



中信資源控股有限公司
CITIC Resources Holdings Limited

COMPANY PROFILE

April, 2021

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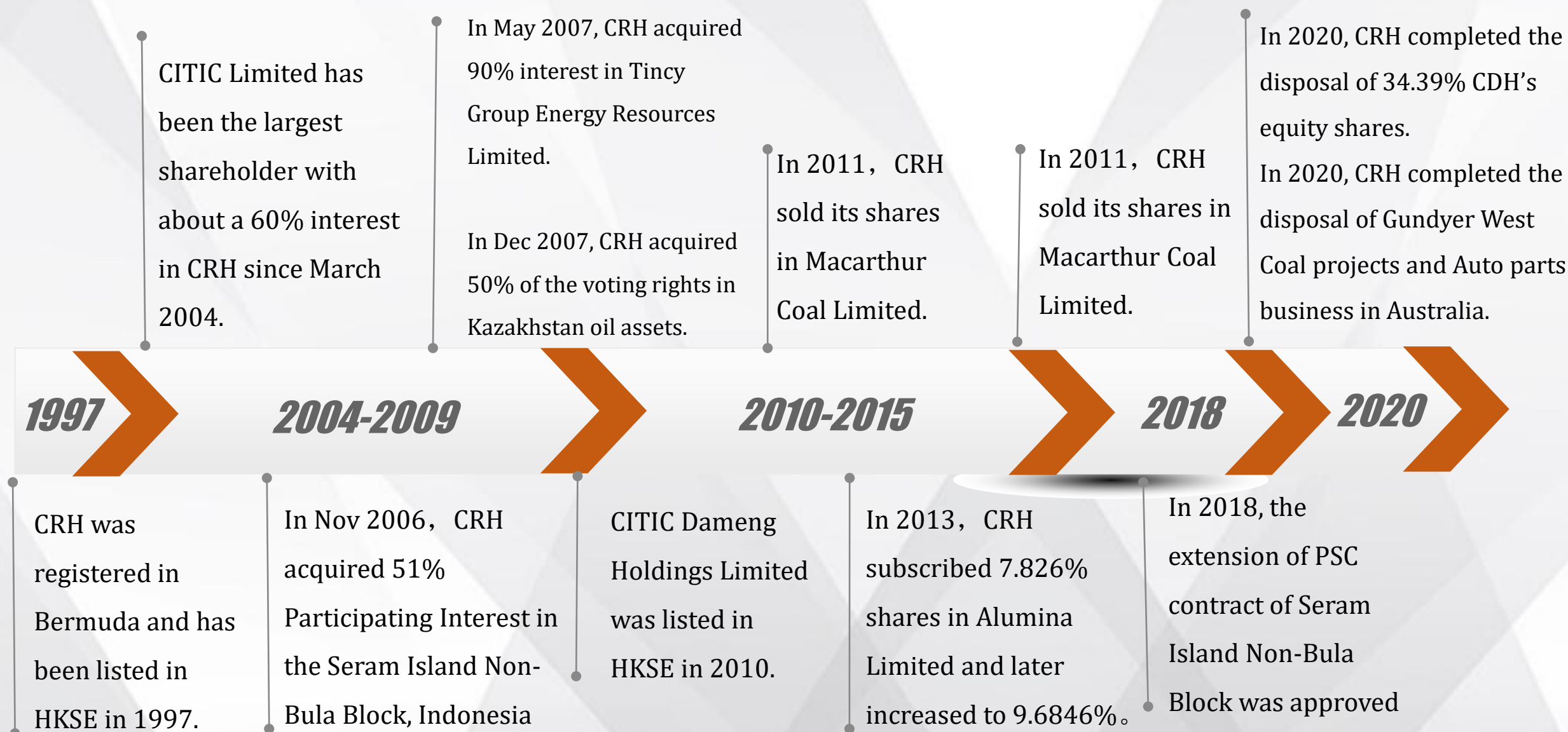


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Company History and Group Structure

Company History



Group Structure



(1) An indirect interest in 50% of the issued voting shares of KBM (which represent 47.3% of the total issued shares of KBM) and 50% of the participation rights in each of ATS and TMS

(2) Alumina Ltd is listed on ASX (stock code: ASX: AWC)

(3) CITIC Dameng Holdings Ltd ("CDH") is listed on the SEHK (stock code : 1091.HK). In 2015, the Group's equity interest in CDH was diluted from 38.98% to 34.36% following the issue of new shares by CDH, and increased marginally to 34.39% upon the cancellation of shares repurchased by CDH. On Dec 22nd 2020, the Group completed the disposal of 34.39% CDH's equity shares.



Oil and Gas Assets

- **Karazhanbas Oilfield, Kazakhstan (“KBM”)** is located on the shore of the Caspian Sea in close proximity to refineries, pipelines and port facilities which supply oil to the major markets in Central Asia, Europe and the Middle East. On 12 December 2007, the CRH completed the acquisition of the Kazakhstan interests (“KBM”) from CITIC Group and owns 50% voting rights in KBM. The estimated proved oil reserves of the Karazhanbas oilfield in Kazakhstan is equivalent to 167.5 million barrels as of 31 December 2020 (100% project basis).
- **Hainan-Yuedong Block** is located in the Bohai Bay Basin in Liaoning Province, PRC. The principal field in the Hainan-Yuedong Block is Yuedong oil field. In October 2007, CITIC Haiyue, an indirect wholly-owned subsidiary of the CRH, completed the acquisition of a 90% interest of Tincy Group from Far Great Investments Ltd. Tincy Group holds the right to explore, develop and produce petroleum from the Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, China until 2034. The estimated proved oil reserves of Yuedong oil field is 30.3 million barrels as at 31 Dec 2020 (100% project basis).
- **Seram Non-Bula Block** is located on Seram Island, Indonesia. Under the Production Sharing Contract ("PSC") , the total area is about 1,524 square kilometres. On 23 November 2006, CITIC Seram (an indirect wholly-owned subsidiary of the CRH) completed the acquisition of a 51% participating interest from KUFPEC and became the operator. As at 31 December 2020, the Seram Non-Bula Block had estimated proved oil reserves of 3.3 million barrels. (100% project basis). In May 2018, PSC contract of Seram Non-Bula Block was successfully extended.



Non-oil Projects

- **Portland Aluminium Smelter (“PAS”)** PAS is located at Point Danger, 5 km south of Portland in Western Victoria, Australia. It is managed by Alcoa Portland Aluminium Limited, a wholly-owned subsidiary of Alcoa, on behalf of the participants of PAS. PAS generates over A\$700 million in sales each year and represents a total investment of A\$1,500 million. It is one of the largest and most efficient aluminium smelting operations in the world. The Company's share of production from its 22.5% interest in PAS is around 66,000 tonnes of primary aluminium ingot each year, which it exports to key customers in the Asia Pacific region, including China, Japan and South Korea and other countries.
- **The Coppabella and Moorvale coal mines joint venture ("CMJV")** is an unincorporated joint venture established in December 2003. It is one of the only five producers of low volatile pulverized coal injection coal (“LV PCI coal”) in Australia. The resources have been proven by extensive drilling programs and, to date, over 1,000 boreholes have been drilled. The mines are open cut mines and the CMJV has identified up to 200 million tonnes of resources.
- **CITIC Australia Trading Pty Limited ("CATL")** CITIC Australia Trading Pty Limited ("CATL") conducts the Group's import and export of commodities business. In January 2009, CATL was successfully privatised and delisted from the Australian Securities Exchange. It has become an indirect wholly-owned subsidiary of the Company. Its sole underlying business CITIC Australia Commodity Trading Pty Limited commenced operation in late 1994 and its primary focus is on trade between Australia and China. CATL's exported products include aluminium ingot, iron ore, alumina and coal sourced from Australia and other regions to the PRC. Its main imports include steel and battery from the PRC and other regions in Asia.
- **Alumina Limited (“AWC”)** is a leading Australian resource company with a specific focus on alumina, the feedstock for aluminium smelting. AWC owns 40% of Alcoa World Alumina and Chemicals (“AWAC”), the world’s largest alumina business with a production capacity exceeding 12 million tonnes per annum. The AWC’s partner in AWAC is Alcoa Corporation (“Alcoa”), who owns the remaining 60% and manages the day-to-day operations. Listed on the ASX and the OTC market in the U.S., AWC is one of Australia’s top 100 companies delivering ongoing growth.



Asset Allocation and Operation

Overview: Assets Allocation



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CITIC Resources Holdings Limited

Oil and Gas Assets

- **Kazakhstan**
Karazhanbas oilfield 50%
- **Liaoning Province, China**
Hainan-Yuedong Block 90%
- **Indonesia**
Seram Non-Bula block 41%

Non-oil Project Investment

- **Australia**
Portland Aluminium Smelter 22.5%
- **Australia**
Coppabella and Moorvale Coal Mines Joint Venture 14%
- **Australia**
CITIC Australia Trading Pty Limited 100%
- **Australia**
Alumina Limited 9.6117% ⁽⁴⁾
- **Hong Kong, China**
CITIC Dameng 34.39% ⁽²⁾

Notes:

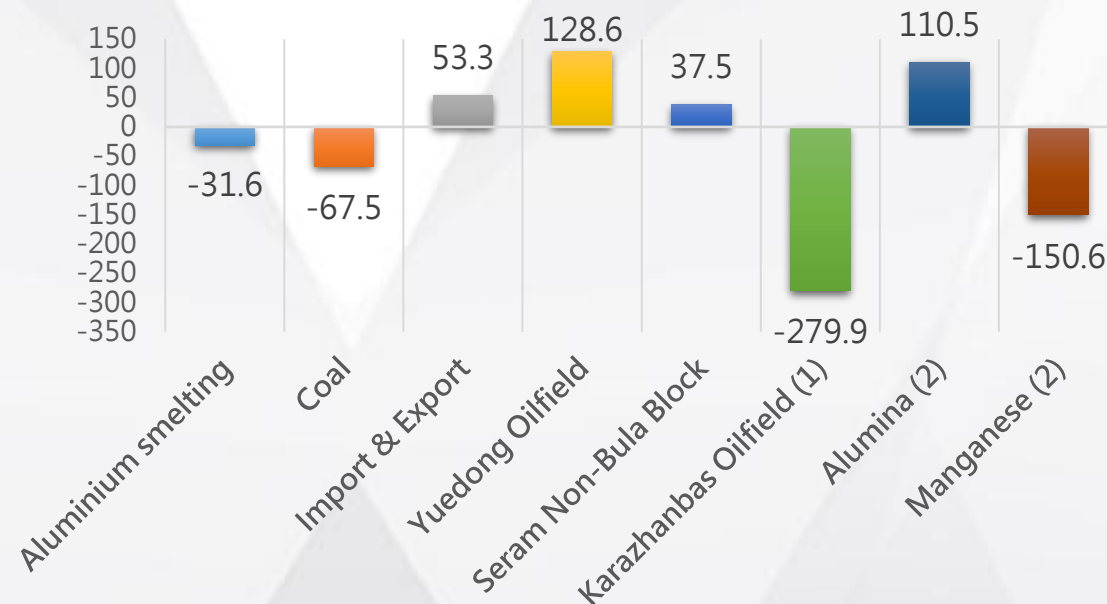
(1) As share of profit of a joint venture

(2) As share of profit of an associate,
the sale of CITIC Dameng's equity shares was completed
on Dec 22nd 2020

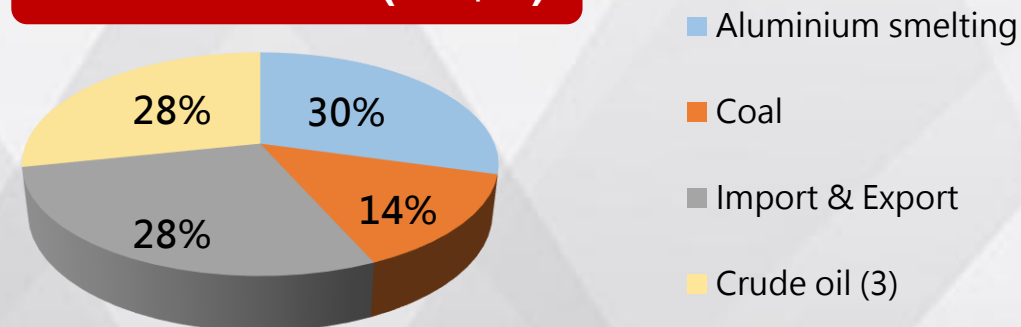
(3) Only consolidate revenues of Yuedong oilfield and Seram Block

(4) AWC issued a small number of new shares, resulting in the Group's shareholding in AWC being slightly diluted to 9.6117%.

2020 Segment Results/Share of Profit (HK\$M)



2020 Revenue (HK\$M)





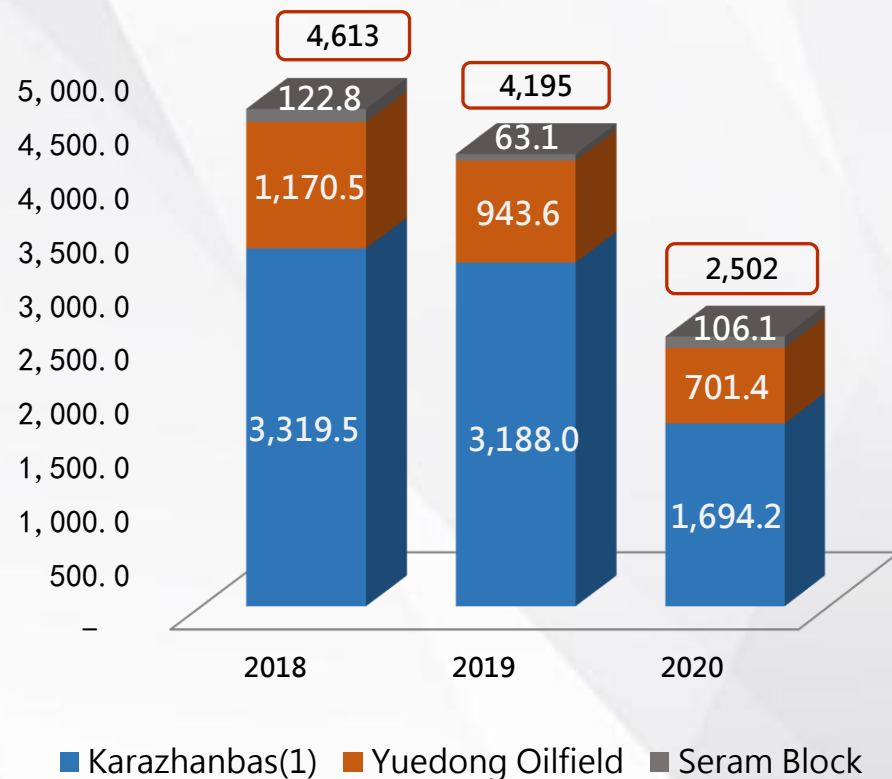
Overview – Oil and Gas Assets

	<i>Kazakhstan The Karazhanbas oilfield</i>	<i>Liaoning Province, China Hainan-Yuedong Block</i>	<i>Indonesia Seram Block</i>
Shareholding	50%	90%	41%
Partners	KMG	CNPC	CSEL PT Petro Indo Mandiri Gulf Petroleum Inv. Co. KSCC PT GHJ Seram Indonesia Lion International Inv. Ltd.
Proved Oil Reserves as at Dec 2020	167.5 million barrels	30.3 million barrels	3.3 million barrels
Contract Expiry	2035	2034	2039
Total Production in 2020 (100% basis)	13.38 million barrels	2.75 million barrels	0.62 million barrels
Highlights	<ul style="list-style-type: none">• MET preferential rate of 0.5%• Low proportion of domestic oil sales• Relatively stable number of wells drilled annually	<ul style="list-style-type: none">• Lowest operating cost among same types of oilfields in Liao He River Oilfield• Small sales discount• Potential production upside under the development plan	<ul style="list-style-type: none">• After the new contract took effect, there is potential increase in numbers of well drilling and productions• 3tcf of natural gas resources to be explored

Oil and Gas – Operating performance

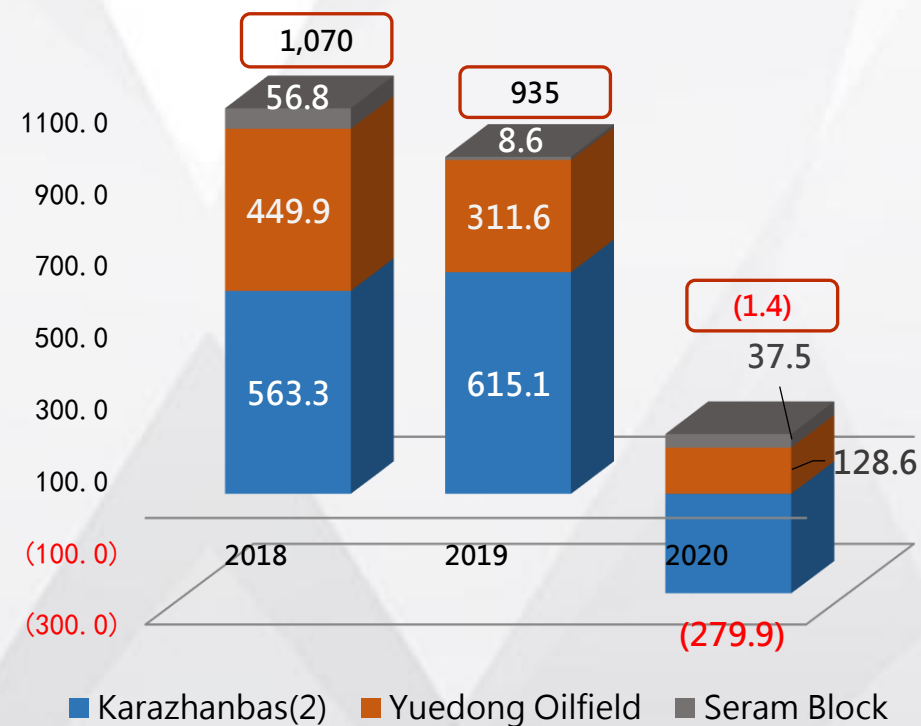
Revenue

Unit: million HKD



Segment results/Share of profits

Unit: million HKD



Remark:

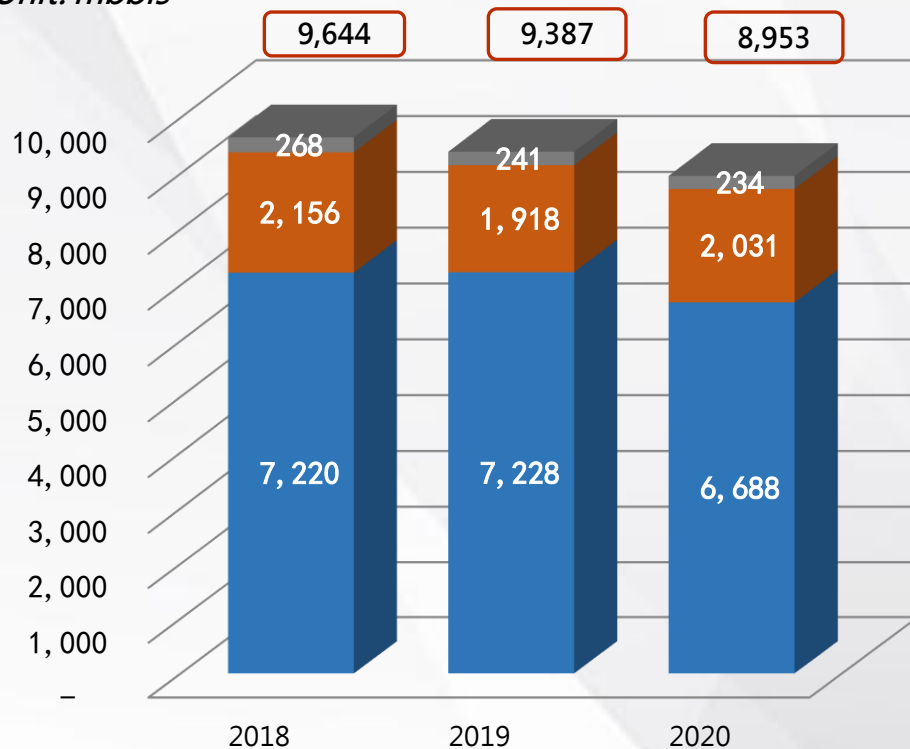
(1) The revenue of Karazhanbas is not consolidated

(2) Share of profits in a Joint Venture

Oil and Gas – Production and Reserves

Equity production remained stable

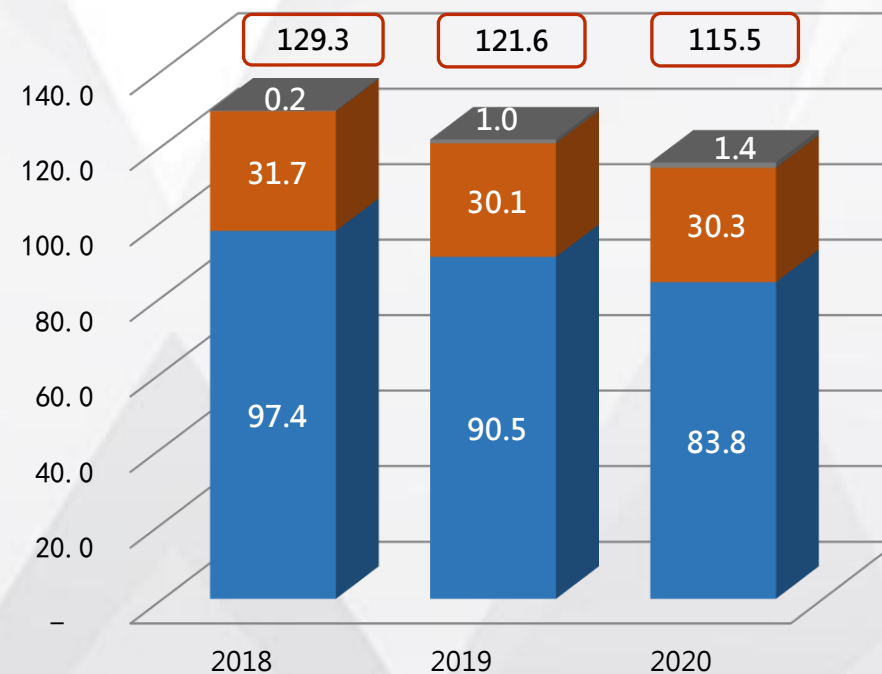
Unit: mbbls



■ Karazhanbas ■ Yuedong Oilfield ■ Seram Block

Equity reserves remained stable

Unit: Mbbl



■ Karazhanbas ■ Yuedong Oilfield ■ Seram Block

Oil and Gas – Realized sales price

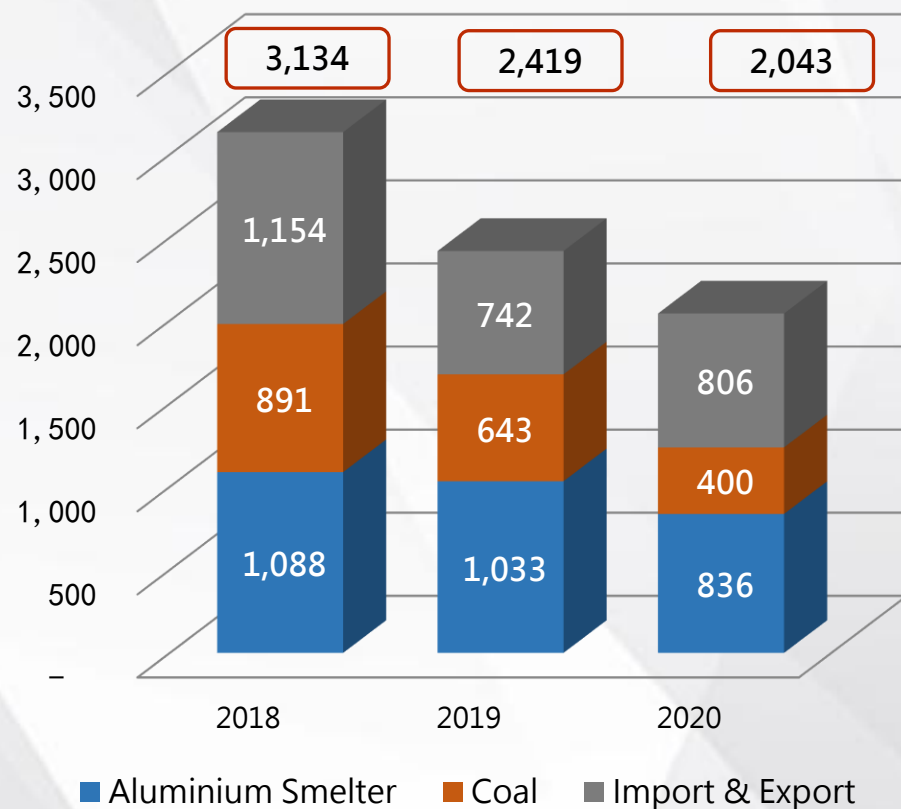
Unit: US\$/bbl



Non-oil projects – Operating performance

Revenue

Unit: million HKD

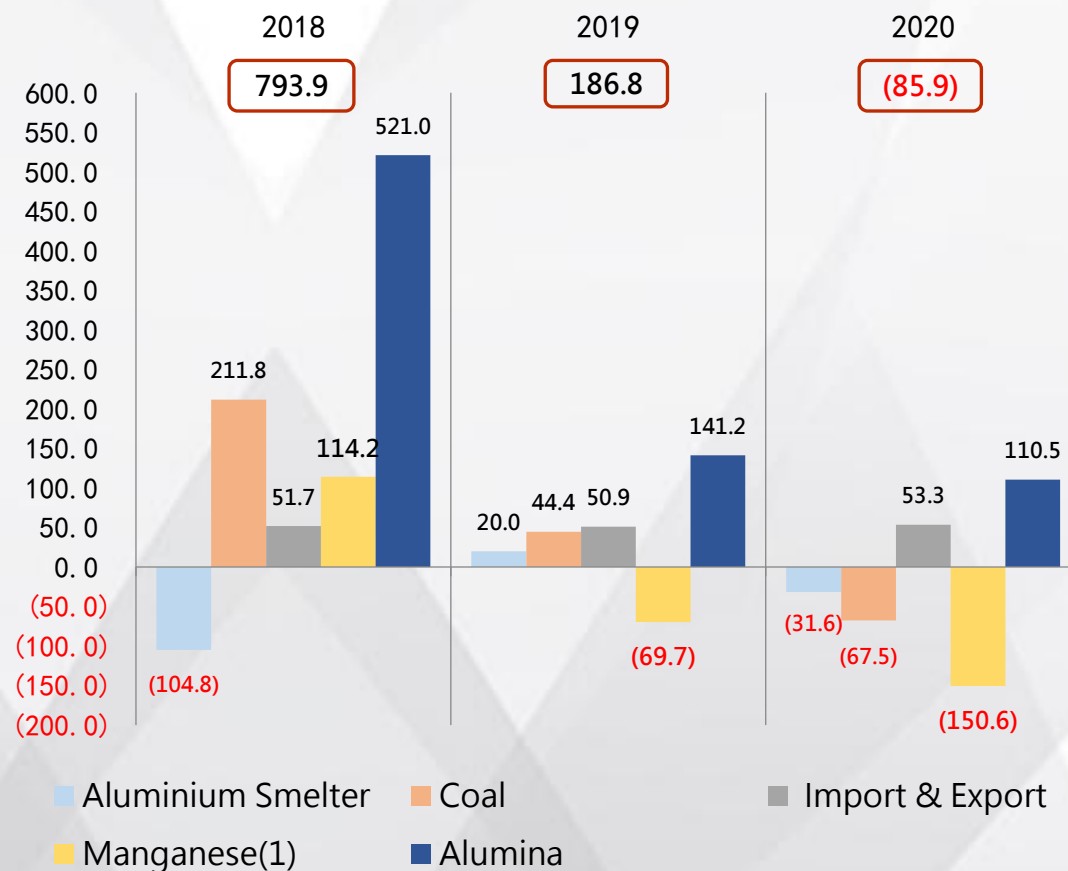


Remark:

(1) Share of profits till Dec 22nd 2020

Segment results/Share of profits

Unit: million HKD





3 Financial Performance and Results

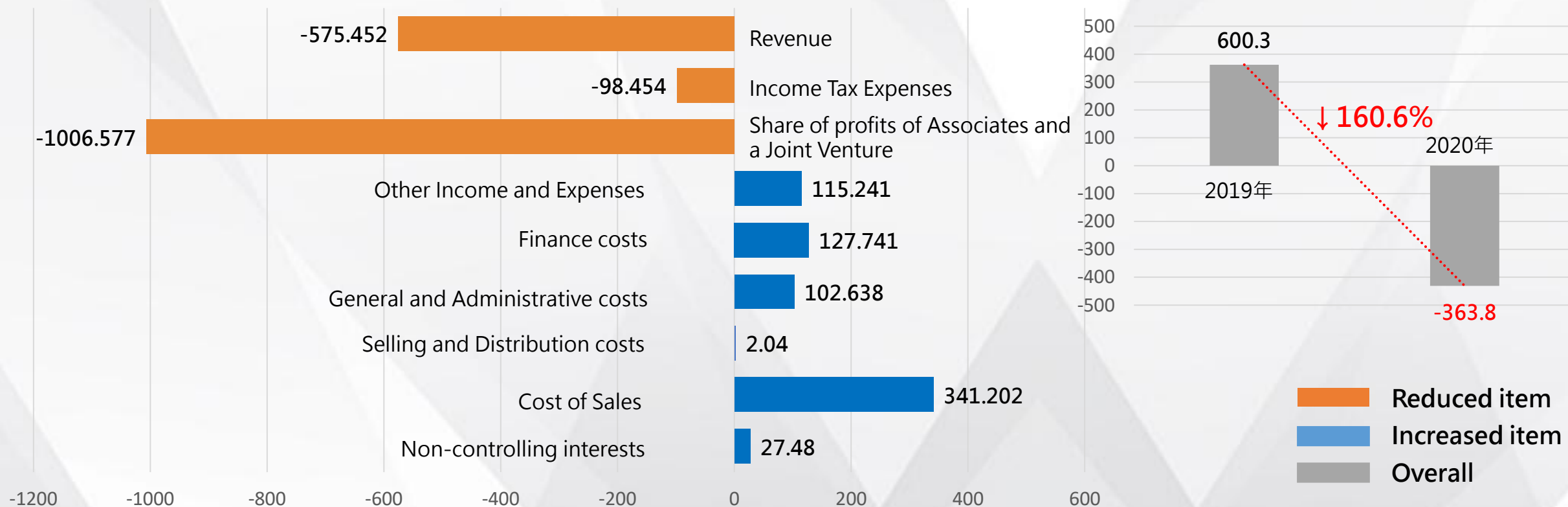
Financial Highlights

<i>Million HKD</i>	<i>2020</i>	<i>2019</i>	<i>Change</i>
Revenue	2,850.1	3,425.5	(16.8%)
EBITDA ⁽¹⁾	257.4	1,304.3	(80.3%)
Adjusted EBITDA ⁽²⁾	618.7	1,723.3	(64.1%)
Profit attributable to shareholders	(363.8)	600.3	N/A
Earnings per share (HK cents) ⁽³⁾	(4.63)	7.64	

Remarks:

- (1) Profit before tax + finance costs + depreciation + amortisation + asset impairment losses
- (2) EBITDA + (share of finance costs, depreciation, amortisation, income tax expense and non-controlling interests of a joint venture) – share of reversal of asset impairment loss of a joint venture
- (3) Profit attributable to shareholders / weighted average number of ordinary shares in issue during the year

Analysis on Profit Attributable to Shareholders



Latest Key Financial ratios

<i>Million HKD</i>	2020-12-31	2019-12-31	Change
Cash and cash equivalents	2,314.3	1,595.4	45.1%
Total assets	12,275.3	12,668.0	(3.1%)
Total debt⁽¹⁾	4,900.7	5,143.9	(4.7%)
Net debt⁽²⁾	2,586.4	3,548.5	(27.1%)
Equity attributable to shareholders	5,807.7	6,253.4	(7.1%)
Current ratio⁽³⁾	2.9 倍	1.4 倍	
Gearing ratio⁽⁴⁾	84.4%	82.3%	
Net Gearing Ratio ⁽⁵⁾	44.5%	56.5%	
Net asset value per share (HK\$)⁽⁶⁾	0.74	0.80	

Notes:

(1) Bank and other borrowings + finance lease payables

(2) Total debt–Cash

(3) Current assets / current liabilities

(4) Total debt / equity attributable to shareholders x 100%

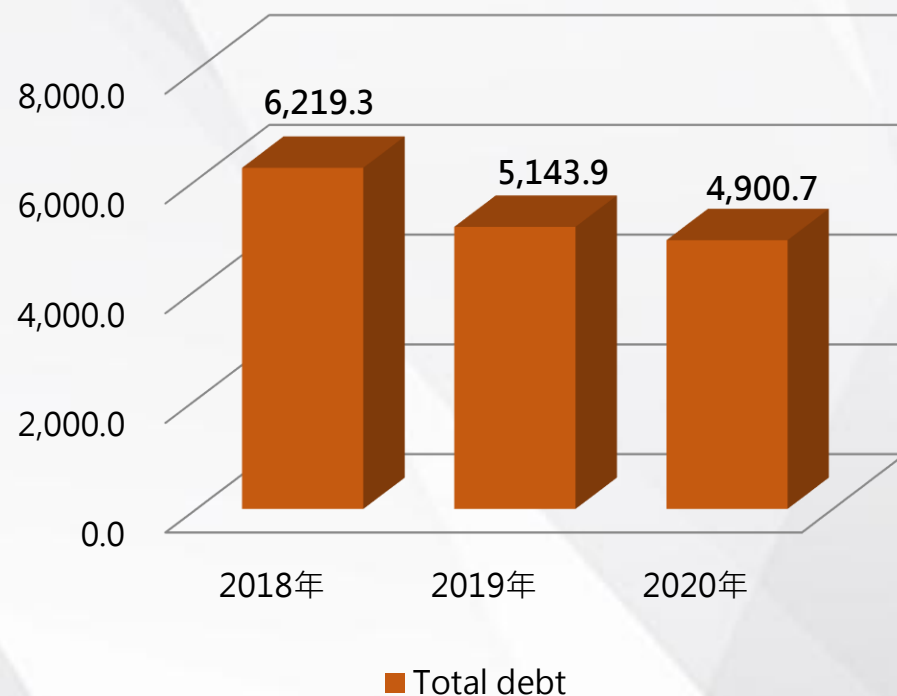
(5) (Total debt–Cash) / Equity attributable to shareholders x 100%

(6) Equity attributable to shareholders / number of ordinary shares in issue at end of period

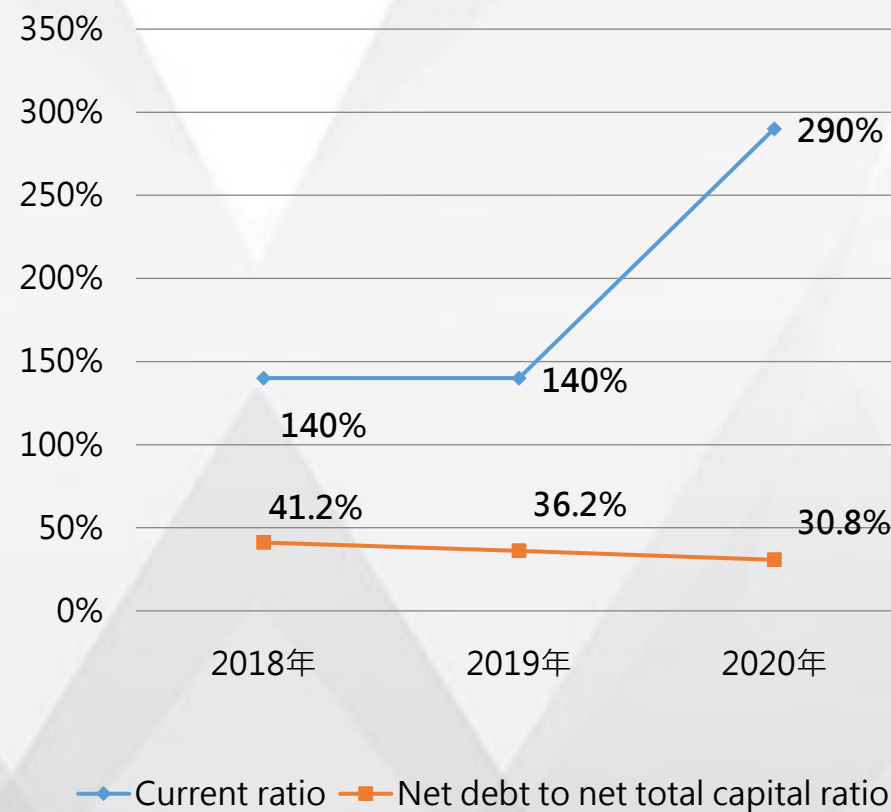
Debt ratio and Liquidity

Debt decreases year by year

Unit: Million HKD



Liquidity increases



Cash Flow Analysis

Million HKD	2020	2019	Change
Beginning Cash	1,595.4	1,921.2	
Operating cash flow	114.9	654.7	(82.5%)
Dividend income or share of profits	262.8	944.7	(72.2%)
Proceeds from assets disposal	1,104.8	0.46	240,073.9%
Total Cash Inflow	1,482.5	1,599.9	(7.3%)
Repayment of bank borrowings	(384.2)	(1,413.6)	(72.8%)
CAPEX	(378.6)	(236.5)	60.1%
Dividend paid to shareholders	0	(275.0)	(100.0%)
Others	(38.5)	14.34	(368.3%)
Total Cash outflow	(801.3)	(1,910.8)	(58.1%)
Ending Cash	2,314.2	1,595.4	45.1%



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Thank You !

Investor Relations

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