(290)	—	—	59	(132)	310
Equities	68	1	7	113	(45)	—	—	23	(4)	163
Financial assets designated at fair value										
Collateralised financing transactions	47	(1)	26	168	—	—	(153)	31	(1)	117
Other assets at fair value through P&L										
Equity securities held for investment	114	—	24	1	(1)	—	—	—	—	138
	2,621	(367)	1,026	1,570	(363)	—	(524)	502	(1,306)	3,159

	At 1 January 2025	(Gain)/loss recorded in the profit and loss statement: Realised	(Gain)/loss recorded in the profit and loss statement: Unrealised	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	At 30 June 2025
Financial liabilities held for trading	$ Million	$ Million		$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million
Derivatives	3,876	(560)	1,110	528	—	1	(362)	547	(1,281)	3,859
Securities sold but not yet purchased	26	2	8	26	—	—	(19)	3	(15)	31
Financial liabilities designated at fair value										
Hybrid financial liabilities	3,467	(43)	380	—	—	353	(669)	142	(205)	3,425
	7,369	(601)	1,498	554	—	354	(1,050)	692	(1,501)	7,315

7. Financial assets and liabilities accounting classifications and fair values (continued)

Changes in Level 3 Fair Value Category (continued)

At 31 December 2024	At 1 January 2024	Gain/(loss) recorded in the profit and loss statement: Realised	Unrealised	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	At 31 December 2024
	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million
Financial assets mandatorily at fair value										
Derivatives	2,101	(1,724)	2,131	1,871	(132)	—	(1,384)	1,123	(1,930)	2,056
Government bonds	51	(6)	39	66	(68)	—	5	6	(32)	61
Non-government bonds	325	23	(33)	561	(519)	—	—	119	(201)	275
Equities	147	6	(8)	131	(308)	—	—	140	(40)	68
Financial assets designated at fair value										
Collateralised financing transactions	47	—	4	90	—	673	(638)	—	(129)	47
Other assets at fair value through P&L										
Equity securities held for investment	138	6	(14)	31	(47)	—	—	—	—	114
	2,809	(1,695)	2,119	2,750	(1,074)	673	(2,017)	1,388	(2,332)	2,621

	At 1 January 2024	(Gain)/loss recorded in the profit and loss statement: Realised	Unrealised	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	At 31 December 2024
Financial liabilities held for trading	$ Million	$ Million		$ Million	$ Million	$ Million	$ Million	$ Million	$ Million	$ Million
Derivatives	3,954	(1,468)	2,042	2,049	(2)	—	(1,755)	1,228	(2,172)	3,876
Securities sold but not yet purchased	12	—	9	99	—		(110)	18	(2)	26
Financial liabilities designated at fair value										
Hybrid financial liabilities	3,597	(25)	(31)	—	—	909	(486)	84	(633)	3,415
	7,563	(1,493)	2,020	2,148	(2)	909	(2,351)	1,330	(2,807)	7,317

2025 opening balances have been adjusted for hybrid financial liabilities to reflect instruments in their original classes, that were previously classified as “unsettled”, being issued after the financial period close.

Level 3 Fair Value Transfers

The following were the significant Level 3 transfers for the period December 31 2024 to June 30 2025:

- During the 6 months ended June 30 2025, transfers of Equity Derivative contracts were $1.4 billion ($0.4 billion asset, $1.0 billion liability) from Level 3 to Level 2. These were driven by Equity Options and Equity Swaps due to certain unobservable inputs becoming less significant relative to their overall valuation, and market changes have resulted in some inputs becoming more observable.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Fair Value Hierarchy Classification

Unobservable inputs

During the year, total changes in fair value, representing a loss of $238 million (2024: $470 million loss) was recognised in the income statement relating to items where fair value was estimated using a valuation technique that incorporated one or more significant inputs based on unobservable market data. As these valuation techniques were based upon assumptions, changing the assumptions would change the estimate of fair value. The potential impact of using reasonably possible assumptions in line with those used for the Company's Regulatory Prudential Adjustment for the valuation techniques for both observable and unobservable market data has been quantified as approximately $965 million downside and $1,018 million upside (2024: $721 million downside and $764 million upside). The main contributors to this impact were Equity Markets, Credit Trading and Interest Rates Trading businesses.

Uncertainty of Fair Value Measurements Relating to Unobservable Inputs

Valuation uncertainty arises when there is insufficient or disperse market data to allow a precise determination of the exit value of a fair-valued position or portfolio in today's market. This is especially prevalent in Level 3 fair value instruments, where uncertainty exists in valuation inputs that may be both unobservable and significant to the instrument's (or portfolio's) overall fair value measurement.

The uncertainties associated with key unobservable inputs on the Level 3 fair value measurements may not be independent of one another. In addition, the amount and direction of the uncertainty on a fair value measurement for a given change in an unobservable input depends on the nature of the instrument as well as whether the Company holds the instrument as an asset or a liability. For certain instruments, the pricing, hedging and risk management are sensitive to the correlation between various inputs rather than on the analysis and aggregation of the individual inputs.

The following section describes some of the most significant unobservable inputs used by the Company in Level 3 fair value measurements.

Correlation

Correlation is a measure of the extent to which two or more variables change in relation to each other. A variety of correlation-related assumptions are required for a wide range of instruments, including equity and credit baskets, foreign exchange options, Credit Index Tranches and many other instruments. For almost all of these instruments, correlations are not directly observable in the market and must be calculated using alternative sources, including historical information. Estimating correlation can be especially difficult where it may vary over time, and calculating correlation information from market data requires significant assumptions regarding the informational efficiency of the market (e.g., swaption markets). Uncertainty therefore exists when an estimate of the appropriate level of correlation as an input into some fair value measurements is required.

Changes in correlation levels can have a substantial impact, favorable or unfavorable, on the value of an instrument, depending on its nature. A change in the default correlation of the fair value of the underlying bonds comprising a CDO structure would affect the fair value of the senior tranche. For example, an increase in the default correlation of the underlying bonds would reduce the fair value of the senior tranche, because highly correlated instruments produce greater losses in the event of default and a portion of these losses would become attributable to the senior tranche. That same change in default correlation would have a different impact on junior tranches of the same structure.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Volatility

Volatility represents the speed and severity of market price changes and is a key factor in pricing options. Volatility generally depends on the tenor of the underlying instrument and the strike price or level defined in the contract. Volatilities for certain combinations of tenor and strike are not observable and need to be estimated using alternative methods, such as comparable instruments, historical analysis or other sources of market information. This leads to uncertainty around the final fair value measurement of instruments with unobservable volatilities.

The general relationship between changes in the value of an instrument (or a portfolio) to changes in volatility also depends on changes in interest rates and the level of the underlying index. Generally, long option positions (assets) benefit from increases in volatility, whereas short option positions (liabilities) will suffer losses. Some instruments are more sensitive to changes in volatility than others. For example, an at-the-money option would experience a greater percentage change in its fair value than a deep-in-the-money option. In addition, the fair value of an option with more than one underlying security (e.g., an option on a basket of equities) depends on the volatility of the individual underlying securities as well as their correlations.

Yield

In some circumstances, the yield of an instrument is not observable in the market and must be estimated from historical data or from yields of similar securities. This estimated yield may need to be adjusted to capture the characteristics of the security being valued. Whenever the amount of the adjustment is significant to the value of the security, the fair value measurement is classified as Level 3. Adjusted yield is generally used to discount the projected future principal and interest cash flows on instruments, such as asset-backed securities. Adjusted yield is impacted by changes in the interest rate environment and relevant credit spreads.

Prepayment

Voluntary unscheduled payments (prepayments) change the future cash flows for the investor and thereby change the fair value of the security. The effect of prepayments is more pronounced for residential mortgage-backed securities. Prepayment is generally negatively correlated with delinquency and interest rate. A combination of low prepayments and high delinquencies amplifies each input's negative impact on a mortgage securities' valuation. As prepayment speeds change, the weighted average life of the security changes, which impacts the valuation either positively or negatively, depending upon the nature of the security and the direction of the change in the weighted average life.

Recovery

Recovery is the proportion of the total outstanding balance of a bond or loan that is expected to be collected in a liquidation scenario. For many credit securities (e.g., commercial mortgage backed securities), the expected recovery amount of a defaulted property is typically unknown until a liquidation of the property is imminent. The assumed recovery of a security may differ from its actual recovery that will be observable in the future. Generally, an increase in the recovery rate assumption increases the fair value of the security. An increase in loss severity, the inverse of the recovery rate, reduces the amount of principal available for distribution and, as a result, decreases the fair value of the security.

Credit Spread

Credit spread is a component of the security representing its credit quality. Credit spread reflects the market perception of changes in prepayment, delinquency and recovery rates, therefore capturing the impact of other variables on the fair value. Changes in credit spread affect the fair value of securities differently depending on the characteristics and maturity profile of the security. For example, credit spread is a more significant driver of the fair value measurement of a high-yield bond as compared to an investment-grade bond. Generally, the credit spread for an investment-grade bond is also more observable and less volatile than its high-yield counterpart.

7. Financial assets and liabilities accounting classifications and fair values (continued)

Valuation Techniques and Inputs for Level 3 Fair Value Measurements

The following tables present the valuation techniques covering the majority of Level 3 inventory and the most significant unobservable inputs used in Level 3 fair value measurements as of 30 June 2025 and 31 December 2024. Note that these tables represent key drivers by disclosures line and may not agree back to the Changes in Level 3 Fair Value Category table.

30 June 2025	**Fair Value $ Million**	**Methodology**	**Input**	**Range of Inputs Min**	**Range of Inputs Max**	**Unit**
Assets						
Derivative assets	2,173					
Equity Derivatives		Model-based	Equity Volatility	2.7	119.3	%
		Model-based	Equity Forward	71.4	343.0	%
		Model-based	Equity-FX Correlation	-75.0	70.0	%
		Model-based	Equity-Equity Correlation	-36.2	98.5	%
Commodity Derivatives		Model-based	Forward Price	1.2	373.5	%
		Model-based	Commodity Volatility	8.7	74.9	%
Credit Derivatives		Model-based	Credit Spread	4.8	688.2	bps
		Model-based	Credit Spread Volatility	37.1	115.4	%
		Model-based	Recovery Rate	2.0	40.0	%
		Price-based	Upfront Points	5.0	106.2	%
Foreign Exchange Derivatives		Model-based	IR Normal Volatility	0.4	0.9	%
		Model-based	Yield	0.7	13.3	%
		Model-based	IR Basis	-7.1	44.5	%
		Model-based	FX Volatility	3.9	16.8	%
Interest Rate Derivatives		Price-based	Price	—	98.9	$
		Model-based	IR Normal Volatility	0.2	1.2	%
		Model-based	Equity Volatility	—	279.9	%
		Model-based	Inflation Volatility	0.2	6.3	%
		Model-based	IR Basis	-0.4	(0.1)	%
Inventory	731					
Government bonds		Model-based	Interest Rate	3.4	4.8	%
		Model-based	IR Normal Volatility	0.6	4.8	%
		Model-based	Recovery Rate	25.0	25.0	%
Non-government bonds		Price-based	Price	0.0	122.5	$
		Model-based	IR Normal Volatility	0.6	1.1	%
		Model-based	Recovery Rate	25.0	25.0	%
		Model-based	Forward Price	51.4	142.3	%
Equity Securities		Price-based	Price	0.0	15,323.6	$
Collateralised financing transactions	117	Model-based	IR Normal Volatility	0.6	1.1	%
Equity securities held for investment	138	Comparables Analysis	Discount for Lack of Marketability	10.0	33.0	%
		Model-based	EBITDA Multiples	16.8	16.8	x
		Model-based	Discount Rate	17.5	17.5	%

7. Financial assets and liabilities accounting classifications and fair values (continued)

Liabilities						
Derivative liabilities	3,859					
Equity Derivatives		Model-based	Equity Volatility	2.7	119.3	%
		Model-based	Equity Forward	71.4	343.0	%
		Model-based	Equity-FX Correlation	-75.0	70.0	%
		Model-based	Equity-IR Correlation	-35.2	50.0	%
		Model-based	FX Volatility	0.1	65.9	%
		Model-based	Equity-Equity Correlation	-36.2	98.5	%
Commodity Derivatives		Model-based	Forward Price	1.2	412.1	%
		Model-based	Commodity Volatility	13.0	74.9	%
Credit Derivatives		Price-based	Price	94.9	114.3	$
		Model-based	Credit Spread	4.8	688.2	bps
		Model-based	Credit Spread Volatility	35.5	115.4	%
		Model-based	Recovery Rate	2.0	40.0	%
		Model-based	Upfront Points	5.0	87.0	%
Foreign Exchange Derivatives		Model-based	IR Normal Volatility	0.6	1.1	%
		Model-based	IR Basis	-7.1	44.5	%
Interest Rate Derivatives		Model-based	IR Normal Volatility	0.4	1.2	%
		Model-based	Equity Volatility	1.7	118.7	%
		Model-based	Equity Forward	71.4	343.0	%
Securities sold but not yet purchased	31	Price-based	Price	—	15,323.6	$
		Model-based	IR Normal Volatility	0.4	1.2	%
Hybrid financial liabilities	3,425	Model-based	Commodity Correlation	25.5	69.2	%
		Model-based	Commodity Volatility	12.5	55.4	%
		Model-based	Credit Spread	186.2	186.2	bps
		Model-based	Equity Forward	71.4	343.0	%
		Model-based	Equity Volatility	1.4	119.3	%
		Model-based	Equity-Commodity Correlation	-20.0	57.7	%
		Model-based	Equity-Equity Correlation	-36.2	98.5	%
		Model-based	Equity-FX Correlation	-75.0	70.0	%
		Model-based	Equity-IR Correlation	-35.2	50.0	%
		Model-based	Forward Price	83.7	117.8	%
		Model-based	FX Volatility	0.1	65.9	%
		Model-based	FX-FX Correlation	-70.7	100.0	%
		Model-based	IR Normal Volatility	0.4	1.2	%
		Model-based	Price	98.7	111.7	$
		Model-based	Recovery Rate	40.0	40.0	%
		Price-based	Price	—	103.8	$

7. Financial assets and liabilities accounting classifications and fair values (continued)

31 December 2024	Fair Value $ Million	Methodology	Input	Range of Inputs Min	Range of Inputs Max	Unit
Assets						
Derivative assets	2,056					
Equity securities held for investment		Comparables Analysis	Illiquidty Discount	10.0	33.0	%
		Comparables Analysis	EBITDA Multiples	16.2	16.2	x
		Model-based	Discount Rate	17.5	17.5	%
Equity Derivatives		Model-based	Equity Forward	71.8	334.3	%
		Model-based	Equity Volatility	—	145.4	%
		Model-based	Equity-FX Correlation	-93.3	70.0	%
		Model-based	Equity-Equity Correlation	-36.2	99.0	%
Commodity Derivatives		Model-based	Forward Price	0.2	153.4	%
		Model-based	Commodity Volatility	7.1	91.7	%
		Model-based	Commodity Correlation	2.0	93.5	%
Credit Derivatives		Model-based	Recovery Rate	20.0	72.0	%
		Model-based	Credit Spread	8.4	747.3	bps
		Model-based	Credit Spread Volatility	38.1	81.4	%
		Model-based	Upfront Points	-6.8	110.5	%
Foreign Exchange Derivatives		Model-based	Yield	1.7	46.3	%
		Model-based	IR Basis	-1.5	15.8	%
		Model-based	IR Normal Volatility	0.3	0.9	%
Interest Rate Derivatives		Model-based	IR Normal Volatility	0.4	1.5	%
		Model-based	Equity Volatility	—	145.4	%
		Model-based	Inflation Volatility	0.3	6.3	%
Inventory	404					
Government Bonds		Model-based	Interest Rate	3.8	3.8	%
Non-government bonds		Price-based	Price	35.0	106.5	$
		Model-based	Forward Price	58.8	153.4	%
Equity Securities		Price-based	Price	0.0	14,382.1	$
		Comparables Analysis	EBITDA Multiples	6.8	6.8	x
Liabilities						
Derivative liabilities	3,876					
Equity Derivatives		Model-based	Equity Volatility	—	145.4	%
		Model-based	Equity Forward	71.8	334.3	%
		Model-based	Equity-FX Correlation	-93.3	70.0	%
		Model-based	Equity-IR Correlation	-34.0	60.0	%
		Model-based	FX Volatility	—	90.7	%
		Model-based	Equity-Equity Correlation	-36.2	99.0	%
Commodity Derivatives		Model-based	Forward Price	0.2	153.4	%
		Model-based	Commodity Volatility	7.1	91.7	%
		Model-based	Commodity Correlation	2.0	93.5	%
		Model-based	Dividend amount	0.2	158.0	$
Credit Derivatives		Model-based	Recovery Rate	20.0	72.0	%
		Model-based	Credit Spread	8.4	3,521.9	bps
		Model-based	Credit Spread Volatility	38.1	81.4	%
		Model-based	Upfront Points	-6.8	88.6	%

7. Financial assets and liabilities accounting classifications and fair values (continued)

Foreign Exchange Derivatives		Model-based	IR Normal Volatility	0.7	13.0	%
		Model-based	Yield	1.7	46.3	%
		Model-based	IR Basis	-1.5	15.8	%
Interest Rate Derivatives		Model-based	IR Normal Volatility	0.5	15.0	%
		Model-based	Equity Volatility	—	145.4	%
		Model-based	Equity Forward	71.8	334.3	%
		Model-based	Yield	1.7	46.3	%
Securities sold but not yet purchased	26	Price-based	Price	0.0	14,382.1	$
		Model-based	IR Normal Volatility	0.3	1.1	%
Hybrid financial liabilities	3,415	Model-based	Commodity Correlation	2.0	93.5	%
		Model-based	Commodity Volatility	7.1	81.0	%
		Model-based	Commodity-FX Correlation	-53.5	37.0	%
		Model-based	Credit Spread	193.2	193.2	bps
		Model-based	Equity Forward	71.8	334.3	%
		Model-based	Equity Volatility	—	145.4	%
		Model-based	Equity-Equity Correlation	-36.2	99.0	%
		Model-based	Equity-FX Correlation	-93.3	70.0	%
		Model-based	Equity-IR Correlation	-34.0	60.0	%
		Model-based	Forward Price	57.1	114.3	%
		Model-based	FX Volatility	—	90.7	%
		Model-based	FX-FX Correlation	-80.0	71.4	%
		Model-based	IR Normal Volatility	0.3	13.0	%
		Model-based	Upfront Points	25.6	25.6	%
		Price-based	Price	—	104.2	$
		Model-based	IR Normal Volatility	0.3	1.1	%

8. Investments in subsidiary and related undertakings

	30 June 2025 $ Million	31 December 2024 $ Million
Cost		
At 1 January	5,330	5,330
Additions	—	—
Disposals	—	—
At 30 June / 31 December	5,330	5,330
Impairment		
At 1 January	—	—
(Reversal)/Charge for the year:	—	—
At 30 June / 31 December	—	—
Net book value		
At 30 June / 31 December	5,330	5,330

Details of all related undertakings held at 30 June 2025 as required by CA2006 SI 2008 No 410 Sch 4 Para 1 are set out below. All undertakings have a year end of 30 June and all of the Company's holdings are of ordinary shares.

The Company did not make any capital contribution during the period ended 30 June 2025.

8. Investments in subsidiary and related undertakings (continued)

Directly held subsidiary undertakings (all 100% owned)

Name	Registered address
Citigroup Global Markets Europe AG	16 Reuterweg, Frankfurt am Main 30323, Germany
Citigroup Global Markets Funding Luxembourg SCA	31, Z.A. Bourmicht, L-8070 Bertrange, Luxembourg
Citigroup Global Markets Funding Luxembourg GP S.a.R.L.	31, Z.A. Bourmicht, L-8070 Bertrange, Luxembourg

9. Subordinated loans

The subordinated loans form part of the Company's regulatory capital resources held to meet its capital and minimum eligible liability requirements. The loans, on which interest is payable at market rates on quarterly basis, are due to other group undertakings. The following amounts were included within subordinated loans:

Subordinated Loans	Currency	$ Million	Weighted Average Interest Rate	Weighted Average Maturity (Years)
30 June 2025	USD	10,300	6.68%	5.86
31 December 2024	USD	10,300	6.85%	6.35

As at 30 June 2025, subordinated loans consists of a) $7,700 million of MREL eligible subordinated loans (MREL loans) from Citicorp LLC and b) $2,600 million of Tier 2 subordinated loans (Tier 2 loans) from Citicorp LLC.

The MREL loans rank as senior subordinated claims, which are subordinate to the claims of senior creditors, but rank ahead of Own Funds Instruments, which comprise Common Equity Tier 1 instruments, Additional Tier 1 instruments (see Note 11) and Tier 2 instruments.

The Tier 2 loans rank as subordinated claims, which are subordinated to senior creditors and MREL loans but rank ahead of Common Equity Tier 1 instruments and Additional Tier 1 instruments.

In the event that the Company's Own Funds Instruments have been written down, or if the Company or certain of its direct or indirect parent entities are subject to Resolution Proceedings in the UK or elsewhere, then all or a portion of the subordinated loans and/or interest on them shall be reduced or cancelled as instructed by the UK Resolution Authority (Bank of England).

There are no other circumstances under which early repayment may be demanded by the lender.

10. Other equity instruments

During the period ended 30 June 2025, the Company did not issue any Additional Tier 1 Notes. As at 30 June 2025, the other equity instruments of CGML consist of a) $2,000 million of Additional Tier 1 Notes to Citicorp LLC b) $2,300 million of Additional Tier 1 Notes to Pipestone LLC, another Citi entity.

The notes are perpetual with no fixed redemption date, and are redeemable at the issuer's option subject to approval from the PRA. On the Pipestone LLC instruments, interest is fixed every 5 years, and on the Citicorp LLC instrument interest is a margin over daily SOFR. Interest payments are not cumulative and the issuer may cancel any interest payment at its sole discretion. The notes do not confer any voting rights. In the event that CGML's Common Equity Tier 1 (CET1) ratio falls below 7.0%, the notes will be written down to zero. If a winding up occurs under these circumstances, no payment will be made to the noteholders. If a winding up takes place under any other circumstances, the noteholders will rank *pari passu* with the holders of the most senior class(es) of preference shares (if any) and ahead of all other classes of issued shares, but junior to the claims of senior creditors, for the amount of the principal and any accrued but unpaid interest on the notes.

11. Capital reserve

The Company did not receive any capital contribution during the period ended 30 June 2025. There were no changes in the structure of the Company's capital reserves in 2025.

12. Financial instruments and risk management

All aspects of the Company’s financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2024.

13. Related party transactions

The Company is a wholly owned subsidiary undertaking of CGMHBL, which is incorporated in the Bahamas. The largest group in which the results of the Company are consolidated is that headed by Citigroup Inc., which is incorporated in the United States of America. The Company defines related parties as the Board of Directors, senior management, their close family members, parent and fellow subsidiaries and associated companies.

A number of arm’s length transactions are entered into with related parties. Various services are provided between related parties and these are also provided at arm’s length.

13. Related party transactions (continued)

The table below summarises balances and transactions with related parties:

30 June 2025	**Immediate parent company**	**Subsidiaries**	**Other related parties**
	$ Million	**$ Million**	**$ Million**
Assets			
Financial assets at amortised cost			
– cash at bank	—	—	2,060
– collateralised financing transactions	—	1,837	70,972
Financial assets mandatorily at fair value through profit or loss			
– derivatives	—	4,692	83,097
– inventory	—	—	—
– equity securities held for investment	—	—	—
Financial assets designated at fair value through profit or loss	—	3,453	2,840
Investments in subsidiary and related undertakings	—	5,330	—
Pension asset	—	—	—
Other assets	—	2,173	7,930
Liabilities			
Financial liabilities at amortised cost			
– bank loans and overdrafts	—	—	175
– collateralised financing transactions	—	4,220	54,310
Financial liabilities mandatorily at fair value through profit or loss			
– derivatives	—	7,043	85,420
– securities sold but not yet purchased	—	—	—
Financial liabilities designated at fair value through profit or loss	—	35,051	3,052
Other liabilities	—	1,816	8,537
Subordinated loans	—	—	10,300
Guarantees and commitments	—	—	—
Income statement			
Fee and commission (expense)/ income	—	1	21
Net dealing (expense)/ income	—	(425)	317
Interest receivable	—	60	1,306
Interest payable	—	(135)	(1,522)
Operating expenses	—	(4)	(335)
Net finance income on pension	—	—	—
Other income	—	—	—

13. Related party transactions (continued)

31 December 2024	**Immediate parent company**	**Subsidiaries**	**Other related parties**
	$ Million	**$ Million**	**$ Million**
Assets			
Financial assets at amortised cost			
– cash at bank	—	—	1,473
– collateralised financing transactions	—	912	72,481
Financial assets mandatorily at fair value through profit or loss			
– derivatives	—	3,683	94,920
– inventory	—	—	—
– equity securities held for investment	—	—	—
Financial assets designated at fair value through profit or loss	—	4,541	3,110
Investments in subsidiary and related undertakings	—	5,330	—
Pension asset	—	—	—
Other assets	—	791	5,103
Liabilities			
Financial liabilities at amortised cost			
– bank loans and overdrafts	—	—	514
– collateralised financing transactions	—	5,960	46,165
Financial liabilities mandatorily at fair value through profit or loss			
– derivatives	—	5,311	96,705
– securities sold but not yet purchased	—	43	—
Financial liabilities designated at fair value through profit or loss	—	24,466	3,267
Other liabilities	—	403	6,938
Subordinated loans	—	—	10,300
Guarantees and commitments	—	—	—
30 June 2024			
Income statement			
Fee and commission (expense)/ income		(50)	10
Net dealing expense	—	1,258	439
Interest receivable	—	204	1,497
Interest payable	—	(219)	(2,452)
Operating expenses	—	(1)	(570)
Net finance income on pension	—	—	—
Other income	—	—	—

No provisions have been recognised (2024: $nil) in respect of doubtful debts related to the amount of outstanding balances and no expense has been recognised during the year (2024: $nil) in respect of bad or doubtful debts due from related parties.

13. Related party transactions (continued)

During the period ended 30 June 2025, the Company did not make any capital contribution to its subsidiaries (2023: $500 million). During the period ended 30 June 2025, the Company did not issue any Additional Tier 1 Notes. As at 30 June 2025, the other equity instruments of CGML consist of a) $2,000 million of Additional Tier 1 Notes to Citicorp LLC b) $2,300 million of Additional Tier 1 Notes to Pipestone LLC, another Citi entity.

14. Events after the reporting period

At the date on which these financial statements were approved, there were no other significant events affecting the Company since the period end.

15. Group structure

The Company's immediate parent undertaking is Citigroup Global Markets Holdings Bahamas Limited (CGMHBL), a company registered at Ocean Centre, Montagu Foreshore, East Bay Street, and P.O. Box N3247, Nassau, Bahamas. The Company's ultimate parent company and ultimate controlling party is Citigroup Inc., registered at 1209 Orange Street, Wilmington, DE 19801 United States of America.

The audited consolidated financial statements of Citigroup Inc. are made available to the public annually in accordance with Securities and Exchange Commission regulations and may be obtained from https://www.citigroup.com/citi/investor/sec.htm

16. Revenue analysis

As outlined in the Strategic Report, the Company is Citi's international broker dealer and management reviews its performance by clusters. CGML is generating the majority of its business from the United Kingdom, with the remainder mainly coming from North Asia and North America clusters.

	Asia North & Australia	International Hub	North America	United Kingdom	Other	Total
Revenue by Region	**$ Million**	**$ Million**	**$ Million**	**$ Million**	**$ Million**	**$ Million**
30 June 2025	196	—	143	1,870	170	2,357
30 June 2024	121	(17)	436	1,193	285	2,019
Increase/(decrease) compared to prior year	75	17	(293)	677	(115)	338