CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

The board of directors (the "**Board**") of CITIC Resources Holdings Limited (the "**Company**") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2013 (the "**Period**").

FINANCIAL HIGHLIGHTS

Six months ended 30 June **Unaudited**	**2013** **HK$ million**	2012 HK$ million Restated	Change
Revenue	**21,327.7**	21,835.8	(2.3%)
Underlying EBIT *	**572.4**	755.2	(24.2%)
Profit attributable to shareholders	**104.3**	228.1	(54.3%)

* profit before tax + finance costs + one-off expense of HK$91.5 million arising from the Offer (as defined below)

- The global economy, in particular that of China, experienced a slowdown in growth in the Period resulting in a drop in demand for, and thus a softening in selling prices of, commodities.

- The Group's performance was inevitably affected by, among other things, market volatility brought about by the sluggish economic outlook and currency fluctuations. Nonetheless, the focused diversification strategy adopted by the Group to a certain extent managed to alleviate the impact. The Group's underlying EBIT dropped by 24.2% to HK$572.4 million.

- After taking into account a one-off expense of HK$91.5 million arising from the cash tender offer made by the Group to repurchase part of its US$1,000,000,000 6.75% senior notes due 2014 (the "**Notes**") in early 2013 (the "**Offer**"), profit attributable to shareholders of the Company decreased by 54.3% to HK$104.3 million in the Period.

FINANCIAL RESULTS

CONDENSED CONSOLIDATED INCOME STATEMENT
Six months ended 30 June
Unaudited

	Notes	**2013** **HK$'000**	2012 HK$'000 Restated
REVENUE	4	**21,327,652**	21,835,783
Cost of sales		**(21,005,831)**	(21,451,825)
Gross profit		**321,821**	383,958
Other income and gains	5	**451,008**	301,671
Selling and distribution costs		**(10,536)**	(25,105)
General and administrative expenses		**(171,382)**	(176,798)
Other expenses, net		**(315,803)**	(474)
Finance costs	6	**(333,981)**	(381,623)
Share of profit of associates and a joint venture	11	**205,752**	271,939
PROFIT BEFORE TAX	7	**146,879**	373,568
Income tax	8	**(51,350)**	(151,981)
PROFIT FOR THE PERIOD		**95,529**	221,587
ATTRIBUTABLE TO:			
Shareholders of the Company		**104,347**	228,086
Non-controlling interests		**(8,818)**	(6,499)
		95,529	221,587
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY	9	**HK cents**	HK cents
Basic		**1.33**	2.90
Diluted		**1.33**	2.90

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Six months ended 30 June
Unaudited

	2013 HK$'000	2012 HK$'000 Restated
PROFIT FOR THE PERIOD	**95,529**	221,587
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Available-for-sale investments:		
Changes in fair value	**(12,778)**	(7,226)
Income tax effect	**3,834**	2,168
	(8,944)	(5,058)
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the period	**1,007,002**	(22,943)
Reclassification adjustment for gains included in the condensed consolidated income statement	**(237,335)**	—
Income tax effect	**(179,876)**	6,882
	589,791	(16,061)
Exchange differences on translation of foreign operations	**51,849**	(39,664)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**632,696**	(60,783)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**728,225**	160,804
ATTRIBUTABLE TO:		
Shareholders of the Company	**730,971**	167,303
Non-controlling interests	**(2,746)**	(6,499)
	728,225	160,804

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2013 Unaudited HK$'000**	31 December 2012 Audited HK$'000 Restated
NON-CURRENT ASSETS			
Property, plant and equipment		**8,274,645**	7,014,945
Prepaid land lease payments		**22,610**	22,874
Goodwill		**24,682**	24,682
Other assets		**172,616**	198,385
Investments in associates and a joint venture	11	**6,198,561**	3,749,870
Available-for-sale investments		**13,267**	26,047
Prepayments, deposits and other receivables		**451,179**	387,790
Derivative financial instruments		**1,195,573**	114,801
Deferred tax assets		**128,649**	122,146
Total non-current assets		**16,481,782**	11,661,540
CURRENT ASSETS			
Inventories		**867,150**	821,990
Trade receivables	12	**1,750,221**	1,849,673
Prepayments, deposits and other receivables		**3,340,516**	3,388,573
Equity investments at fair value through profit or loss		**3,029**	3,029
Derivative financial instruments		**33,110**	489
Other assets		**—**	194,970
Cash and cash equivalents		**4,973,111**	8,387,248
Total current assets		**10,967,137**	14,645,972
CURRENT LIABILITIES			
Accounts payable	13	**591,435**	822,541
Tax payable		**—**	97,253
Accrued liabilities and other payables		**302,766**	562,952
Derivative financial instruments		**106,134**	3,042
Bank and other borrowings		**917,161**	1,106,757
Finance lease payables		**17,470**	9,623
Bond obligations		**6,176,842**	—
Provisions		**194,468**	49,996
Total current liabilities		**8,306,276**	2,652,164
NET CURRENT ASSETS		**2,660,861**	11,993,808
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,142,643**	23,655,348

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2013	31 December 2012
	Unaudited	Audited
	HK$'000	HK$'000
		Restated
TOTAL ASSETS LESS CURRENT LIABILITIES	**19,142,643**	23,655,348
NON-CURRENT LIABILITIES		
Bank and other borrowings	**3,558,630**	1,341,101
Finance lease payables	**65,445**	33,760
Bond obligations	**—**	7,619,686
Deferred tax liabilities	**879,504**	674,687
Derivative financial instruments	**81,439**	195,907
Provisions	**427,694**	390,033
Other payable	**47,748**	53,460
Total non-current liabilities	**5,060,460**	10,308,634
NET ASSETS	**14,082,183**	13,346,714
EQUITY		
Equity attributable to shareholders of the Company		
Issued capital	**393,426**	393,287
Reserves	**13,572,959**	12,834,883
	13,966,385	13,228,170
Non-controlling interests	**115,798**	118,544
TOTAL EQUITY	**14,082,183**	13,346,714

NOTES

1. BASIS OF PREPARATION

These unaudited interim condensed consolidated financial statements ("**Financial Statements**") have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

These Financial Statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the financial statements of the Group for the year ended 31 December 2012.

The accounting policies and methods of computation used in the preparation of these Financial Statements are consistent with the financial statements of the Group for the year ended 31 December 2012, except for the adoption of new and revised standards and interpretations with effect from 1 January 2013 as detailed in note 2 below.

These Financial Statements were approved and authorised for issue by the Board on 23 August 2013.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA for the first time for these Financial Statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 – Transition Guidance
HKFRS 13	Fair Value Measurement
HKAS 1 Amendments	Amendments to HKAS 1 Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements 2009 - 2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

Other than as further explained below regarding the impact of HKFRS 11, HKFRS 13, amendments to HKAS 1, HK(IFRIC) – Int 20 and amendments to HKAS 34 as part of the Annual Improvements to HKFRSs – 2009 - 2011 Cycle, the adoption of the new and revised HKFRSs has had no significant financial effect on these Financial Statements.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and HK(SIC) – Int 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e. joint operations and joint ventures, and removes the option to account for joint ventures using the proportionate consolidation method. Upon the adoption of HKFRS 11, the Group is required to retrospectively account for its investment in a joint venture using the equity method. The effect of HKFRS 11 is described in more details in note 11, which includes quantification of the effect on these Financial Statements.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES *(continued)*

HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but provides guidance on how fair value should be applied where its use has already been required or permitted under other HKFRSs. The application of HKFRS 13 has not materially impacted the fair value measurements carried out by the Group.

HKFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including HKFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specially required for financial instruments by HKAS 34 Interim Financial Reporting, thereby affecting these Financial Statements.

The HKAS 1 Amendments change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, net gain on hedge of a net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gain and loss on defined benefit plans and revaluation of land and buildings). The amendments have been applied retrospectively, with the presentation of items of other comprehensive income modified to reflect the changes. Other than the said presentation changes, the amendments did not have any impact on the Group's financial position or performance.

HK(IFRIC) – Int 20 clarifies when an entity should recognise production phase waste removal (stripping) costs (production stripping costs) incurred in relation to a surface mining operation as an asset. Such an asset is referred to as a stripping activity asset. The interpretation is effective for annual reporting periods beginning on or after 1 January 2013. In accordance with the transitional provisions of HK(IFRIC) – Int 20, this new policy has been applied prospectively by the Group from the start of the comparative period, being 1 January 2012. As a result of the adoption of this interpretation, the Group has determined that deferred stripping costs of HK$152,302,000, previously recognised as inventories of HK$140,886,000 and prepayments of HK$11,416,000, as at 31 December 2012 did not meet the recognition criteria set out in HK(IFRIC) – Int 20 as they related to components of ore body that had already been extracted. Accordingly, a prior year adjustment has been made to derecognise these deferred stripping costs via retained profits. Opening retained profits as at 1 January 2012 and net profit for the year ended 31 December 2012 have been reduced by HK$103,649,000 and HK$2,962,000, respectively. There was a deferred tax effect of HK$45,691,000 in respect of this adjustment.

The HKAS 34 Amendments clarify the requirements in the standard relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements of HKFRS 8 Operating Segments. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker (the "**CODM**") and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment. The Group provides this disclosure as total segment assets were reported to the CODM. As a result of these amendments, the Group now also includes disclosure of total segment liabilities as these are reported to the CODM. Details of these disclosures have been included in note 4.

In addition, CITIC Resources Australia Pty Limited ("**CRA**"), an indirect wholly-owned subsidiary of the Company, and its subsidiaries (collectively the "**CRA Group**") have changed their functional currency from Australian dollar ("**A$**") to United States dollar ("**US$**") from 1 January 2013. The CRA Group is principally engaged in the operation of Portland Aluminium Smelter (the "**PAS**"), the operation of coal mines and the sale of coal, and the import and export of various commodity products in Australia. In the opinion of the directors, this change in functional currency better reflects the nature of the operations within the CRA Group as most of its sales and purchases are transacted in US$. In addition, key new strategic investments have been assessed and will be reported in US$ going forward. The effect of this change has been accounted for prospectively by the CRA Group. The entities comprising the CRA Group have translated all their financial statement items into US$ using the exchange rate at the date of the change. The resulting translated amounts for non-monetary items have been treated as their historical costs.

3. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these Financial Statements.

HKFRS 9	Financial Instruments [2]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – Investment Entities [1]
HKAS 32 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities [1]
HKAS 36 Amendments	Impairment of Assets [1]
HK(IFRIC) – Int 21	Levies [1]

1 Effective for annual periods beginning on or after 1 January 2014

2 Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 9, HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments, HKAS 36 Amendments and HK(IFRIC) – Int 21 may result in a change in accounting policy and the adoption of HKAS 32 Amendments may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) the aluminium smelting segment comprises the operation of the PAS which sources alumina and produces aluminium ingots in Australia;

(b) the coal segment comprises the operation of coal mines and the sale of coal in Australia;

(c) the import and export of commodities segment comprises the export of various commodity products such as aluminium ingots, coal, iron ore, alumina and copper; and the import of other commodities and manufactured goods such as vehicle and industrial batteries, tyres and various metals such as steel and aluminium extrusion products in Australia; and

(d) the crude oil segment comprises the operation of oilfields and the sale of oil in Indonesia and China.

Management monitors the results of the Group's operating segments separately for the purposes of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, dividend income, fair value gains/(losses) on derivative financial instruments not relating to the operations, share of profit of associates and a joint venture as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude investments in associates and a joint venture, available-for-sale investments, derivative financial instruments, deferred tax assets, equity investments at fair value through profit or loss, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, derivative financial instruments, bank and other borrowings, finance lease payables, bond obligations, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

4. OPERATING SEGMENT INFORMATION *(continued)*

Six months ended 30 June 2013 **Unaudited** **HK$'000**	**Aluminium smelting**	**Coal**	**Import and export of commodities**	**Crude oil**	**Total**
Segment revenue:					
Sales to external customers	**538,216**	**344,721**	**20,341,787**	**102,928**	**21,327,652**
Other income	**129,714**	**31**	**20,966**	**1,151**	**151,862**
	667,930	**344,752**	**20,362,753**	**104,079**	**21,479,514**
Segment results	**123,133**	**(22,404)**	**233,278**	**(78,399)**	**255,608**
Reconciliation:					
Interest income and unallocated gains					**299,146**
Unallocated expenses					**(279,646)**
Unallocated finance costs					**(333,981)**
Share of profit of associates and a joint venture					**205,752**
Profit before tax					**146,879**

Six months ended 30 June 2012 **Unaudited** **HK$'000**	**Aluminium smelting**	**Coal**	**Import and export of commodities**	**Crude oil** **Restated**	**Total** **Restated**
Segment revenue:					
Sales to external customers	651,564	221,975	20,767,326	194,918	21,835,783
Other income	8,261	11,345	23,073	1,098	43,777
	659,825	233,320	20,790,399	196,016	21,879,560
Segment results	4,055	7,548	331,213	(43,053)	299,763
Reconciliation:					
Interest income and unallocated gains					257,894
Unallocated expenses					(74,405)
Unallocated finance costs					(381,623)
Share of profit of associates and a joint venture					271,939
Profit before tax					373,568

HK$'000	**Aluminium smelting**	**Coal**	**Import and export of commodities**	**Crude oil**	**Total**
Segment assets					
30 June 2013 (Unaudited)	**1,248,546**	**1,755,825**	**2,014,738**	**6,686,110**	**11,705,219**
31 December 2012 (Audited and restated)	1,429,355	920,006	2,248,289	6,290,916	10,888,566
Segment liabilities					
30 June 2013 (Unaudited)	**502,078**	**423,695**	**334,956**	**203,447**	**1,464,176**
31 December 2012 (Audited and restated)	659,996	223,446	590,829	304,137	1,778,408

5. OTHER INCOME AND GAINS

An analysis of the Group's other income and gains is as follows:

	2013	2012
	HK$'000	HK$'000
Interest income	**55,098**	168,532
Handling service fees	**20,708**	22,808
Gain on disposal of items of property, plant and equipment	**—**	1,767
Sale of scrap	**3,126**	2,914
Fair value gains on derivative financial instruments	**367,840**	97,987
Others	**4,236**	7,663
	451,008	301,671

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2013	2012
	HK$'000	HK$'000
Interest expense on bank and other borrowings	**101,875**	105,045
Interest expense on fixed rate senior notes, net	**219,169**	261,934
Interest expense on finance leases	**2,327**	1,802
Total interest expense on financial liabilities not at fair value through profit or loss	**323,371**	368,781
Amortisation of fixed rate senior notes	**9,661**	11,513
	333,032	380,294
Other finance charges:		
Increase in discounted amounts of provision arising from the passage of time	**584**	1,019
Others	**365**	310
	333,981	381,623

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2013	2012
	HK$'000	HK$'000
Depreciation	**127,015**	96,279
Amortisation of other asset	**25,769**	25,914
Amortisation of prepaid land lease payments	**623**	—
Loss on disposal/write-off of items of property, plant and equipment *	**362**	503
Exchange losses/(gains), net *	**168,264**	(16,508)
Loss on repurchase of fixed rate senior notes *	**91,498**	—
Loss on purchase of fixed rate senior notes *	**2,052**	2,722

* These amounts are included in "Other expenses, net" in the condensed consolidated income statement.

8. INCOME TAX

	2013	2012
	HK$'000	HK$'000
Current:		
Hong Kong	**—**	—
Elsewhere	**28,566**	139,279
Deferred	**22,784**	12,702
Total tax expense for the period	**51,350**	151,981

The statutory tax rate of Hong Kong profits tax was 16.5% (2012: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong for the Period (2012: Nil).

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Australia
Australian income tax has been provided at the statutory rate of 30% (2012: 30%) on the estimated taxable profits arising in Australia during the Period.

Indonesia
The corporate tax rate applicable to the subsidiary which is operating in Indonesia was 30% (2012: 30%) during the Period.

The Group's subsidiary owning a participating interest in the oil and gas properties in Indonesia is subject to branch tax at the effective tax rate of 14% (2012: 14%).

China
The Group's subsidiaries registered in China are subject to corporate income tax at a rate of 25% (2012: 25%). No provision for China corporate income tax has been made as the Group had no taxable profits arising in China during the Period.

According to HKAS 12 Income Taxes, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares in issue during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary shareholders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share amounts are based on:

	2013	2012
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary shareholders of the Company used in the basic earnings per share calculation	**104,347**	228,086

	Number of shares	
	2013	2012
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**7,866,199,580**	7,865,737,149
Effect of dilution – weighted average number of ordinary shares: share options	**1,290,461**	6,104,696
	7,867,490,041	7,871,841,845

10. DIVIDEND

The Board has resolved not to pay an interim dividend for the Period (2012: Nil).

11. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE

Transition to HKFRS 11

The Group has a 50% interest in CITIC Canada Energy Limited ("**CCEL**"). CCEL is an investment holding company and its subsidiaries are principally engaged in the exploration, development, production and sale of oil and provision of oilfield related services in Kazakhstan. Under HKAS 31 Investment in Joint Ventures (prior to the transition to HKFRS 11), the Group's interest in CCEL was classified as a jointly-controlled entity and the Group's proportionate share of the assets, liabilities, revenue, income and expenses were consolidated in the financial statements of the Group. Upon the adoption of HKFRS 11, the Group has determined its interest to be a joint venture and it is required to be accounted for using the equity method. The effect of applying HKFRS 11 is as follows:

11. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE *(continued)*

Transition to HKFRS 11 *(continued)*

Impact on the condensed consolidated income statement	**Six months ended 30 June 2012 HK$'000**
Decrease in revenue	(2,981,905)
Decrease in cost of sales	1,307,028
Decrease in gross profit	(1,674,877)
Increase in other income and gains	18
Decrease in selling and distribution costs	1,022,312
Decrease in general and administrative expenses	126,901
Increase in other expenses, net	(5,153)
Decrease in finance costs	38,256
Increase in share of profit of a joint venture	326,447
Decrease in profit before tax	**(166,096)**
Decrease in income tax	147,730
Net impact on profit for the period	**(18,366)**
Decrease in profit attributable to non-controlling interests	18,366
Net impact on profit attributable to shareholders of the Company	**—**

Impact on the condensed consolidated statement of financial position	**31 December 2012 HK$'000**
Decrease in property, plant and equipment	(7,177,578)
Increase in investment in a joint venture	1,924,829
Decrease in inventories	(323,411)
Decrease in trade receivables	(466,509)
Increase in prepayments, deposits and other receivables	2,563,021
Decrease in tax recoverable	(97,318)
Decrease in cash and cash equivalents	(133,102)
Decrease in accounts payable	141,249
Decrease in tax payable	71,849
Decrease in accrued liabilities and other payables	518,851
Decrease in provisions	752,636
Decrease in bank and other borrowings	965,735
Decrease in deferred tax liabilities	972,453
Net impact on equity	**(287,295)**
Decrease in equity attributable to non-controlling interests	287,295
Net impact on equity attributable to shareholders of the Company	**—**

There is no impact on the basic or diluted earnings per share.

12. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, was as follows:

	30 June 2013	31 December 2012
	HK$'000	HK$'000
Within one month	**594,572**	561,160
One to two months	**456,601**	574,456
Two to three months	**107,909**	418,939
Over three months	**591,139**	295,118
	1,750,221	1,849,673

Included in the trade receivables is an amount due from the Group's fellow subsidiary of HK$10,843,000 (31 December 2012: HK$324,315,000) which is repayable on similar credit terms to those offered to other customers of the Group.

The Group normally offers credit terms of 30 to 120 days to its established customers.

13. ACCOUNTS PAYABLE

An aged analysis of the accounts payable as at the end of the reporting period, based on the invoice date, was as follows:

	30 June 2013	31 December 2012
	HK$'000	HK$'000
Within one month	**555,018**	822,541
One to three months	**—**	—
Over three months	**36,417**	—
	591,435	822,541

The accounts payable are non-interest-bearing and are normally settled on terms of 30 to 90 days.

14. COMPARATIVE AMOUNTS

As further explained in note 2, due to the adoption of the new and revised HKFRSs during the Period, the accounting treatment and presentation of certain items and balances have been revised or added to comply with the new requirements. Accordingly, certain prior year adjustments have been made, certain comparative amounts have been reclassified and restated to conform with the presentation and accounting treatment for the Period.

BUSINESS REVIEW AND OUTLOOK

Review

Overall global growth remained sluggish as many developed economies continued to experience sub-par recoveries in the Period despite the implementation of monetary easing policies in major economies. Ailing western economies, together with a slowdown in economic growth in most emerging markets including China, resulted in lower global demand for energy and commodities which triggered considerable commodity price fluctuations during the Period. The impact of market volatility on the Group was amplified by the sharp depreciation of A$ against US$ during the Period, affecting the Group's Australian operation. Nevertheless, the Group's focused diversification strategy has helped mitigate the associated market risks to a certain extent.

The Group was able to seize upon new business opportunities to maximize shareholder value by extending its foothold in the energy and metal sectors through the subscription for a strategic equity interest in Alumina Limited ("**Alumina**") in February 2013 and the increase of its interest in the Coppabella and Moorvale coal mines joint venture (the "**CMJV**") in March 2013. As an ongoing proactive effort in managing its liquidity and capital structure, the Group also completed the Offer in February 2013 with a total of US$201.08 million in principal amount of the Notes repurchased.

The Group continues to position itself as an integrated provider of strategic natural resources and key commodities with businesses across energy, metals and import and export of commodities sectors.

Crude oil

Oil exploration and production continued to be the Group's largest business segment by profit contribution, with the Karazhanbas oilfield in Kazakhstan being the principal contributor to the Group's overall oil production. The Group has been rolling out medium-term research plans to enhance sustainable development and production efficiency of the oilfield. Steady production of over 37,000 barrels of oil per day (100% project basis) was maintained during the Period.

As for the Yuedong oilfield in Liaoning Province, China, the landmark connection of subsea pipelines to the onshore oil/water processing plant has been completed and the production facilities on Platform B are approaching operational stage.

Despite production at the Seram Block in Indonesia slightly dropped due to the natural decline of existing wells, the Group will continue to implement well exploration and development works that promote production capacity. The Group will also continue exploration activities in the Lofin area.

Coal

Subsequent to the Group's acquisition of an additional interest in the CMJV in March 2013, the Group's coal investments currently comprise a 14% interest in the CMJV, and also certain interests in a number of coal exploration joint ventures in Australia where the Group works together with a subsidiary of Peabody Energy Corporation.

During the Period, underlying profit of the Group's coal segment was affected by softer prices resulting from weaker demand and rising operation costs. Despite these challenges, with sustained demand for quality low volatile pulverized coal injection coal anticipated in the long term, the Group is confident about the outlook for its coal business and will continue to unlock and realize the value of the Group's coal investments.

Metals

The Group's strategic metal investments include interests in the Portland Aluminium Smelter joint venture (the "**PAS JV**"), Alumina and CITIC Dameng Holdings Limited ("**CDH**").

During the Period, the Group's aluminium sector faced strong headwinds from oversupply and has continued to implement cost saving measures to achieve higher operational efficiency. The current market conditions have, however, also brought about new investment opportunities for the Group. In February 2013, the Group subscribed for a strategic equity interest in Alumina, one of the Australia's leading companies with significant global interests in bauxite mining, alumina refining and selected aluminium smelting operations, thus gaining the valuable access to a world-class global portfolio of upstream mining and refining operations.

Regarding the Group's investment in CDH, a share of loss was recorded in the Period following the consolidated net loss incurred by CDH; its performance being affected by, among other things, lower average product selling prices.

Import and export of commodities

With the contraction in commodities prices and demand resulting from the slowdown in the global economy, the Group's import and export of commodities business has experienced various challenges. Nevertheless, with strong expertise and established marketing network particularly in China, this business line has delivered another satisfactory result.

Financial Management

As a proactive move to manage its liability and capital structure, the Group completed the Offer in February 2013 with a total of US$201.08 million in principal amount of the Notes repurchased. Despite incurring a one-off expense of HK$91.5 million, the repurchase has lowered future finance costs and partly addressed the refinancing needs of the Group in respect of the Notes.

Outlook

Looking ahead, the recurring concerns surrounding the European sovereign debt crisis and the pace of worldwide economic growth will continue to strain global demand for energy and commodities. While the challenges and uncertainties so presented have spread across various industries, the Group will endeavor to tackle the difficulties by taking advantage of the strong support from 中國中信集團有限公司 (CITIC Group Corporation), an established customer base and supplier network, strengthened financial flexibility, and synergy brought about by its focused diversification strategy.

The operation of Platform B at the Yuedong oilfield is expected to commence before the end of the year and will mark another milestone in the development of the oilfield. Apart from organic growth, the Group will also seek potential acquisitions with a view to proactively capitalising on any potential business opportunities to maximize shareholder value.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash

As at 30 June 2013, the Group had cash and cash equivalents of HK$4,973.1 million.

Borrowings

As at 30 June 2013, the Group had total debt of HK$10,735.5 million, which comprised:

- unsecured bank loans of HK$4,185.9 million;
- secured other loan of HK$1.3 million;
- unsecured other loan of HK$288.6 million;
- finance lease payables of HK$82.9 million; and
- bond obligations of HK$6,176.8 million.

The secured bank loan, secured by the Group's 22.5% participating interest in the PAS JV and outstanding as at 31 December 2012, was fully prepaid in June 2013.

Most transactions of CITIC Australia Trading Pty Limited ("**CATL**") are debt funded which means CATL is highly geared. However, in contrast to term loans, CATL's borrowings are self liquidating, transaction specific and of short durations, matching the term of the underlying trade. When sale proceeds are received at the completion of a transaction, the related borrowings are repaid accordingly.

In June 2012, the Company, as borrower, entered into a facility agreement with a syndicate of financial institutions as lenders in respect of an unsecured 3-year term loan facility of US$380 million (HK$2,964 million) (the "**A Loan**"). In December 2012, US$140 million (HK$1,092 million) was drawn to refinance the final repayment of an unsecured 5-year term loan facility of US$280 million (HK$2,184 million) which was signed in January 2008. The remaining sum of US$240 million (HK$1,872 million) was fully drawn in June 2013 to finance the general corporate funding requirements of the Company. The outstanding balance of the A Loan as at 30 June 2013 was US$380 million.

In September 2012, the Company, as borrower, entered into a facility agreement with a bank as lender in respect of an unsecured 5-year term loan facility of US$40 million (HK$312 million) (the "**B Loan**") to finance the general corporate funding requirements of the Company. There was no outstanding balance under the B Loan as at 30 June 2013.

In November 2012, the Company, as borrower, entered into a facility agreement with a syndicate of financial institutions as lenders in respect of an unsecured term loan facility of US$400 million (HK$3,120 million) (the "**C Loan**") to finance the general corporate funding requirements of the Company. The C Loan has a tenor of 5 years commencing from the date of first utilisation, subject to a put option requiring repayment on the date falling 3 years from the date of first utilisation. The first utilisation was made in May 2013. The outstanding balance of the C Loan as at 30 June 2013 was US$50 million (HK$390 million).

The Group leases certain of its plant and machinery for its coal mine operation. The leases are classified as finance leases.

The bond obligations represent the outstanding amount of the Notes issued by CITIC Resources Finance (2007) Limited ("**CR Finance**"), a direct wholly-owned subsidiary of the Company. The obligations of CR Finance under the Notes are guaranteed by the Company. The net proceeds of the Notes were used by the Group to facilitate the acquisition of the Kazakhstan Interests (which mainly comprise 50% of the issued voting shares of JSC Karazhanbasmunai) and for general working capital requirements.

The Offer was launched with a view to lowering the finance costs and managing the refinancing needs of the Group in respect of the Notes. In February 2013, the Offer was completed and a total of US$201.08 million (HK$1,568.4 million) in principal amount of the Notes was repurchased at an aggregate consideration of HK$1,661.9 million plus accrued interest. The Offer resulted in a one-off expense of HK$91.5 million and the Notes repurchased were cancelled. Further details of the Offer are set out in the announcements of the Company dated 4 January, 18 January, 4 February and 7 February 2013.

As at 30 June 2013, the Group's net debt to net total capital was 29.2% (31 December 2012: 11.5% as restated). Of the total debt, HK$7,111.5 million was repayable within one year, including mainly the outstanding amount of the Notes and trade finance.

Share capital

During the Period, the Company issued a total of 2,790,000 new ordinary shares of HK$0.05 each in the share capital of the Company as a result of the exercise of share options at an exercise price of HK$1.018 per share. The proceeds of the subscription amounted to HK$2.8 million and were received in cash.

Financial risk management

The Group's diversified business is exposed to a variety of risks, such as market risks (including foreign currency risk, price risk, interest rate risk and inflation risk), credit risk and liquidity risk. The management of such risks is dictated by a set of internal policies and procedures designed to minimise potential adverse effects to the Group. The policies and procedures have proved effective.

The Group enters into derivative transactions, including principally forward currency contracts, forward commodity contracts, interest rate swap contracts, an embedded derivative and an electricity hedge agreement. The purpose is to manage the foreign currency risk, price risk, interest rate risk and inflation risk arising from the Group's operations and its sources of finance.

Opinion

The Board is of the opinion that, after taking into account the existing available borrowing facilities and internal resources, the Group has sufficient resources to meet its foreseeable working capital requirements.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2013, the Group had around 350 full time employees, including management and administrative staff.

The Group's remuneration policy seeks to provide fair market remuneration in a form and value to attract, retain and motivate high quality staff. Remuneration packages are set at levels to ensure comparability and competitiveness with other companies in the industry and market competing for a similar talent pool. Emoluments are also based on an individual's knowledge, skill, time commitment, responsibilities and performance and by reference to the Group's profits and performance. Rent-free quarters are provided to some employees in Indonesia.

CORPORATE GOVERNANCE CODE

Throughout the Period, the Company has applied the principles and complied with the applicable code provisions, and also complied with certain recommended best practices, of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct for dealings in the securities of the Company by its directors (the "**Securities Dealings Code**") that is based on the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules (or on terms no less exacting than the Model Code).

All directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Securities Dealings Code throughout the Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Period.

REVIEW OF ACCOUNTS

The audit committee has reviewed these unaudited interim results with the management of the Company.

By Order of the Board
CITIC Resources Holdings Limited
Kwok Peter Viem
Chairman

Hong Kong, 23 August 2013

As at the date hereof, the executive directors of the Company are Mr. Kwok Peter Viem; Mr. Zeng Chen; Mr. Guo Tinghu and Ms. Li So Mui, the non-executive directors are Mr. Qiu Yiyong; Mr. Tian Yuchuan; Mr. Wong Kim Yin and Mr. Zhang Jijing, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji; Mr. Hu Weiping and Mr. Ngai Man.