CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

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 2013.

FINANCIAL HIGHLIGHTS

Year ended 31 December	**2013** **HK$ million**	2012 HK$ million	Change
		Restated	
Revenue	**39,319.2**	42,747.4	(8.0%)
Underlying EBIT [(1)]	**492.4**	1,197.2	(58.9%)
Loss attributable to shareholders	**(1,465.4)**	(1,283.9)	N/A

(1) loss before tax + finance costs + asset impairment losses + one-off expense of HK$91.5 million arising from the partial repurchase of the Notes (as defined below)

- Although the continuing fragile global economic recovery brought about reduced demand for energy and commodities and thus weaker product selling prices and sales in 2013, the Group's focused diversification strategy has to a certain extent managed to alleviate the impact with revenue decreasing by only 8.0% to HK$39,319.2 million.

- Pressure on margins and overall higher operating costs have affected the Group's performance with underlying EBIT dropping by 58.9% to HK$492.4 million.

- After taking into account a one-off expense of HK$91.5 million arising from the partial repurchase of the Group's US$1,000,000,000 6.75% senior notes due 2014 (the "**Notes**") as well as non-cash asset impairment losses, a loss attributable to shareholders of HK$1,465.4 million was recorded in 2013.

FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT
Year ended 31 December

	Notes	2013 HK$'000	2012 HK$'000 Restated
REVENUE	3	**39,319,183**	42,747,432
Cost of sales		**(38,835,582)**	(42,030,817)
Gross profit		**483,601**	716,615
Other income and gains	4	**616,790**	588,230
Selling and distribution costs		**(26,210)**	(59,234)
General and administrative expenses		**(369,749)**	(375,379)
Other expenses, net		**(561,580)**	(99,868)
Finance costs	5	**(731,087)**	(769,635)
Share of profit/(loss) of:			
Associates		**(102,839)**	(181,893)
A joint venture		**360,891**	608,767
		(330,183)	427,603
Impairment of investment in an associate		**—**	(1,502,000)
Provision for impairment of items of property, plant and equipment		**(1,777,308)**	—
Provision for impairment of other assets		**(23,233)**	(21,289)
LOSS BEFORE TAX	6	**(2,130,724)**	(1,095,686)
Income tax credit/(expense)	7	**527,870**	(205,263)
LOSS FOR THE YEAR		**(1,602,854)**	(1,300,949)
ATTRIBUTABLE TO:			
Shareholders of the Company		**(1,465,436)**	(1,283,923)
Non-controlling interests		**(137,418)**	(17,026)
		(1,602,854)	(1,300,949)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY	8	**HK cents**	HK cents
Basic		**(18.63)**	(16.32)
Diluted		**(18.63)**	(16.32)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December

	2013 HK$'000	2012 HK$'000 Restated
LOSS FOR THE YEAR	**(1,602,854)**	(1,300,949)
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	**696**	(6,900)
Reclassification adjustment for gains included in the consolidated income statement – gain on disposal	**(9,524)**	—
Income tax effect	**3,586**	2,070
	(5,242)	(4,830)
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the year	**(92,180)**	83,567
Reclassification adjustment for gains included in the consolidated income statement	**(198,038)**	(19,511)
Income tax effect	**83,109**	(17,856)
	(207,109)	46,200
Exchange differences on translation of foreign operations	**97,771**	172,439
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	**(114,580)**	213,809
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement gain on defined benefit plan:		
Changes in fair value	**28,904**	—
Income tax effect	**(8,671)**	—
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**20,233**	—
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	**(94,347)**	213,809
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(1,697,201)**	(1,087,140)
ATTRIBUTABLE TO:		
Shareholders of the Company	**(1,572,347)**	(1,072,854)
Non-controlling interests	**(124,854)**	(14,286)
	(1,697,201)	(1,087,140)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December

	Notes	2013 HK$'000	2012 HK$'000 Restated
NON-CURRENT ASSETS			
Property, plant and equipment		**6,732,880**	6,856,345
Prepaid land lease payments		**22,822**	22,874
Goodwill		**24,682**	24,682
Other assets		**992,643**	356,985
Investments in associates		**4,060,832**	1,825,041
Investment in a joint venture	10	**2,231,903**	1,924,829
Available-for-sale investments		**1,820**	26,047
Prepayments, deposits and other receivables		**440,414**	387,790
Derivative financial instruments		**—**	114,801
Deferred tax assets		**174,610**	122,146
Total non-current assets		**14,682,606**	11,661,540
CURRENT ASSETS			
Inventories		**1,300,099**	821,990
Trade receivables	11	**2,039,010**	1,849,673
Prepayments, deposits and other receivables		**2,612,248**	3,388,573
Equity investments at fair value through profit or loss		**3,029**	3,029
Derivative financial instruments		**38,817**	489
Other assets		**184,215**	194,970
Tax recoverable		**31,918**	—
Cash and cash equivalents		**6,994,039**	8,387,248
Total current assets		**13,203,375**	14,645,972
CURRENT LIABILITIES			
Accounts payable	12	**958,307**	822,541
Tax payable		**—**	97,253
Accrued liabilities and other payables		**826,255**	562,952
Derivative financial instruments		**—**	3,042
Bank and other borrowings		**883,032**	1,106,757
Finance lease payables		**15,614**	9,623
Bond obligations		**6,187,321**	—
Provisions		**76,812**	49,996
Total current liabilities		**8,947,341**	2,652,164
NET CURRENT ASSETS		**4,256,034**	11,993,808
TOTAL ASSETS LESS CURRENT LIABILITIES		**18,938,640**	23,655,348

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December

	2013 **HK$'000**	2012 HK$'000 Restated
TOTAL ASSETS LESS CURRENT LIABILITIES	**18,938,640**	23,655,348
NON-CURRENT LIABILITIES		
Bank and other borrowings	**6,548,423**	1,341,101
Finance lease payables	**54,619**	33,760
Bond obligations	**—**	7,619,686
Deferred tax liabilities	**66,840**	674,687
Derivative financial instruments	**97,305**	195,907
Provisions	**464,007**	390,033
Other payable	**46,064**	53,460
Total non-current liabilities	**7,277,258**	10,308,634
NET ASSETS	**11,661,382**	13,346,714
EQUITY		
Equity attributable to shareholders of the Company		
Issued capital	**393,426**	393,287
Reserves	**11,274,266**	12,834,883
	11,667,692	13,228,170
Non-controlling interests	**(6,310)**	118,544
TOTAL EQUITY	**11,661,382**	13,346,714

NOTES

1. BASIS OF PREPARATION

These 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, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments and certain equity investments which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2013. 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.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Total comprehensive income is attributed to shareholders of the Company and also to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. 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.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest, and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained, and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's 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
HKAS 36 Amendments	Amendments to HKAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets (early adopted)
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 10, HKFRS 11, HKFRS 12, HKFRS 13, amendments to HKAS 1, HKAS 19 (2011), amendments to HKAS 36, HK(IFRIC) – Int 20 and certain amendments included in Annual Improvements 2009 – 2011 Cycle, the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised HKFRSs are as follows:

HKFRS 10 replaces the portion of HKAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements and addresses the issues in HK(SIC) – Int 12 Consolidation – Special Purpose Entities. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in HKFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled by the Group.

As a result of the application of HKFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group. The application of HKFRS 10 does not change any of the consolidation conclusions of the Group in respect of its involvement with investees as at 1 January 2013.

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. The classification of joint arrangements under HKFRS 11 depends on the parties' rights and obligations arising from the arrangements. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities of the arrangement and is accounted for on a line-by-line basis to the extent of the joint operators' rights and obligations in the joint operation. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement and is required to be accounted for using the equity method in accordance with HKAS 28 (2011). As a result of the adoption of HKFRS 11, the Group has changed its accounting policy with respect to its interests in joint arrangements.

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

The directors of the Company reviewed and assessed the classification of the Group's investments in joint arrangements in accordance with the requirements of HKFRS 11, and concluded that the Group's investment in CITIC Canada Energy Limited ("**CCEL**"), which was previously classified as a jointly controlled entity under HKAS 31 and was accounted for using the proportionate consolidation method, should be classified as a joint venture under HKFRS 11 and be accounted for using the equity method. The change in accounting for investment in a joint venture has been applied retrospectively. The comparative information for the year ended 31 December 2012 has been restated in the consolidated financial statements. The effect of HKFRS 11 is described in more detail in note 10 which includes quantification of the effect on these financial statements.

HKFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in HKAS 27 Consolidated and Separate Financial Statements, HKAS 31 Interests in Joint Ventures and HKAS 28 Investments in Associates. It also introduces a number of new disclosure requirements for these entities.

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 rather provides guidance on how fair value should be applied where its use has already been required or permitted under other HKFRSs. HKFRS 13 is applied prospectively and the adoption of HKFRS 13 has had no material impact on the Group's fair value measurements. As a result of the guidance in HKFRS 13, the policies for measuring fair value have been amended.

The HKAS 1 Amendments change the grouping of items presented in other comprehensive income ("**OCI**"). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes.

HKAS 19 (2011) changes the accounting for defined benefit plans. The revised standard removes the choice to defer the recognition of actuarial gains and losses. All actuarial gains and losses are required to be recognised immediately in OCI. The interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a net interest amount under HKAS 19 (2011), which is calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period. Prior to the adoption of HKAS 19 (2011), the Group elected to recognise actuarial gains or losses as income or expense. Upon the adoption of HKAS 19 (2011), all actuarial gains and losses are recognised in OCI immediately.

The HKAS 36 Amendments remove the unintended disclosure requirement made by HKFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted, provided HKFRS 13 is also applied. The Group has early adopted the amendments in these financial statements. The amendments have had no impact on the financial position or performance of the Group.

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

HK(IFRIC) – Int 20 addresses the recognition of waste removal costs that are incurred in surface mining activity during the production phase of a mine as an asset, as well as the initial measurement and subsequent measurement of the stripping activity asset. To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs incurred are accounted for in accordance with HKAS 2 Inventories. To the extent that the benefit is improved access to ore and when criteria set out in the interpretation are met, the waste removal costs are recognised as a stripping activity asset under non-current assets. 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.

Annual Improvements 2009 – 2011 Cycle issued in June 2012 sets out amendments to a number of standards. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments have had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

(a) HKAS 1 Presentation of Financial Statements: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

    In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

(b) HKAS 32 Financial Instruments: Presentation: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with HKAS 12 Income Taxes. The amendment removes existing income tax requirements from HKAS 32 and requires entities to apply the requirements in HKAS 12 to any income tax arising from distributions to equity holders.

In addition, CITIC Resources Australia Pty Limited, an indirect wholly-owned subsidiary of the Company, and its subsidiaries (collectively, the "**CRA Group**") have changed their functional currency from the Australian dollar to the United States dollar ("**US$**") with effect from 1 January 2013. The CRA Group is principally engaged in the operation of the Portland Aluminium Smelter (the "**PAS**"), the operation of coal mines and the sale of coal, and the import and export of various commodity products in Australia. In the opinion of the directors, this change in functional currency better reflects the nature of the operations within the CRA Group as most of its sales and purchases are transacted in US$. 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. 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 steel, vehicle and industrial batteries and tyres 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 loss 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/(loss) of associates and a joint venture, and impairment on assets as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude investments in associates, investment in a joint venture, available-for-sale investments, derivative financial instruments, deferred tax assets, equity investments at fair value through profit or loss, tax recoverable, 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.

3. **OPERATING SEGMENT INFORMATION** *(continued)*

Year ended 31 December 2013 **HK$'000**	**Aluminium smelting**	**Coal**	**Import and export of commodities**	**Crude oil**	**Total**
Segment revenue:					
Sales to external customers	**1,065,424**	**735,350**	**37,198,353**	**320,056**	**39,319,183**
Other income	**152,866**	**8,060**	**50,562**	**5,104**	**216,592**
	1,218,290	**743,410**	**37,248,915**	**325,160**	**39,535,775**
Segment results	**93,186**	**(104,675)**	**397,326**	**(234,222)**	**151,615**
Reconciliation:					
Interest income and unallocated gains					**400,198**
Provision for impairment of items of property, plant and equipment					**(1,777,308)** *
Provision for impairment of other assets					**(23,233)** #
Unallocated expenses					**(408,961)**
Unallocated finance costs					**(731,087)**
Share of profit/(loss) of:					
Associates					**(102,839)**
A joint venture					**360,891**
Loss before tax					**(2,130,724)**
Segment assets	**1,280,489**	**1,711,497**	**2,742,037**	**6,117,463**	**11,851,486**
Reconciliation:					
Investments in associates					**4,060,832**
Investment in a joint venture					**2,231,903**
Unallocated assets					**9,741,760**
Total assets					**27,885,981**
Segment liabilities	**596,611**	**362,648**	**703,931**	**617,444**	**2,280,634**
Reconciliation:					
Unallocated liabilities					**13,943,965**
Total liabilities					**16,224,599**
Other segment information:					
Depreciation and amortisation	**95,133**	**96,026**	**703**	**193,736**	**385,598**
Unallocated amounts					**2,873**
					388,471
Impairment losses reversed in the consolidated income statement	**—**	**—**	**(3,874)**	**—**	**(3,874)**
Capital expenditure	**16,275**	**953,642**	**697**	**1,593,673**	**2,564,287**
Unallocated amounts					**6,242**
					2,570,529 **

* Provision for impairment of items of property, plant and equipment related to the crude oil segment

\# Provision for impairment of other assets related to the coal segment

** Capital expenditure consists of additions to property, plant and equipment, prepaid land lease payments and other assets.

3. OPERATING SEGMENT INFORMATION *(continued)*

Year ended 31 December 2012 HK$'000	Aluminium smelting	Coal Restated	Import and export of commodities	Crude oil Restated	Total Restated
Segment revenue:					
Sales to external customers	1,221,804	475,883	40,545,197	504,548	42,747,432
Other income	82,924	33,606	39,927	1,626	158,083
	1,304,728	509,489	40,585,124	506,174	42,905,515
Segment results	70,464	7,361	558,601	(168,779)	467,647
Reconciliation:					
Interest income and unallocated gains					430,147
Impairment of investment in an associate					(1,502,000)
Provision for impairment of other assets					(21,289) *
Unallocated expenses					(127,430)
Unallocated finance costs					(769,635)
Share of profit/(loss) of:					
An associate					(181,893)
A joint venture					608,767
Loss before tax					(1,095,686)
Segment assets	1,429,355	767,704	2,248,289	6,136,890	10,582,238
Reconciliation:					
Investment in an associate					1,825,041
Investment in a joint venture					1,924,829
Unallocated assets					11,975,404
Total assets					26,307,512
Segment liabilities	659,996	223,446	590,829	303,178	1,777,449
Reconciliation:					
Unallocated liabilities					11,183,349
Total liabilities					12,960,798
Other segment information:					
Depreciation and amortisation	93,233	28,167	792	138,441	260,633
Unallocated amounts					7,720
					268,353
Impairment losses reversed in the consolidated income statement	—	—	(13,498)	—	(13,498)
Capital expenditure	12,514	148,878	1,020	791,289	953,701
Unallocated amounts					2,473
					956,174 **

* Provision for impairment of other assets related to the coal segment

** Capital expenditure consists of additions to property, plant and equipment, prepaid land lease payments and other assets.

3. **OPERATING SEGMENT INFORMATION** *(continued)*

Geographical information

(a) Revenue from external customers

	2013 **HK$'000**	2012 HK$'000 Restated
China	**33,109,633**	35,644,528
Australia	**1,522,259**	1,743,497
Europe	**1,157,921**	1,343,110
America	**24,908**	72,645
Other Asian countries	**3,497,645**	3,855,324
Others	**6,817**	88,328
	39,319,183	42,747,432

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

(b) Non-current assets

	2013 **HK$'000**	2012 HK$'000 Restated
Hong Kong	**4,925**	81,555
China	**6,829,751**	6,977,843
Australia	**3,786,320**	1,317,740
Kazakhstan	**2,250,652**	1,947,740
Other Asian countries	**641,885**	716,683
	13,513,533	11,041,561

The non-current assets information above is based on the location of assets which exclude other assets, available-for-sale investments, derivative financial instruments and deferred tax assets.

Information about a major customer

Revenue of HK$5,110,400,000 (2012: HK$5,760,111,000) was derived from sales by the import and export of commodities segment to a single customer, representing more than 10% of the Group's revenue.

4. OTHER INCOME AND GAINS

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

	2013 **HK$'000**	2012 HK$'000 Restated
Interest income	**119,663**	273,709
Handling service fees	**48,049**	39,284
Fair value gains, net, on:		
Available-for-sale investments		
(transferred from equity on disposal)	**9,524**	—
Cash flow hedge (transferred from equity)	**187,742**	—
Derivative financial instruments	**225,781**	213,305
Sale of scrap	**6,751**	6,025
Others	**19,280**	55,907
	616,790	588,230

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2013 **HK$'000**	2012 HK$'000 Restated
Interest expense on bank and other borrowings	**273,781**	206,770
Interest expense on fixed rate senior notes, net	**429,528**	521,802
Interest expense on finance leases	**4,872**	528
Total interest expense on financial liabilities		
not at fair value through profit or loss	**708,181**	729,100
Amortisation of fixed rate senior notes	**18,860**	23,027
	727,041	752,127
Other finance charges:		
Increase in discounted amounts of provisions arising from		
the passage of time	**3,005**	13,032
Others	**1,041**	4,476
	731,087	769,635

6. LOSS BEFORE TAX

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

	2013 HK$'000	2012 HK$'000 Restated
Cost of inventories sold	**38,835,582**	42,030,817
Depreciation	**287,849**	212,185
Amortisation of other asset	**98,848**	55,550
Amortisation of prepaid land lease payments	**1,774**	618
Loss on disposal/write-off of items of property, plant and equipment, net *	**702**	65,700
Exchange losses/(gains), net *	**352,789**	(3,476)
Provision for impairment of items of property, plant and equipment	**1,777,308**	—
Provision for impairment of other assets	**23,233**	21,289
Gain on disposal of available-for-sale investments	**(9,524)**	—
Impairment of investment in an associate	**—**	1,502,000
Loss on repurchase of fixed rate senior notes *	**91,498**	—
Loss on purchase of fixed rate senior notes *	**2,052**	2,722

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

7. INCOME TAX

	2013 HK$'000	2012 HK$'000 Restated
Current – Hong Kong	**—**	—
Current – Elsewhere		
Charge for the year	**50,396**	213,810
Underprovision/(overprovision) in prior years	**4,021**	(267)
Deferred	**(582,287)**	(8,280)
Total tax expense/(credit) for the year	**(527,870)**	205,263

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 year. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong for the year (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 was provided at the statutory rate of 30% (2012: 30%) on the estimated taxable profits arising in Australia during the year.

Indonesia: The corporate tax rate applicable to the subsidiary which is operating in Indonesia was 30% (2012: 30%) during the year. 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 14% (2012: 14%).

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

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.

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

The calculation of the basic loss per share amount was based on the loss for the year attributable to ordinary shareholders of the Company of HK$1,465,436,000 (2012: HK$1,283,923,000 (restated)) and the weighted average number of ordinary shares in issue during the year, which was 7,867,380,574 (2012: 7,865,737,149) shares.

No adjustment was made to the basic loss per share amounts presented for the years ended 31 December 2013 and 2012 in respect of a dilution as the share options outstanding during the years had an anti-dilutive effect on the basic loss per share amounts presented.

9. DIVIDEND

No interim dividend was paid during the year and the prior year. The directors do not recommend the payment of any final dividend in respect of the year (2012: Nil).

10. INVESTMENT IN A JOINT VENTURE

The Group has a 50% equity interest in 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 Interests 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 of CCEL and its subsidiaries were consolidated in the financial statements of the Group. Upon the adoption of HKFRS 11, the Group has determined that CCEL is a joint venture and it is required to account for its equity interest in CCEL using the equity method.

10. INVESTMENT IN A JOINT VENTURE *(continued)*

The quantitative impact of applying HKFRS 11 is summarised below:

Impact on the consolidated income statement	**Year ended 31 December 2012 HK$'000**
Decrease in revenue	(5,686,532)
Decrease in cost of sales	2,467,625
Decrease in gross profit	(3,218,907)
Increase in other income and gains	852
Decrease in selling and distribution costs	1,953,844
Decrease in general and administrative expenses	213,419
Increase in other expenses, net	(2,579)
Decrease in finance costs	75,221
Increase in share of profit of a joint venture	608,767
Decrease in profit before tax	**(369,383)**
Decrease in income tax	333,343
Net impact on profit for the year	**(36,040)**
Decrease in profit attributable to non-controlling interests	36,040
Net impact on loss attributable to shareholders of the Company and loss per share	—

Impact on the 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	—

11. 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:

	2013 HK$'000	2012 HK$'000 Restated
Within one month	**1,034,139**	561,160
One to two months	**161,329**	574,456
Two to three months	**448,547**	418,939
Over three months	**394,995**	295,118
	2,039,010	1,849,673

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

12. 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:

	2013 HK$'000	2012 HK$'000 Restated
Within one month	**935,078**	822,541
One to three months	**—**	—
Over three months	**23,229**	—
	958,307	822,541

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

13. COMPARATIVE AMOUNTS

As further explained in note 2, due to the adoption of the new and revised HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in these financial statements 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 current year's presentation and accounting treatment.

Mining assets as well as exploration and evaluation assets, being HK$158,600,000 in aggregate, which were classified as property, plant and equipment as at 31 December 2012 were reclassified as other assets. In the opinion of the directors, such reclassification of the prior year comparative amounts provides better presentation as to the nature of the assets and accords with the presentation for the year.

BUSINESS REVIEW

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

Crude oil

Thanks to the Group's conscious efforts to enhance oilfield productivity by means of more efficient deployment of suitable oil recovery techniques and better management of new wells, the Karazhanbas oilfield in Kazakhstan continued to be the major driver of the Group's crude oil business in 2013 with stable daily production at around 37,500 barrels (100% project basis) maintained. Going forward, medium to long term research and development plans have been devised with the aim of promoting sustainable development and production efficiency from the oilfield.

In addition, encouraging progress was made at the Yuedong oilfield in Liaoning Province, China, with the second artificial island, the subsea pipelines, the power supply system and the onshore oil/water processing plant put into operation together with the first artificial island in early November 2013. Following the release of a lower reserves estimate for the oilfield, the Board considered it prudent to provide for a non-cash asset impairment loss of HK$1,688.8 million, although the Group remains confident about the long term development of the project. Further construction and installation works will be progressively carried out to completion when the project will be expected to become a positive revenue contributor to the Group's oil portfolio.

In Indonesia, production in the Seram Block remained stable following new drilling and other measures implemented to supplement the natural decline of existing wells. The Group intends to drill new wells and carry out necessary repairs to existing wells to sustain and improve production. The Group will also continue exploration activities for reserves prospects in the Lofin area.

Coal

With the acquisition of an additional 7% interest in the Coppabella and Moorvale coal mines joint venture (the "**CMJV**") in March 2013, the Group's coal asset investments now comprise a 14% interest in the CMJV and certain interests in a number of coal exploration operations in Australia where the Group works together with a subsidiary of Peabody Energy Corporation.

Profitability of the Group's coal segment was inevitably affected by tepid selling prices resulting from the sluggish steel industry. Taking into consideration the positive prospects brought about by long term sustainable demand for quality low volatile pulverized coal injection coal, in particular from emerging markets such as China, the Group is optimistic about the long term outlook for its coal business which remains a core business and a sector where the Group will continue to monitor suitable opportunities and investments.

Metals

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

During the year, revenue from the Group's aluminium segment came under strong pressure from softer selling prices due to oversupply of the metal. Nonetheless, these same conditions brought about an opportunity for the Group to acquire a strategic equity interest in Alumina, one of the Australia's leading companies with significant global interests in bauxite mining and alumina refining operations. The investment in Alumina enables the Group to gain exposure to a wealth of quality deposits of bauxite and a world-class global portfolio of upstream mining and refining operations.

The manganese segment is represented by the Group's interest in CDH. Owing to lower average product selling prices following global curtailment in steel production, CDH incurred a consolidated net loss and accordingly the Group recorded a share of loss for the year in respect of its interest in CDH.

Import and export of commodities

Sustained by long term international trading experience and strong worldwide connections with both suppliers and customers, the Group's import and export of commodities business delivered a satisfactory performance with relatively stable revenue amid the bearish commodities market. The Group will continue to leverage its strong expertise and established marketing networks, particularly in China, to identify and increase sales opportunities in the current uncertain economic conditions.

FINANCIAL MANAGEMENT

As a continuing effort to proactively manage its liability and improve its capital structure, the Group completed a cash tender offer (the "**Offer**") in February 2013 with a total principal amount of US$201.08 million of the Notes repurchased. Although a one-off expense of HK$91.5 million was incurred, the repurchase has effectively lowered the Group's future finance costs and partly addressed the refinancing needs of the Group in respect of the Notes. The Group will continue to proactively manage its liability in respect of the remaining outstanding Notes which are due in May 2014.

OUTLOOK

Recurring concerns over international financial markets and continuing fragile worldwide economic recovery continue to strain the energy and commodities markets in 2014. In spite of these short term challenges, the Group, with the support from 中國中信集團有限公司 (CITIC Group Corporation) and strong business relationships worldwide, is well positioned to continue its long term goal to achieve sustainable growth through its focused diversification strategy.

Looking ahead, the Group intends to continue to develop and optimise its existing business investments. In particular, the commissioning of the second artificial platform at the Yuedong oilfield in late 2013 marked another major milestone in the development of the Group's oil asset portfolio. Apart from organic growth, the Group will also continue to assess potential investment opportunities to further expand its asset base and create value for shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash

As at 31 December 2013, the Group had cash and cash equivalents of HK$6,994.0 million.

Borrowings

As at 31 December 2013, the Group had total debt of HK$13,689.0 million, which comprised:

- unsecured bank loans of HK$7,158.5 million;
- unsecured other loan of HK$273.0 million;
- finance lease payables of HK$70.2 million; and
- bond obligations of HK$6,187.3 million.

A bank loan of HK$358.8 million, 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 31 December 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. The B Loan was fully drawn in September 2013 and the outstanding balance as at 31 December 2013 was US$40 million.

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, being 14 May 2013, subject to a put option requiring repayment on the date falling 3 years from such date. The C Loan was fully drawn in August 2013 and the outstanding balance as at 31 December 2013 was US$400 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 to repurchase part of the Notes was launched in early 2013 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 principal amount of US$201.08 million (HK$1,568.4 million) of the Notes was repurchased by CR Finance at an aggregate consideration of HK$1,661.9 million plus accrued interest. The repurchase of the Notes 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 31 December 2013, the Group's net debt to net total capital was 36.5% (2012: 11.5% (restated)). Of the total debt, HK$7,086.0 million was repayable within one year, including mainly the outstanding amount of the Notes and trade finance.

Share capital

During the year, the Company issued a total of 2,790,000 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 its operations and 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 31 December 2013, the Group had around 340 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

The Board is of the view that the Company has, for the year ended 31 December 2013, 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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 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 during the year.

AUDIT COMMITTEE

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

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

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

Hong Kong, 21 February 2014

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 and Mr. Wong Kim Yin, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji; Mr. Hu Weiping and Mr. Ngai Man.