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

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

PROFIT WARNING

This announcement is made by CITIC Resources Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of unaudited consolidated management accounts of the Group for the ten months ended 31 October 2020 (the “**Period**”), a decrease in sales of an approximately 20% year-on-year and a loss attributable to the Shareholders of an approximately HK\$550 million were recorded as compared with the same period unaudited consolidated management accounts of last year.

A loss attributable to the Shareholders for the year ending 31 December 2020 is expected as compared to a profit attributable to the Shareholders of an approximately HK\$600.3 million for the year ended 31 December 2019. The Board expects that the Group will continue to record a loss for the six months ending 31 December 2020, after the Group reported an unaudited loss of an approximately HK\$430.8 million for the first six months period ended 30 June 2020 of the Group on 24 July 2020 (the “**2020 Interim Results Announcement**”). The Board estimates that the Group will record a decrease in revenue for the year ending 31 December 2020 of an approximately 18% year-on-year as compared with the year ended 31 December 2019.

The loss attributable to the Shareholders for the year ending 31 December 2020 is expected to further deteriorate since the 2020 Interim Results Announcement which is mainly due to the non-stop coronavirus disease (the “**COVID-19**”) since its outbreak by the end of January 2020. Corresponding anti-pandemic measures, including worldwide partial lockdown of human flows, suspension of schooling and work from home arrangements, have been implemented resulting in a significant reduction in demand for fuel since then. Shrinking in demand of fuel led to collapsing demand in crude oil.

Dated Brent and Platts Dubai crude oil prices are the key reference benchmarks of the Group in selling its crude oil. The average daily Dated Brent and Platts Dubai crude oil prices per barrel for the Period were US\$41.0 and US\$41.4, respectively, representing a 36.3% and 34.4% year-on-year drops, as compared with the same period of last year.

Besides, the metal commodities market was sluggish also due to the outbreak of the COVID-19. During the Period, both sales volume and selling prices of the products of our Portland Aluminium Smelter joint venture and Coppabella and Moorvale coal mines joint venture in Australia declined.

In response to adverse impacts caused by the outbreak of the COVID-19, the Group has implemented a number of cost control measures to mitigate them in affecting the financial performance of the Group.

The crude and metal commodities prices are still very volatile, even there has been modest stability of the Dated Brent and Platts Dubai crude oil prices at above US\$45 per barrel in December 2020. The timing and degree of a sustainable recovery to the level at the beginning of this year remain uncertain. Both the crude oil and metal business, being the core performance drivers of the Group, are expected to record significant loss for the year ending 31 December 2020. Having said that, the overall financial position of the Group remains healthy.

The information contained in this announcement is only a preliminary assessment by the Board with reference to the information currently available and is not based on any financial figures or information which have been audited or reviewed by the Company's auditors. Further details of the Group's financial results and performance for the year ending 31 December 2020 will be disclosed in the Company's annual results announcement to be published not later than 31 March 2021.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
CITIC Resources Holdings Limited
Sun Yufeng
Chairman

Hong Kong, 7 December 2020

As at the date hereof, Mr. Sun Yufeng; Mr. Suo Zhengang and Mr. Sun Yang are executive directors of the Company, Mr. Chan Kin is a non-executive director of the Company, and Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji and Mr. Look Andrew are independent non-executive directors of the Company.