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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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board of directors (the “**Board**”) of CITIC Resources Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024.

FINANCIAL HIGHLIGHTS

Year ended 31 December	2024 HK\$ million	2023 HK\$ million	Increase
Revenue	9,497.8	3,825.6	148.3%
EBITDA ¹	1,472.1	1,342.9	9.6%
Adjusted EBITDA ²	2,084.4	2,056.1	1.4%
Profit attributable to ordinary shareholders of the Company	572.6	551.8	3.8%

¹ EBITDA represents profit before tax, finance costs, depreciation and amortisation

² Adjusted EBITDA represents the aggregate of EBITDA and share of finance cost, depreciation, amortisation, income tax expenses and non-controlling interests of a joint venture

Oil prices have confounded expectations in the first quarter of 2024, with Brent oil price hitting a high of US\$78.0 per barrel. Although Organisation of Petroleum Exporting Countries (the “OPEC”) announced delays to increase production multiple times in 2024, the production growth from non-OPEC members continued to increase, offsetting OPEC production cuts. Following this, weakening global economic growth contributed to downward pressure on the Brent oil price. As a result of the offsetting production and weakening demand, the Brent oil price continued to trend down in the second half of 2024, averaging US\$75.0 per barrel during the fourth quarter of 2024.

During the year, the Group recorded a profit attributable to ordinary shareholders of the Company of approximately HK\$572.6 million (2023: HK\$551.8 million), representing an increase of approximately 3.8% year-on-year. The change was mainly attributable to the following factors:

- (i) a gain on transferring all the equity interest in Alumina Limited (“AWC”) held by the Group, which was the former associate of the Group, in consideration for interests in Alcoa Corporation, representing an increase in the Group’s profit after tax of approximately HK\$114.4 million;
- (ii) a significant increase in the share of profit of AWC year-on-year;
- (iii) a slightly decrease in average selling price of crude oil sold by the Group year-on-year;
and
- (iv) a significant decrease in average selling price of coal sold by the Group year-on-year.

All of the Group’s segments and investments recorded profits for the year ended 31 December 2024 and the Group continues to maintain a strong financial position with cash and deposits of approximately HK\$2,031.4 million as at 31 December 2024 (2023: HK\$1,483.8 million).

FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT

Year ended 31 December

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	3	9,497,808	3,825,577
Cost of sales		<u>(8,767,291)</u>	<u>(2,824,203)</u>
Gross profit		730,517	1,001,374
Other income, gains and losses, net	4	296,325	102,656
General and administrative expenses		(274,198)	(272,527)
Other expenses, net		(79,214)	(258,553)
Finance costs	5	(96,069)	(162,763)
Reversal for impairment of trade and other receivables		1,440	739
Share of results of:			
An associate		2,316	(112,523)
A joint venture		<u>239,640</u>	<u>398,357</u>
Profit before tax	6	820,757	696,760
Income tax expense	7	<u>(213,397)</u>	<u>(77,927)</u>
Profit for the year		<u>607,360</u>	<u>618,833</u>
Attributable to:			
Ordinary shareholders of the Company		572,581	551,803
Non-controlling interests		<u>34,779</u>	<u>67,030</u>
		<u>607,360</u>	<u>618,833</u>
Earnings per share attributable to ordinary shareholders of the Company	8	HK cents	HK cents
Basic		<u>7.29</u>	<u>7.02</u>
Diluted		<u>7.29</u>	<u>7.02</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December

	2024 HK\$'000	2023 HK\$'000
Profit for the year	<u>607,360</u>	<u>618,833</u>
Other comprehensive loss		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the year	(12,783)	–
Income tax effect	3,835	–
Financial asset at fair value through other comprehensive income		
Fair value changes during the year	4,299	–
Income tax effect	(1,290)	–
	<u>(5,939)</u>	<u>–</u>
Exchange differences on translation of foreign operations	(70,581)	(77,683)
Share of other comprehensive loss of an associate, net of tax	–	(4,857)
Share of other comprehensive (loss)/income of a joint venture	(131,546)	873
Release of reserve upon disposal of investment in an associate	196,292	–
	<u>(11,774)</u>	<u>(81,667)</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Re-measurement loss on defined benefit plan	4,975	(4,607)
Income tax effect	(1,492)	1,382
	<u>3,483</u>	<u>(3,225)</u>
Share of other comprehensive (loss)/income of a joint venture	(30,976)	12,500
Share of other comprehensive income of an associate	–	757
	<u>(27,493)</u>	<u>10,032</u>
Other comprehensive loss for the year, net of tax	<u>(39,267)</u>	<u>(71,635)</u>
Total comprehensive income for the year	<u><u>568,093</u></u>	<u><u>547,198</u></u>
Attributable to:		
Ordinary shareholders of the Company	517,200	487,815
Non-controlling interests	50,893	59,383
	<u><u>568,093</u></u>	<u><u>547,198</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment		3,709,960	3,988,055
Right-of-use assets		56,450	49,003
Mining assets		234,097	242,232
Exploration, evaluation and development expenditures		62,726	61,876
Investment in an associate		–	1,821,296
Investment in a joint venture		2,690,406	2,786,632
Financial asset at fair value through other comprehensive income		2,289,703	–
Prepayments, deposits and other receivables		16,463	44,090
Time deposits		134,717	118,497
Deferred tax assets		5,944	171,640
Pension assets		9,062	4,704
		<u>9,209,528</u>	<u>9,288,025</u>
Total non-current assets			
Current assets			
Inventories		562,244	435,861
Trade receivables	10	689,541	239,688
Prepayments, deposits and other receivables		91,130	104,310
Derivative financial instruments		89,253	72,691
Cash and deposits	11	2,031,447	1,483,816
		<u>3,463,615</u>	<u>2,336,366</u>
Total current assets			
Current liabilities			
Accounts payable	12	746,281	242,729
Tax payable		91,924	91,167
Accrued liabilities and other payables		657,832	606,026
Bank and other borrowings		1,010,990	350,000
Lease liabilities		16,016	24,663
Derivative financial instruments		12,782	–
Provision for long-term employee benefits		27,386	32,120
Provisions		14,236	11,531
		<u>2,577,447</u>	<u>1,358,236</u>
Total current liabilities			
Net current assets		<u>886,168</u>	<u>978,130</u>
Total assets less current liabilities		<u>10,095,696</u>	<u>10,266,155</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December

	2024 HK\$'000	2023 HK\$'000
Non-current liabilities		
Bank and other borrowings	957,780	1,439,880
Lease liabilities	26,734	16,196
Deferred tax liabilities	285,759	339,927
Provision for long-term employee benefits	14,177	23,965
Provisions	598,173	604,764
	<u>1,882,623</u>	<u>2,424,732</u>
Total non-current liabilities		
	<u>1,882,623</u>	<u>2,424,732</u>
Net assets	<u>8,213,073</u>	<u>7,841,423</u>
Equity		
Equity attributable to ordinary shareholders of the Company		
Issued capital	392,886	392,886
Reserves	7,689,654	7,368,897
	<u>8,082,540</u>	<u>7,761,783</u>
Non-controlling interests	<u>130,533</u>	<u>79,640</u>
Total equity	<u>8,213,073</u>	<u>7,841,423</u>

NOTES

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for financial asset at fair value through other comprehensive income, derivative financial instruments and defined benefit pension plans plan assets which have been measured at fair value. The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”).

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2024 (“**Financial Statements**”). A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to ordinary shareholders of the Company and also to the non-controlling interests. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for these Financial Statements.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HK Interpretation 5 (Revised)	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the above new and revised HKFRSs in the current year has no material impact to the Group.

3. 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 Portland Aluminium Smelter 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 trading of crude oil and oil products around the world and trading of alumina in Australia; and
- (d) the crude oil segment comprises the operation of oilfields and the sale of crude 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 result, which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, and share of results of an associate and a joint venture as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude investment in an associate, investment in a joint venture, financial asset at fair value through other comprehensive income, deferred tax assets, cash and deposits, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude bank and other borrowings, lease liabilities, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

3. OPERATING SEGMENT INFORMATION *(continued)*

Year ended 31 December 2024 HK\$'000	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
Segment revenue:					
Sales to external customers	1,363,722	787,130	5,930,570	1,416,386	9,497,808
Other income, gains and losses, net	56,414	22,181	(947)	24,102	101,750
	<u>1,420,136</u>	<u>809,311</u>	<u>5,929,623</u>	<u>1,440,488</u>	<u>9,599,558</u>
Segment results	71,513	36,005	1,668	521,082	630,268
<i>Reconciliations:</i>					
Interest income and unallocated gains and losses, net					184,860
Unallocated expenses					(140,258)
Unallocated finance costs					(96,069)
Share of results of:					
An associate					2,316
A joint venture					239,640
Profit before tax					<u>820,757</u>
Segment assets	1,057,175	708,773	531,892	3,326,541	5,624,381
<i>Reconciliations:</i>					
Financial asset at fair value through other comprehensive income					2,289,703
Investment in a joint venture					2,690,406
Unallocated assets					2,068,653
Total assets					<u>12,673,143</u>
Segment liabilities	509,935	258,963	531,476	588,281	1,888,655
<i>Reconciliations:</i>					
Unallocated liabilities					2,571,415
Total liabilities					<u>4,460,070</u>
Other segment information:					
Depreciation and amortisation	52,014	64,574	–	429,597	546,185
Unallocated amounts					14,002
					<u>560,187</u>
Reversal of impairment in the consolidated income statement					
Reversal of impairment of trade receivables	–	–	–	(1,440)	(1,440)
Provision of impairment in the consolidated income statement					
Provision for impairment of property, plant and equipment	–	–	–	51,476	51,476
					<u>50,036</u>
Capital expenditure ¹	16,518	25,141	–	336,787	378,446
Unallocated amounts					2,531
					<u>380,977</u>
Additions to right-of-use assets	<u>–</u>	<u>45,071</u>	<u>–</u>	<u>364</u>	<u>45,435</u>

¹ Capital expenditure consists of additions to property, plant and equipment, mining assets and exploration, evaluation and development expenditures.

3. OPERATING SEGMENT INFORMATION *(continued)*

Year ended 31 December 2023 HK\$'000	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
Segment revenue:					
Sales to external customers	1,239,638	1,111,179	519	1,474,241	3,825,577
Other income, gains and losses, net	17,788	9,586	(6,940)	25,082	45,516
	<u>1,257,426</u>	<u>1,120,765</u>	<u>(6,421)</u>	<u>1,499,323</u>	<u>3,871,093</u>
Segment results	206,566	376,364	(4,127)	934,031	1,512,834
<i>Reconciliations:</i>					
Interest income and unallocated gains and losses, net					57,140
Unallocated expenses					(996,285)
Unallocated finance costs					(162,763)
Share of results of:					
An associate					(112,523)
A joint venture					398,357
Profit before tax					<u>696,760</u>
Segment assets	945,664	764,032	178	3,585,172	5,295,046
<i>Reconciliations:</i>					
Investment in an associate					1,821,296
Investment in a joint venture					2,786,632
Unallocated assets					1,721,417
Total assets					<u>11,624,391</u>
Segment liabilities	444,348	282,662	–	625,540	1,352,550
<i>Reconciliations:</i>					
Unallocated liabilities					2,430,418
Total liabilities					<u>3,782,968</u>
Other segment information:					
Depreciation and amortisation	31,407	67,348	–	369,020	467,775
Unallocated amounts					15,607
					<u>483,382</u>
Reversal of impairment in the consolidated income statement					
Write-back of inventories to net realisable value	–	–	–	(2,589)	(2,589)
Reversal of impairment of property, plant and equipment	(293,126)	–	–	(249,700)	(542,826)
Reversal of impairment of mining assets	–	(60,786)	–	–	(60,786)
Reversal of impairment of exploration, evaluation and development expenditures	–	(41,140)	–	–	(41,140)
Reversal of impairment of trade receivables	–	–	(739)	–	(739)
Provision of impairment in the consolidated income statement					
Provision for impairment of an associate					844,724
					<u>196,644</u>
Capital expenditure ¹	12,650	34,250	–	322,872	369,772
Unallocated amounts					477
					<u>370,249</u>
Additions to right-of-use assets	<u>–</u>	<u>10,988</u>	<u>–</u>	<u>–</u>	<u>10,988</u>

¹ Capital expenditure consists of additions to property, plant and equipment, mining assets and exploration, evaluation and development expenditures.

3. OPERATING SEGMENT INFORMATION *(continued)*

Geographical information

(a) Revenue from external customers

	2024	2023
	HK\$'000	HK\$'000
Mainland China	1,361,417	1,406,152
Australia	6,478	21,414
Europe	1,748,110	868,725
Other Asian countries	6,134,197	1,297,723
Others	247,606	231,563
	<u>9,497,808</u>	<u>3,825,577</u>

The revenue information above is based on the location of the customers.

(b) Non-current assets

	2024	2023
	HK\$'000	HK\$'000
Hong Kong	4,299	13,744
Mainland China	3,066,147	3,290,592
Australia	3,335,028	2,916,397
Kazakhstan	2,690,737	2,787,090
Other Asian countries	98,311	103,858
	<u>9,194,522</u>	<u>9,111,681</u>

The non-current assets information above is based on the location of the assets which exclude deferred tax assets and pension assets.

3. OPERATING SEGMENT INFORMATION *(continued)*

Information about major customers

During the year, revenue of HK\$2,151,366,000 (2023: nil) and HK\$1,433,034,000 (2023: nil) were derived from sales to two customers of the import and export of commodities segment, respectively. Both of these two customers amounted to more than 10% of Group's revenue for the year.

During the year, revenue of HK\$1,323,391,000 (2023: HK\$1,406,152,000) was derived from sales to a customer of the crude oil segment, which amounted to more than 10% of the Group's revenue for the year.

4. OTHER INCOME, GAINS AND LOSSES, NET

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

	2024 HK\$'000	2023 HK\$'000
Interest income	61,226	73,917
Gain on disposal of investment in an associate	163,438	–
Dividend income	12,417	–
Sale of scrap	7,602	10,082
Loss on disposal of items of exploration, evaluation and development expenditures	–	(6,725)
Loss on disposal of items of property, plant and equipment, net	(4,228)	(1,414)
Fair value gain on derivative financial instruments	16,562	–
Exchange gain/(losses), net	21,741	(6,592)
Others	17,567	33,388
	<u>296,325</u>	<u>102,656</u>

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 HK\$'000	2023 HK\$'000
Interest expense on bank and other borrowings	68,150	136,195
Interest expense on lease liabilities	<u>1,265</u>	<u>1,564</u>
	69,415	137,759
Other finance charges:		
Increase in discounted amounts of provisions arising from the passage of time	22,149	17,188
Others	<u>4,505</u>	<u>7,816</u>
	<u>96,069</u>	<u>162,763</u>

6. PROFIT BEFORE TAX

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

	2024 HK\$'000	2023 HK\$'000
Cost of inventories sold	8,767,291	2,824,203
Depreciation of property, plant and equipment	512,434	434,006
Depreciation of right-of-use assets	37,397	34,488
Amortisation of mining assets	10,356	14,888
Loss on disposal of items of property, plant and equipment, net	4,228	1,414
Loss on disposal of items of exploration, evaluation and development expenditures	–	6,725
Gain on disposal of investment in an associate	(163,438)	–
Fair value loss on derivative financial instruments*	–	30,304
Fair value gain on derivative financial instruments	(16,562)	–
Exchange (gains)/losses, net	(21,741)	6,592
Write-back of inventories to net realisable value*	–	(2,589)
Reversal of impairment of trade receivables	(1,440)	(739)
Reversal of impairment of mining assets*	–	(60,786)
Reversal of impairment of exploration, evaluation and development expenditures*	–	(41,140)
Provision/(reversal) for impairment of property, plant and equipment*	51,476	(542,826)
Provision for impairment of an associate*	<u>–</u>	<u>844,724</u>

* Included in "Other expenses, net" in the consolidated income statement.

7. INCOME TAX EXPENSE

	2024 HK\$'000	2023 HK\$'000
Current – Hong Kong	–	–
Current – Elsewhere		
Charge for the year	162,560	168,632
Withholding tax	9,003	–
Under/(over) provision in prior years	21	(349)
Deferred taxation	<u>41,813</u>	<u>(90,356)</u>
Total tax expense for the year	<u><u>213,397</u></u>	<u><u>77,927</u></u>

Assessable profits derived in Hong Kong is subject to a tax rate of 16.5% (2023:16.5%). No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the year (2023: Nil).

Withholding tax on dividend income from an overseas joint venture is provided at 5% (2023: Nil).

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

Australia: The Group's subsidiaries incorporated in Australia were subject to Australian income tax at a rate of 30% (2023: 30%).

Indonesia: The corporate tax rate applicable to the subsidiary which is operating in Indonesia was 25% (2023: 25%). The Group's subsidiary owning a participating interest in the oil and gas properties in Indonesia was subject to branch tax at the effective tax rate of 15% (2023: 15%).

Mainland China: The Group's subsidiaries registered in Mainland China were subject to corporate income tax at a rate of 25% (2023: 25%).

Kazakhstan: The Group's subsidiary incorporated in Kazakhstan was subject to corporate income tax at the rate of 20% (2023: 20%).

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

The calculation of the basic earnings per share amount was based on the profit for the year attributable to ordinary shareholders of the Company of HK\$572,581,000 (2023: HK\$551,803,000) and the weighted average number of ordinary shares in issue during the year, which was 7,857,727,149 (2023: 7,857,727,149) shares.

The Group had no potentially dilutive ordinary shares in issue during 2024 (2023: same).

9. DIVIDEND

	2024 HK\$'000	2023 HK\$'000
Proposed final dividend of HK2.60 cents (2023: HK2.50 cents) per ordinary share	<u>204,301</u>	<u>196,443</u>

The proposed final dividend for the year is subject to the approval of shareholders at the forthcoming annual general meeting of the Company.

10. TRADE RECEIVABLES

An ageing analysis of the trade receivables, based on the invoice date and net of loss allowance, was as follows:

	2024 HK\$'000	2023 HK\$'000
Within one month	689,541	234,367
One to two months	–	5,321
Two to three months	–	–
Over three months	–	–
	<u>689,541</u>	<u>239,688</u>

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

11. CASH AND DEPOSITS

	2024 HK\$'000	2023 HK\$'000
Cash and bank balances	562,005	493,578
Time deposits	<u>515,531</u>	<u>384,144</u>
	1,077,536	877,722
Less: Time deposit with original maturity more than one year	<u>(134,717)</u>	<u>(118,497)</u>
Cash and cash equivalents	942,819	759,225
Deposits with a fellow subsidiary	<u>1,088,628</u>	<u>724,591</u>
Cash and deposits	<u><u>2,031,447</u></u>	<u><u>1,483,816</u></u>

12. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable, based on the invoice date, was as follows:

	2024 HK\$'000	2023 HK\$'000
Within one month	731,421	242,729
One to three months	13,813	–
Over three months	<u>1,047</u>	<u>–</u>
	<u><u>746,281</u></u>	<u><u>242,729</u></u>

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

BUSINESS REVIEW

2024 was a year full of challenges and changes. The global economy exhibited a weak trend of recovery, yet the uncertainty and complexity of growth lingered around. Given the rise of trade protectionism around the world, countries strengthened their protection on their respective local industries, affecting the stable and efficient operation of the global supply chain and different industries of the world. Geopolitical competition entered into a brand new stage, and international trading and commodity prices were under significant influence accordingly. In 2024, a complex and changing situation was being seen in the commodity market, which made the commodity price trend become more unpredictable. The average prices of Brent crude oil, aluminium and coal for the year were US\$80.7 per barrel (representing a year-on-year decrease of approximately 2.4%), US\$2,419.7 per tonne (representing a year-on-year increase of approximately 2.5%) and US\$162.6 per tonne (representing a year-on-year decrease of approximately 24.8%). The short-term increase in the aluminium price and the significant decrease in the coal price continued to put pressure on the net profit of the Group's non-oil-and-gas business.

With the Company's slogan of "changing mindsets, operating scientifically, strengthening the team and enhancing style" and under the leadership of the Board and the management team, the employees of the Group dealt with various risks and challenges, addressed issues and resolved risks directly in order to facilitate the steady development of the Group. The Group is achieving remarkable results in terms of revenues and profits by achieving a positive performance of growth, reached targets and made breakthroughs for both revenues and profits. During the year, the Group recorded revenue of approximately HK\$9.5 billion, representing a year-on-year increase of approximately 148.3%, and profit attributable to ordinary shareholders of the Company of approximately HK\$572.6 million, representing a year-on-year increase of approximately 3.8%. As at 31 December 2024, the Group had total assets of approximately HK\$12.7 billion and net assets attributable to ordinary shareholders of the Company of approximately HK\$8.1 billion. The gearing ratio and interest-bearing debt ratio decreased to approximately 35.2% and 15.5% respectively, and the return on net assets was approximately 7.2%. The Group proposes to distribute a final dividend of HK2.6 cents per ordinary share for the year ended 31 December 2024 (2023: HK2.5 cents).

Oil and Gas Business

During the year, the Group's oil and gas business operated smoothly. With technological innovations, the Group continuously improved the management proficiency of exploration and development of existing oilfields and further explored their potential. Started with the refined reserve management, the Group enhanced the efficiency of reserve development, thus increasing its reserves and output. Meanwhile, the Group continuously strengthened the introduction of new technologies and processes to improve production efficiency, so as to ensure the stable operation of existing oilfields. In 2024, the Group's oil and gas business achieved an operating output of approximately 17.6 million barrels and an equity production of approximately 9.5 million barrels, representing a year-on-year increase of approximately 3.2% and 3.0% respectively. The oil and gas business achieved an annual revenue of approximately HK\$1.4 billion, representing a year-on-year decrease of approximately 3.9%, and contributed an approximate HK\$338.0 million to the net profit attributable to the ordinary shareholders of the Company, representing a year-on-year decrease of approximately 50.7%. Excluding the impact from the impairment reversal on the oil and gas properties in 2023 which led to a positive year-on-year effect, the fluctuations of international crude oil prices, the increase in operating costs as a result of high inflation rates in the countries where existing oilfields were located and the increase in depreciation caused by the reversal on the oil and gas properties combined to constitute adverse impacts on the profitability of the oil and gas business.

Overall, the Hainan Block 20 of Yuedong oilfields delivered promising exploration and evaluation results, which implied a promising reserve existed in the Hainan Block 20. To deal with this reserve, we adopted a variety of measures such as energy replenishment via nitrogen injection, plugging the upper water layer and stratified development. The development outcomes have improve, achieving an equity production of approximately 2.2 million barrels, representing a year-on-year growth of approximately 0.9%, a net profit attributable to the ordinary shareholders of the Company of approximately HK\$336.3 million, representing a year-on-year decrease of approximately 47.8%. KBM oilfields actively promoted rolling explorations in the buried hill and coastal areas, which ensured the C1 grade reserves of the coastal area. They initiated the trail and research of physical and chemical sand flushing approaches to study the mechanical tools for negative pressure sand flushing and the use of nitrogen foam method to solve the sand flushing issue, and also spared no effort to introduce microbial enhanced oil recovery technologies for heavy oil and to enable the continuous improvement of shallow heavy oil reserves of KBM. Consequently, the equity production was approximately 7.2 million barrels during the year, representing a year-on-year increase of approximately 4.9%, with a profit attributable to ordinary shareholders of the Company of approximately HK\$239.6 million, representing a year-on-year decrease of approximately 39.8%. Seram oilfields actively facilitated the approval of POD for natural gas reserves in the Lofin area, strengthened the scientific adjustment of wells in production, carried out workover for existing wells and attempted to adopt technologies like chemical water plugging. However, as the development of existing reserves entered the middle and later stages of higher water content, the deferral of field production accelerated. During the year, the equity production was approximately 117,000 barrels, representing a year-on-year decrease of 21.5%, with a net profit attributable to the ordinary shareholders of the Company of approximately HK\$1,667,000, representing a year-on-year decrease of approximately 95.9%, which was mainly due to the decline in output and sales.

Upon the completion of the establishment of rules and mechanisms, the improvement of risk control systems and the preparation for application systems for counterparty access and credit lines in 2023, the trading business commenced during the year. With the steady growth in the revenue from trading, the trading revenue was approximately HK\$5.9 billion for the year, becoming an essential drive of the new development of the Group. Meanwhile, the trade and marketing department coordinated with various oil field projects to increase the sales price of equity oil with reference to respective local conditions, expand the export channels of equity oil of Yuedong oilfields and encouraged current customers to increase crude oil prices. It also predicted the adverse effects of the completion of the North American high-sulfur oil pipeline in advance, concluded the 3-year crude oil sales bidding of Seram oilfields to lock the future income and actively explored new crude oil sales channels and directions of KBM oilfields, so as to enhance the market value of equity oil in a diversified way.

Non-Oil-and-Gas Business

In 2024, the Group's non-oil-and-gas business included investment in joint venture projects, such as Portland Aluminium Smelter ("PAS") and Coppabella Moorvale Coal Mine Joint Venture ("CMJV"). As a minority shareholder in the joint venture projects, the Group fully exercised its shareholder rights to deeply participate in the daily production and process management of the project, identified and resolved problems promptly and widely spread out the Group's of improving quality and enhancing efficiency to the operators. The Group steadily facilitated the capacity recovery of PAS, entered into a new hedging agreement with the independent electricity suppliers and capitalized on the favorable opportunity arising from the price rebound of aluminium for further cost reduction and efficiency improvement. In addition, the Group actively coordinated resources of various kinds to assist CMJV's coal business in solving the capacity bottleneck issue. During the year, the Group's non-oil-and-gas business achieved an annual operating income of approximately HK\$2.2 billion, representing a year-on-year decrease of approximately 8.5%, and contributed an approximate HK\$198.2 million to the net profit attributable to the ordinary shareholders of the Company and achieving a turnaround, with such gain resulting from, any others, the completion of the transfer of all the equity interest in AWC held by the Group in consideration of interests in Alcoa Corporation, achieving a net profit attributable to the ordinary shareholders of the Company of approximately HK\$114.4 million.

Overall, remarkable results were seen in the capacity recovery of PAS in 2024. Meanwhile, driven by the popularity of new electric vehicles, the demand for aluminium increased, which tightened its supply due to the lower than expected capacity supply of aluminium around the world, thereby resulting in a stable and rebound of prices of aluminium in 2024. During the year, the Group's sales of aluminium was approximately 63,000 tonnes, representing a year-on-year decrease of approximately 6.0%. The average sales price for the year was approximately US\$2,763.5 per tonne, representing a year-on-year increase of approximately 17.1%. Owing to the increasing price of alumina raw materials, the profit margin of aluminium smelting was under pressure, resulting in a net profit attributable to the ordinary shareholders of the Company of approximately HK\$48.4 million. Taking out the effect of the impairment for the previous year, the net profit attributable to the ordinary shareholders of the Company for the year represented a year-on-year decrease of approximately 66.0%.

During the year, the Group's transferring the 9.6117% interest in AWC in consideration of interest in Alcoa Corporation was on the right track, and achieved a post-tax profit of approximately HK\$112.5 million.

Regarding the coal business, coal prices remained low in 2024, and CMJV achieved an average coal sales price of approximately US\$168.6 per tonne, representing a year-on-year decrease of approximately 22.1%. CMJV coal mines were affected by adverse factors in 2024, such as the overhaul of transportation railways and the damage of loading equipment in ports. The annual coal sales was 599,000 tonnes, representing a year-on-year decrease of approximately 8.8%. The Group's coal business achieved a net profit attributable to the ordinary shareholders of the Company of approximately HK\$31.0 million, representing a year-on-year decrease of approximately 88.6%, mainly due to the impact of the continued decline in coal prices and the lowered output and sales. The Group will continue to fully exercise its shareholder rights and assist CMJV in solving the bottleneck issue of coal transportation.

FINANCIAL MANAGEMENT

As at 31 December 2024, the Group's net debt to net total capital ratio was nil (31 December 2023: 4.2%). Of the Group's total debt, approximately HK\$1,027.0 million was repayable within one year, including a bank borrowing and lease liabilities. The Group's financial position and liquidity remained robust throughout the year.

OUTLOOK

In 2025, the external environment is still highly uncertain with the co-existence of both challenges and opportunities. The global economy will maintain a mild stagflation pattern. With the de-escalation of the Russia-Ukraine war and the Palestinian-Israeli conflict and the increase in crude oil production in the United States, it is expected that the prices of bulk commodities, including oil, aluminium and coal, will continue to be under pressure, which will bring about greater challenges to the Group's operations. At the same time, the pace of global energy transformation keeps on going. Opportunities for investment transformation are generated by the rise of renewable energy and the expansion of scale of the circular economy. The rapid development of digital and intelligent technologies will also reduce costs by significantly improving the efficiency of exploration and development of oil, gas and minerals. The "Belt and Road" international cooperation projects initiated by China will also provide the Group with more opportunities in the overseas market.

2025 is a critical year for the Group to stabilize its principal business, adjust its structure and achieve transformation and development. The Group will implement the business strategy of "consolidating existing principal business and expanding the dual-wheel drive of "investment+trading". In respect of consolidating existing principal business, the Group will continue to step up its efforts in increasing reserves and output, continuously enlarge the scale of production and sales, continue to introduce new processes and technologies and empower the development of the Group through technological innovation. Regarding the expansion of the dual-wheel drive of "investment+trading", the Group will steadily expand the oil and gas trading business provided that the risks are all controllable. It is planned that, with low-risk trading businesses, the Group will get familiar with and engage the market in the next 2 to 3 years. After improving its market rating and enhancing the market influence, the Group will be fully prepared to obtain first-hand resources from crude oil producers in the future and get ready to start the long proprietary trading business of its own. At the same time, the Group will be able to have more financing and investment opportunities to form a virtuous circle and its investment business will focus on the key metal industry chain, such as aluminium, and to obtain product underwriting rights through minority equity investment. According to the current status of business development, the Group will focus on establishing "small yet wonderful" resource projects. The Group is eager to invest in projects within the aluminium industry chain in existing mature markets on one hand, and attempts to implement green electricity transformation, industry chain extension, cutting-edge primary aluminium manufacturing and other multi-field industrial upgrading on the other hand. The Group will rely on the dual-wheel drive of "investment+trading" to gradually transform into a professional listed company in the resource and energy sector.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash and Deposits

In 2024, the Group continues to maintain a strong financial position, with cash and deposits balances amounting to approximately HK\$2,031.4 million as at 31 December 2024 (31 December 2023: HK\$1,483.8 million).

Borrowings and Banking Facilities

As at 31 December 2024, the Group had total debt of approximately HK\$2,011.5 million (31 December 2023: HK\$1,830.7 million), over 97.9% of the Group's total debts are denominated in RMB (31 December 2023: over 78.7% are dominated in US\$) which comprised:

- unsecured bank borrowings of approximately HK\$1,011.0 million (31 December 2023: HK\$1,009.9 million);
- unsecured other borrowings of approximately HK\$957.8 million (31 December 2023: HK\$780.0 million); and
- lease liabilities of approximately HK\$42.7 million (31 December 2023: HK\$40.8 million).

Most of the transactions in the Group's import and export of commodities business are debt-funded. However, in contrast to loans, these borrowings are self-liquidating, transaction-specific and of short durations, as well as match the terms of the underlying transactions. Upon receipt of sales proceeds following the completion of a transaction, the related borrowings would be repaid accordingly.

The Group's total debt increased by approximately HK\$180.8 million which was mainly due to the net borrowing of bank and other borrowings amounted to approximately HK\$178.9 million during the year.

The Group aims to maintain the cash and deposits and undrawn banking facilities at approximately US\$526.4 million (equivalent to approximately HK\$4,105.9 million) as at 31 December 2024, at a reasonable level to meet the debt repayments and capital expenditures in the coming year.

On 29 December 2022, the Company entered into a facility agreement with CITIC Finance International Limited (a fellow subsidiary of the Company) in respect of an unsecured 3-year revolving loan facility of US\$150.0 million (HK\$1,170.0 million) (the “**A Loan**”). As at 31 December 2024, the outstanding balance of the A Loan was fully repaid.

In June 2021, a wholly-owned subsidiary of the Company entered into an unsecured 3-year committed US\$200.0 million (equivalent to approximately HK\$1,560.0 million) term loan facility agreement with China CITIC Bank International Limited (a fellow subsidiary of the Company) (the “**B Loan**”), effective from 24 June 2021. On 30 June 2023, the B Loan was extended for 2 years, with a new maturity date of 30 June 2026. As at 31 December 2024, the agreement for the B Loan had been expired.

In November 2024, a wholly-owned subsidiary of the Company entered into an unsecured 1-year total uncommitted multi-currency credit facility of approximately US\$140.0 million (equivalent to approximately HK\$1,092.0 million). (the “**C Loan**”). As at 31 December 2024, the outstanding balance of the C Loan was RMB950.0 million (equivalent to approximately HK\$1,010.9 million), which is interest-bearing at CNH Hong Kong Interbank Offered Rate plus margin per annum, repayable in 2025.

On 22 May 2023, the Company entered into a facility agreement with Mizuho Bank, Ltd, Hong Kong branch and Bank of China (Hong Kong) Limited for an unsecured 3-year committed revolving loan facility of US\$100.0 million (equivalent to approximately HK\$780.0 million) (the “**D Loan**”). As at 31 December 2024, the outstanding balance of the D Loan was fully repaid.

In January and December 2024, a 90%-owned subsidiary of the Company entered into two unsecured 2-year credit facility agreements with CITIC Finance Company Limited (a fellow subsidiary of the Company) for a total of RMB1,000.0 million (equivalent to approximately HK\$1,064.2 million), RMB800.0 million (equivalent to approximately HK\$851.4 million) (the “**E Loan**”) and RMB200.0 million (equivalent to approximately HK\$212.8 million) (the “**F Loan**”) respectively. As at 31 December 2024, the total outstanding balance of the E Loan was RMB720 million and F loan was RMB180 million (equivalent to approximately HK\$957.8 million), which are interest-bearing at 1-year Loan Prime Rate deduct margin per annum, repayable in 2026.

Trade Finance

The Group's normal trading operations are well supported by US\$280.0 million (equivalent to approximately HK\$2,223.0 million) in bank trading facilities that mainly include letters of credit issued to suppliers. A letter of credit is a common means of payment to suppliers to support cross-border trades. The Group's payment obligations on letters of credit issued to suppliers will only be crystallised when our suppliers have shipped the merchandise to our customers or to the Group in accordance with all the terms and conditions specified in the related contractual documents. As at 31 December 2024, approximately 78.9% of the trade finance facilities was used.

Finance Leases

The Group leases certain plant and machinery for its aluminium and coal mining operations under finance leases. The lease liabilities arising from these finance leases as at 31 December 2024 were approximately HK\$7.2 million (31 December 2023: HK\$13.2 million).

As at 31 December 2024, the Group's net debt to net total capital ratio was nil (31 December 2023: 4.2%). Of the Group's total debt, approximately HK\$1,027.0 million was repayable within one year, including a bank borrowing and lease liabilities.

Share capital

There was no movement in the share capital of the Company in 2024.

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 such as electricity hedge agreements and foreign exchange contracts. The purpose is to manage the price risk arising from the Group's operations.

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 31 December 2024, the Group had 193 full time employees, including management and administrative staff (31 December 2023: 195).

In addition, the Group would share the expenses of the subcontractor remuneration in respect of its investments as an operator (including the Seram Block, Indonesia and Hainan-Yuedong Block, China) and jointly owned investments (PAS and CMJV and some exploration rights), involving approximately 1,522 employees in total (2023: 1,529) and amounting to approximately HK\$337.1 million (2023: HK\$345.2 million).

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.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of HK2.60 cents per ordinary share for the year ended 31 December 2024 (the "**Final Dividend**") to shareholders whose names appear on the register of members of the Company on Tuesday, 24 June 2025. Subject to approval by shareholders at the forthcoming annual general meeting of the Company, the Final Dividend is payable to entitled shareholders on or around Thursday, 17 July 2025.

For determining the entitlement of shareholders to the Final Dividend, the register of members of the Company will be closed from Friday, 20 June 2025 to Tuesday, 24 June 2025, both days inclusive, during which period no transfer of shares will be registered. For the purpose of ascertaining entitlement of shareholders to the Final Dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 19 June 2025.

CORPORATE GOVERNANCE CODE

The Board is of the view that the Company had, for the year ended 31 December 2024, 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 C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), save and except for the following deviation from code provision C.2.1 of the Corporate Governance Code.

Code provision C.2.1 of the Corporate Governance Code stipulates that the role of chairman and chief executive should be separate and should not be performed by the same individual.

For the year ended 31 December 2024 and up to the date of this announcement, both positions of the Chairman and Chief Executive Officer have been held by Mr. Hao Weibao. In view of Mr. Hao’s personal profile, extensive relevant industry knowledge and working experience in multinational corporations, the Board has confidence that the vesting of the roles of both the Chairman and Chief Executive Officer in Mr. Hao would allow for more effective planning and execution of business strategies of the Group. Therefore, the Board considers that the deviation from the code provision C.2.1 of the Corporate Governance Code is not inappropriate. In addition, with the composition of, apart from Mr. Hao who is an executive Director, another executive Director, a non-executive Director and four independent non-executive Directors at the end of 31 December 2024 and as at the date of this announcement, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

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 (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 year.

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, nor were there any sale of treasury shares of the Company during the year. As at 31 December 2024, the Company did not held any treasury shares.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with rule 3.21 of the Listing Rules with responsibility for reviewing and providing supervision over the Group's financial reporting process. The audit committee comprises the three independent non-executive directors of the Company.

The audit committee has reviewed the annual results of the Group for the year ended 31 December 2024 with senior management and the external auditor of the Company.

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers ("PwC"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PwC in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PwC on the preliminary announcement.

PLEDGE OF ASSETS

As at 31 December 2024, the Group had no pledge of assets.

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no material contingent liabilities.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

There has been no important event or transaction affecting the Group and which is required to be disclosed by the Company to its shareholders from 1 January 2025 to the date of this announcement.

By Order of the Board
CITIC Resources Holdings Limited
Hao Weibao
Chairman

Hong Kong, 14 March 2025

As at the date hereof, Mr. Hao Weibao and Mr. Wang Xinli are executive directors of the Company, Mr. Chan Kin is a non-executive director of the Company, and Dr. Fan Ren Da, Anthony, Mr. Look Andrew and Mr. Lu Dequan and Dr. Cai Jin are independent non-executive directors of the Company.