



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

(incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 1205



Interim Report  
中期報告  
**2024**



## OIL 原油

Major income driver with steady production and development in oilfields located in Kazakhstan, China and Indonesia.

主要收入推動因素，位於哈薩克斯坦、中國和印尼的油田具有穩定的生產和開發。



## COAL 煤

A 14% participating interest in the Coppabella and Moorvale coal mines joint venture (a major producer of low volatile pulverized coal injection coal in the international seaborne market) and interests in a number of coal exploration operations in Australia with significant resource potential.

於Coppabella和Moorvale煤礦合營項目（國際海運市場中低揮發性噴吹煤的主要生產商）擁有14%參與權益及於具有重大資源潛力的澳大利亞煤礦勘探業務中擁有若干權益。



## ALUMINIUM 鋁

(1) a 22.5% participating interest in the Portland Aluminium Smelter joint venture, one of the largest and most efficient aluminium smelting operations in the world; and (2) a 9.6117% equity interest in Alumina Limited (ASX: AWC), one of Australia's leading companies with significant global interests in bauxite mining, alumina refining and selected aluminium smelting operations. *(Note)*

(1)於波特蘭鋁廠合營項目（世界上最大及最高效的電解鋁業務之一）擁有22.5%參與權益；及(2)於Alumina Limited（澳大利亞證券交易所：AWC）擁有9.6117%股權，而此公司為澳洲一間具領導地位的公司，在全球的鋁土礦開採、氧化鋁提煉和電解鋁生產等領域均擁有重要的投資。*(附註)*



## IMPORT AND EXPORT OF COMMODITIES 進出口商品

An import and export of commodities business, based on strong expertise and established marketing networks, with a focus on international trade.

進出口商品業務，立足於強大的專長及健全的營銷網絡，專注於國際貿易。

*Note: Since 1 August 2024, the Group ceased to have any equity interest in Alumina Limited and in return holds approximately 3.03% equity interest in Alcoa Corporation (NYSE: AA), which is active in all aspects of the upstream aluminium industry with bauxite mining, alumina refining, and aluminium smelting and casting.*

附註：自2024年8月1日起，本集團不再擁有Alumina Limited的任何股權，轉而持有美國鋁業公司（紐交所：AA），在上游鋁業所有方面均十分活躍，涉及鋁土礦開採、氧化鋁精煉及鋁冶煉及鑄造）約3.03%股權。

# Contents

## Corporate Information Financial Results

- 01 Condensed Consolidated Income Statement
- 02 Condensed Consolidated Statement of Comprehensive Income
- 03 Condensed Consolidated Statement of Financial Position
- 05 Condensed Consolidated Statement of Changes in Equity
- 07 Condensed Consolidated Statement of Cash Flows
- 08 Notes to the Condensed Consolidated Financial Statements

## Other Information

- 22 Business Review and Outlook
- 24 Financial Review
- 33 Liquidity, Financial Resources and Capital Structure
- 35 Employees and Remuneration Policies
- 36 Events Occurring after the Reporting Period
- 36 Corporate Governance Code
- 36 Model Code for Securities Transactions by Directors
- 37 Directors' and Chief Executive's Interests in Shares and Underlying Shares
- 38 Share Option Scheme
- 38 Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares
- 40 Update on Directors' Information Pursuant to Rule 13.51B(1) of the Listing Rules
- 40 Purchase, Redemption or Sale of Listed Securities of the Company
- 40 Review of Accounts
- 41 Glossary of Terms

## Corporate Information

### Board of Directors

#### Executive Directors

Mr. Hao Weibao (*Chairman and Chief Executive Officer*)  
Mr. Wang Xinli

#### Non-executive Director

Mr. Chan Kin

#### Independent Non-executive Directors

Dr. Fan Ren Da, Anthony  
Mr. Look Andrew  
Mr. Lu Dequan

### Audit Committee

Dr. Fan Ren Da, Anthony (*Chairman*)  
Mr. Look Andrew  
Mr. Lu Dequan

### Remuneration Committee

Mr. Lu Dequan (*Chairman*)  
Dr. Fan Ren Da, Anthony  
Mr. Look Andrew  
Mr. Hao Weibao

### Nomination Committee

Mr. Hao Weibao (*Chairman*)  
Dr. Fan Ren Da, Anthony  
Mr. Lu Dequan

### Risk Management Committee

Mr. Look Andrew (*Chairman*)  
Dr. Fan Ren Da, Anthony  
Mr. Lu Dequan  
Mr. Wang Xinli

## **Company Secretary**

Mr. Wat Chi Ping Isaac

## **Registered Office**

Clarendon House  
2 Church Street, Hamilton HM 11, Bermuda

## **Head Office and Principal Place of Business**

Suites 6701-02 & 08B  
67/F, International Commerce Centre  
1 Austin Road West, Kowloon, Hong Kong

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Website : <http://resources.citic>

## **Hong Kong Branch Share Registrar and Transfer Office**

Tricor Tengis Limited  
17/F, Far East Finance Centre  
16 Harcourt Road, Hong Kong

## **Auditor**

PricewaterhouseCoopers  
*Certified Public Accountants and  
Registered Public Interest Entity Auditor*  
22/F, Prince's Building  
Central, Hong Kong

## **Principal Bankers**

Bank of China (Hong Kong) Limited  
China CITIC Bank International Limited  
Mizuho Bank, Ltd., Hong Kong Branch

## Financial Results

The Board of the Company presents the unaudited consolidated interim results of the Group for the Period.

### Condensed Consolidated Income Statement

	Notes	2024	2023
<b>Revenue</b>	5	<b>3,944,594</b>	2,043,222
Cost of sales		(3,535,237)	(1,615,721)
<b>Gross profit</b>		<b>409,357</b>	427,501
Other income, gains and losses, net	5	<b>49,295</b>	65,938
General and administrative expenses		(98,984)	(111,866)
Other expenses, net		(11,762)	(8,571)
Finance costs	6	(52,678)	(89,951)
Reversal of provision for impairment of trade and other receivables		–	739
Share of profit of:			
An associate		<b>17,316</b>	11,700
A joint venture		<b>144,662</b>	178,569
<b>Profit before tax</b>	7	<b>457,206</b>	474,059
Income tax expense	8	(82,710)	(64,071)
<b>Profit for the period</b>		<b>374,496</b>	409,988
<b>Attributable to:</b>			
Ordinary shareholders of the Company		<b>353,113</b>	383,207
Non-controlling interests		<b>21,383</b>	26,781
		<b>374,496</b>	409,988
<b>Earnings per share attributable to ordinary shareholders of the Company</b>	9	<b>HK cents</b>	HK cents
Basic		<b>4.49</b>	4.88
Diluted		<b>4.49</b>	4.88

**Condensed Consolidated Statement of Comprehensive Income**

	2024	2023
<b>Profit for the period</b>	<b>374,496</b>	409,988
<b>Other comprehensive loss</b>		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(59,665)	(114,685)
Share of other comprehensive (loss)/income of a joint venture	(34,499)	7,617
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	(94,164)	(107,068)
<b>Other comprehensive loss for the period, net of tax</b>	<b>(94,164)</b>	(107,068)
<b>Total comprehensive income for the period</b>	<b>280,332</b>	302,920
<b>Attributable to:</b>		
Ordinary shareholders of the Company	264,832	287,503
Non-controlling interests	15,500	15,417
	<b>280,332</b>	302,920

## Condensed Consolidated Statement of Financial Position

	Notes	30 June 2024 Unaudited	31 December 2023 Audited
<b>Non-current assets</b>			
Property, plant and equipment	11	3,833,788	3,988,055
Right-of-use assets		72,087	49,003
Mining assets		237,707	242,232
Exploration, evaluation and development expenditure		61,899	61,876
Investment in an associate		1,838,612	1,821,296
Investment in a joint venture		2,896,795	2,786,632
Prepayments, deposits and other receivables	12	43,000	44,090
Time deposit		125,852	118,497
Deferred tax assets		150,805	171,640
Pension assets		2,357	4,704
<b>Total non-current assets</b>		<b>9,262,902</b>	<b>9,288,025</b>
<b>Current assets</b>			
Inventories	13	439,025	435,861
Trade receivables	14	1,961,593	239,688
Prepayments, deposits and other receivables	12	100,578	104,310
Derivative financial instruments	15	89,253	72,691
Cash and deposits	16	1,221,375	1,483,816
<b>Total current assets</b>		<b>3,811,824</b>	<b>2,336,366</b>
<b>Current liabilities</b>			
Accounts payable	17	1,772,562	242,729
Tax payable		110,015	91,167
Accrued liabilities and other payables		625,789	606,026
Dividend payable		196,534	–
Bank and other borrowings	18	150,000	350,000
Lease liabilities		17,604	24,663
Provisions for long-term employee benefits		30,743	32,120
Provisions		6,277	11,531
<b>Total current liabilities</b>		<b>2,909,524</b>	<b>1,358,236</b>
<b>Net current assets</b>		<b>902,300</b>	<b>978,130</b>



## Condensed Consolidated Statement of Financial Position

	Notes	30 June 2024 Unaudited	31 December 2023 Audited
<b>Total assets less current liabilities</b>		<b>10,165,202</b>	10,266,155
<b>Non-current liabilities</b>			
Bank and other borrowings	18	1,208,355	1,439,880
Lease liabilities		45,085	16,196
Deferred tax liabilities		357,785	339,927
Provisions for long-term employee benefits		21,618	23,965
Provisions		607,047	604,764
<b>Total non-current liabilities</b>		<b>2,239,890</b>	2,424,732
<b>Net assets</b>		<b>7,925,312</b>	7,841,423
<b>Equity</b>			
<b>Equity attributable to ordinary shareholders of the Company</b>			
Issued capital	19	392,886	392,886
Reserves		7,437,286	7,368,897
		<b>7,830,172</b>	7,761,783
<b>Non-controlling interests</b>		<b>95,140</b>	79,640
<b>Total equity</b>		<b>7,925,312</b>	7,841,423

## Condensed Consolidated Statement of Changes in Equity

	Issued capital	Share premium account	Contributed surplus	Capital reserve
At 31 December 2022 (audited) and 1 January 2023	392,886	6,852	251,218	(38,579)
Total comprehensive Income/(loss) for the Period	–	–	–	–
Final dividend	–	–	–	–
<b>At 30 June 2023 (unaudited)</b>	<b>392,886</b>	<b>6,852</b>	<b>251,218</b>	<b>(38,579)</b>
At 31 December 2023 (audited) and 1 January 2024	<b>392,886</b>	<b>6,852</b>	<b>251,218</b>	<b>(38,579)</b>
Total comprehensive Income/(loss) for the Period	–	–	–	–
Final dividend	–	–	–	–
<b>At 30 June 2024 (unaudited)</b>	<b>392,886</b>	<b>6,852</b>	<b>251,218</b>	<b>(38,579)</b>

## Attributable to ordinary shareholders of the Company

Exchange fluctuation reserve	Cash flow hedge reserve	Investment related reserve	Defined benefit reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
(38,569)	4,510	(1,373,262)	39,609	8,500,766	7,745,431	20,257	7,765,688
(103,321)	–	7,617	–	383,207	287,503	15,417	302,920
–	–	–	–	(471,464)	(471,464)	–	(471,464)
(141,890)	4,510	(1,365,645)	39,609	8,412,509	7,561,470	35,674	7,597,144
(108,605)	4,510	(1,363,989)	36,384	8,581,106	7,761,783	79,640	7,841,423
(53,782)	–	(34,499)	–	353,113	264,832	15,500	280,332
–	–	–	–	(196,443)	(196,443)	–	(196,443)
(162,387)	4,510	(1,398,488)	36,384	8,737,776	7,830,172	95,140	7,925,312

**Condensed Consolidated Statement of Cash Flows**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash flows from operating activities	441,953	530,876
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	26,527	40,066
Purchases of items of property, plant and equipment	(201,188)	(200,283)
Proceeds from disposal of items of property, plant and equipment	2,793	34
Purchases of other assets	(903)	(1,600)
Addition in time deposits with original maturity of more than one year	(10,482)	(13,055)
Decrease in deposits with a fellow subsidiary	268,645	306,581
Net cash flows from investing activities	85,392	131,743
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New bank and other borrowings	1,558,355	–
Repayment of bank and other borrowings	(1,993,000)	(761,631)
Principal portion of lease payments	(20,055)	(17,556)
Interest portion of lease liabilities	(429)	(634)
Interest paid	(39,766)	(75,886)
Finance charges paid	(261)	(655)
Net cash flows used in financing activities	(495,156)	(856,362)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	32,189	(193,743)
Cash and cash equivalents at beginning of period	759,225	966,322
Effect of foreign exchange rate changes, net	(25,985)	2,588
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	765,429	775,167
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	517,870	517,506
Time deposits	247,559	257,661
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	765,429	775,167

## Notes to the Condensed Consolidated Financial Statements

### 1. Basis of Preparation

These unaudited interim condensed consolidated financial statements of the Group (“**Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “**Interim Financial Reporting**” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

These Financial Statements do not include all the information and disclosures required in annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2023.

The accounting policies and methods of computation used in the preparation of these Financial Statements are consistent with the consolidated financial statements of the Group for the year ended 31 December 2023, except for the adoption of new and revised standards with effect from 1 January 2024 as detailed in note 2 below.

These Financial Statements were approved and authorised for issue by the Board on 26 July 2024.

### 2. Changes in Accounting Policies and Disclosures

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

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)
Amendments to HKFRS 7 and HKAS 7	Supplier Finance Arrangements
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan

Several amendments apply for the first time in 2024, but do not have an impact on the Financial Statements.

### 3. Issued but not yet Effective Hong Kong Financial Reporting Standards

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

Standard No.	Title
Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for financial periods beginning on or after 1 January 2025

<sup>2</sup> Effective date to be determined

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that the adoption of these new and revised HKFRSs may result in changes in accounting policies. However, for the time being, it is not in a position to state whether these new and revised HKFRSs would have a significant impact on the Group's result of operations and financial position.

### 4. Operating Segment Information

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

- (a) the aluminium smelting segment comprises the operation of the Portland Aluminium Smelter 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 trading of crude oil 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.

#### 4. Operating Segment Information (continued)

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, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, and share of profit 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, 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.

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
<b>2024</b>					
<b>Segment revenue:</b>					
Sales to external customers	601,642	405,245	2,206,755	730,952	3,944,594
Other income, gains and losses, net	27,983	15,578	(117)	2,278	45,722
	<b>629,625</b>	<b>420,823</b>	<b>2,206,638</b>	<b>733,230</b>	<b>3,990,316</b>
<b>Segment results</b>	<b>39,797</b>	<b>26,963</b>	<b>733</b>	<b>326,548</b>	<b>394,041</b>
<i>Reconciliation:</i>					
Interest income and unallocated gains and losses, net					3,573
Unallocated expenses					(49,708)
Unallocated finance costs					(52,678)
Share of profit of:					
An associate					17,316
A joint venture					144,662
Profit before tax					457,206

## 4. Operating Segment Information (continued)

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
2023					
<b>Segment revenue:</b>					
Sales to external customers	770,240	539,350	–	733,632	2,043,222
Other income, gains and losses, net	32,489	3,142	1,736	3,239	40,606
	802,729	542,492	1,736	736,871	2,083,828
Segment results	682	70,998	3,779	335,118	410,577
<i>Reconciliation:</i>					
Interest income and unallocated gains and losses, net					25,332
Unallocated expenses					(62,168)
Unallocated finance costs					(89,951)
Share of profit of:					
An associate					11,700
A joint venture					178,569
Profit before tax					474,059

	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
<b>Segment assets</b>					
30 June 2024 (unaudited)	950,187	824,017	1,663,233	3,465,899	6,903,336
31 December 2023 (audited)	945,664	764,032	178	3,585,172	5,295,046
<b>Segment liabilities</b>					
30 June 2024 (unaudited)	378,881	351,757	1,661,410	541,475	2,933,523
31 December 2023 (audited)	444,348	282,662	–	625,540	1,352,550



## 5. Revenue, Other Income, Gains and Losses, Net

An analysis of the Group's revenue is as follows:

Six months ended 30 June Unaudited	2024	2023
Revenue from contracts with customers		
Sale of goods:		
Aluminium smelting	601,642	770,240
Coal	405,245	539,350
Import and export of commodities	2,206,755	–
Crude oil	730,952	733,632
	<b>3,944,594</b>	<b>2,043,222</b>

### (a) Disaggregated revenue information

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
<b>2024</b>					
<b>Geographical markets</b>					
Mainland China	–	–	–	700,952	700,952
Australia	–	5,527	–	–	5,527
Europe	283,991	80,757	474,963	–	839,711
Other Asian countries	317,651	264,632	1,731,792	30,000	2,344,075
Others	–	54,329	–	–	54,329
	<b>601,642</b>	<b>405,245</b>	<b>2,206,755</b>	<b>730,952</b>	<b>3,944,594</b>
<b>2023</b>					
<b>Geographical markets</b>					
Mainland China	–	–	–	703,400	703,400
Australia	–	14,453	–	–	14,453
Europe	394,814	118,740	–	–	513,554
Other Asian countries	375,426	271,654	–	30,232	677,312
Others	–	134,503	–	–	134,503
	<b>770,240</b>	<b>539,350</b>	<b>–</b>	<b>733,632</b>	<b>2,043,222</b>

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

Six months ended 30 June Unaudited	2024	2023
Interest income	27,568	39,130
Sale of scrap	1,991	2,186
Gain on disposal of items of property, plant and equipment, net	1,447	37
Fair value gain on derivative financial instruments	16,562	23,400
Exchange gain/(losses), net	475	(7,265)
Others	1,252	8,450
	<b>49,295</b>	<b>65,938</b>

## 6. Finance Costs

An analysis of finance costs is as follows:

Six months ended 30 June Unaudited	2024	2023
Interest expense on bank and other borrowings	37,176	74,442
Interest expense on lease liabilities	510	764
<b>Total interest expenses</b>	<b>37,686</b>	<b>75,206</b>
Other finance charges:		
Increase in discounted amounts of provisions arising from the passage of time	11,285	10,914
Others	3,707	3,831
	<b>52,678</b>	<b>89,951</b>

## 7. Profit Before Tax

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

Six months ended 30 June Unaudited	2024	2023
Depreciation of property, plant and equipment	254,238	240,760
Depreciation of right-of-use assets	21,072	19,127
Amortisation of other assets	10,356	8,912
Gain on disposal of items of property, plant and equipment, net	(1,447)	(37)
Fair value gain on derivative financial instruments	(16,562)	(23,400)
Exchange (gain)/losses, net	(475)	7,265

## 8. Income Tax Expense

Six months ended 30 June Unaudited	2024	2023
Current – Hong Kong	–	–
Current – Elsewhere		
Charge for the period	99,403	28,570
Underprovision in prior periods	21	16
Deferred taxation	(16,714)	35,485
<b>Total tax expense for the period</b>	<b>82,710</b>	<b>64,071</b>

The statutory rate of Hong Kong profits tax was 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the Period (2023: Nil).

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

## 8. Income Tax Expense (continued)

**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 a rate of 20% (2023: 20%).

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

## 9. Earnings Per Share Attributable to Ordinary Shareholders of the Company

The calculation of the basic earnings per share amount was based on the profit for the Period attributable to ordinary shareholders of the Company of approximately HK\$353,113,000 (2023: HK\$383,207,000) and the weighted average number of ordinary shares in issue during the Period, which was 7,857,727,149 (2023: 7,857,727,149) shares.

The Group had no potentially dilutive ordinary shares in issue during the Period and for the six months ended 30 June 2023.

## 10. Dividend

The Board has resolved not to pay an interim dividend for the Period (2023: Nil).

The final dividend of HK2.50 cents per ordinary share for the year ended 31 December 2023, totalling approximately HK\$196,443,000, was approved by shareholders at the annual general meeting of the Company held on 14 June 2024 and was paid on 18 July 2024.

## 11. Property, Plant and Equipment

During the Period, the Group acquired property, plant and equipment in an aggregate cost of approximately HK\$167,864,000 (2023: HK\$118,267,000) and disposed of property, plant and equipment having an aggregate carrying amount of HK\$1,346,000 (2023: Nil).

**12. Prepayments, Deposits and Other Receivables**

	30 June 2024 Unaudited	31 December 2023 Audited
Prepayments	16,275	20,984
Deposits and other receivables	182,375	182,488
	<b>198,650</b>	203,472
Impairment allowance	(55,072)	(55,072)
	<b>143,578</b>	148,400
Portion classified as current assets	(100,578)	(104,310)
Non-current portion	43,000	44,090

Included in the Group's other receivables was an amount due from CCEL of approximately HK\$12,426,000 (31 December 2023: HK\$12,426,000), which was interest free and repayable on demand.

As at 30 June 2024, other receivables of approximately HK\$55,072,000 (31 December 2023: HK\$55,072,000) were impaired and fully provided.

**13. Inventories**

	30 June 2024 Unaudited	31 December 2023 Audited
Raw materials	201,300	203,742
Work in progress	46,598	45,345
Finished goods	191,127	186,774
	<b>439,025</b>	435,861

**14. Trade Receivables**

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2024 Unaudited	31 December 2023 Audited
Within one month	1,952,593	234,367
One to three months	–	5,321
Over three months	9,000	–
	<b>1,961,593</b>	239,688

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

**15. Derivative Financial Instruments**

	30 June 2024 Unaudited		31 December 2023 Audited	
	Assets	Liabilities	Assets	Liabilities
EHA3	89,253	–	72,691	–
	89,253	–	72,691	–

Certain members of the Group enter into derivative financial instruments in the normal course of business in order to hedge their exposure to fluctuations in commodity prices and electricity prices.

**16. Cash and Deposits**

	30 June 2024 Unaudited	31 December 2023 Audited
Cash and bank balances	517,870	493,578
Time deposits	373,411	384,144
	891,281	877,722
Less: Time deposit with original maturity more than one year	(125,852)	(118,497)
Cash and cash equivalents	765,429	759,225
Deposits with a fellow subsidiary	455,946	724,591
Cash and deposits	1,221,375	1,483,816

**17. Accounts Payable**

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

	30 June 2024 Unaudited	31 December 2023 Audited
Within one month	1,743,005	242,729
One to three months	14,050	–
Over three months	15,507	–
	1,772,562	242,729

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

**18. Bank and Other Borrowings**

	Notes	30 June 2024 Unaudited	31 December 2023 Audited
Bank borrowings – unsecured	(a)	150,000	1,009,880
Other borrowings – unsecured	(b)	1,208,355	780,000
		<b>1,358,355</b>	<b>1,789,880</b>

Notes:

- (a) As at 30 June 2024, a bank loan of HK\$150,000,000, which is interest-bearing at HIBOR plus margin per annum, repayable in July 2024.
- (b) As at 30 June 2024, the other borrowings included:
- (i) The other borrowing RMB720,000,000 (HK\$792,115,000), obtained from a subsidiary of the Company's ultimate holding company, which is interest-bearing at 3.25% per annum, repayable in 2026.
  - (ii) The other borrowing RMB200,000,000 (HK\$216,240,000), obtained from a subsidiary of the Company's ultimate holding company, which is interest-bearing at Chicago Mercantile Exchange Term Secured Overnight Financing Rate ("CME Term SOFR") plus margin per annum, repayable in 2026.
  - (iii) The other borrowing HK\$200,000,000 obtained from a subsidiary of the Company's ultimate holding company, which is interest-bearing at HIBOR plus margin per annum, repayable in 2025.

	30 June 2024 Unaudited	31 December 2023 Audited
Bank loans repayable:		
Within one year	150,000	350,000
In the second to fifth years, inclusive	–	659,880
	<b>150,000</b>	<b>1,009,880</b>
Other borrowing repayable:		
In the second year	1,208,355	780,000
Total bank and other borrowings	<b>1,358,355</b>	<b>1,789,880</b>
Current portion	(150,000)	(350,000)
Non-current portion	<b>1,208,355</b>	<b>1,439,880</b>

**19. Share Capital**

	30 June 2024 Unaudited	31 December 2023 Audited
Authorised:		
10,000,000,000 (31 December 2023: 10,000,000,000) ordinary shares of HK\$0.05 each	500,000	500,000
Issued and fully paid:		
7,857,727,149 (31 December 2023: 7,857,727,149) ordinary shares of HK\$0.05 each	<b>392,886</b>	<b>392,886</b>

## 20. Litigation

In April 2020, Weihai City Commercial Bank Co., Ltd. ("**Weihai**") commenced three claims (the "**Claims**") in the Shandong High People's Court against, amongst others, a wholly-owned subsidiary of the Company, CA Commodity Trading Pty Ltd ("**CACT**"). The Claims relate to three letters of credit amounting to US\$31,742,190 including the claims for interests and fee of US\$3,342,190 issued in favour of CACT as payment for the sale by CACT to Qingdao Decheng Minerals Co., Ltd. of certain quantity of aluminium stored at bonded warehouses at Qingdao Port, China in 2014. Weihai arranged for the issuance of the letter of credits as payment on behalf of Decheng and it has subsequently disputed the authenticity of the warehouse receipts for the aluminium stored at the bonded warehouses at Qingdao Port.

In December 2020, the Shandong High People's Court ruled that CACT is not liable for Weihai's losses as there was no evidence of any intention to commit fraud on the part of CACT (the "**First Instance Judgement**"). Weihai subsequently submitted an appeal to the Supreme Court of the People's Republic of China ("**SPC**"), appealing against the decision of the Shandong High People's Court.

In December 2022, the SPC held that the Shandong High People's Court did not clearly ascertain the facts of the Claims based on the evidence made available; the SPC has therefore ordered that the First Instance Judgement be rescinded and the cases be remanded to the Shandong High People's Court for a retrial.

A hearing was held at the Shandong Court on 10 January 2024 and CACT submitted to the court all requisite evidence for the purpose of fact finding of the case. The Shandong Court will issue its finding after consideration of all evidence, which is likely to take place in the later part of the year 2024.

CACT maintains the view that the Claims are without merit and groundless and will continue to defend the Claims accordingly.

## 21. Commitments

The Group's capital expenditure commitments are as follows:

	30 June 2024 Unaudited	31 December 2023 Audited
Contracted, but not provided for:		
Capital expenditure in respect of infrastructure and acquisition of items of property, plant and equipment	34,270	121,496

In addition, the Group's share of a joint venture's capital expenditure commitments are as follows:

	30 June 2024 Unaudited	31 December 2023 Audited
Contracted, but not provided for:		
Capital expenditure in respect of infrastructure and acquisition of items of property, plant and equipment	48,150	48,206

## 22. Related Party Transactions and Connected Transactions

In addition to the transactions and balances disclosed elsewhere in these Financial Statements, the Group had the following material transactions with its related parties:

(a)	<b>Six months ended 30 June Unaudited</b>	<b>2024</b>	<b>2023</b>
	Fellow subsidiaries:		
	Interest expenses on lease liability	126	31
	Interest expense on bank and other borrowings	22,000	74,261
	Interest income on deposits to a fellow subsidiary	12,695	24,726
	Management fee income	–	1,698

The above transactions were made based on mutually agreed terms.

(b) Outstanding balances with related parties:

	<b>30 June 2024 Unaudited</b>	<b>31 December 2023 Audited</b>
Fellow subsidiaries:		
Cash and deposits	474,248	727,729
Bank borrowings	150,000	659,880
Other borrowing	1,208,355	780,000
Lease liabilities	4,204	3,351

Further details of the bank and other borrowings are disclosed in note 18 of the Financial Statements.

(c) Compensation paid to key management personnel of the Group was as follows:

	<b>Six months ended 30 June Unaudited</b>	<b>2024</b>	<b>2023</b>
Salaries		2,503	3,057
Allowances		28	36
Pension scheme contributions		60	65
		<b>2,591</b>	<b>3,158</b>



## 22. Related Party Transactions and Connected Transactions (continued)

- (d) The Group had total future minimum lease payments under non-cancellable operating leases with related parties falling due as follows:

	30 June 2024 Unaudited	31 December 2023 Audited
Within one year	1,037	1,969
In the second to fifth years, inclusive	3,865	4,172
	<b>4,902</b>	<b>6,141</b>

## 23. Fair Value and Fair Value Hierarchy of Financial Instruments

The fair values of financial assets included in prepayments, deposits and other receivables, trade receivables, cash and deposits, accounts payable, and financial liabilities included in accrued liabilities and other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

Each principal subsidiary of the Company is responsible for its own fair value measurement of financial instruments. The finance team of the Company is responsible for the review and calibration of the parameters of the valuation processes. The valuation processes and results are discussed with the chief financial officer twice a year for interim and annual financial reporting purposes.

The fair values of the financial assets and liabilities are stated in the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- (a) The fair values of the non-current portion of time deposit and bank and other borrowings were calculated by discounting the expected future cash flows using rates currently available for instruments which had similar terms, credit risk and remaining maturities. The Group's own non-performance risk for time deposit and bank and other borrowings as at the end of the Period was assessed to be insignificant.
- (b) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with high credit quality. Derivative financial instruments, including forward currency contracts and EHA3, were measured using valuation techniques similar to forward pricing and discounted cash flow models, which means using present value calculations. The fair values of forward currency contracts and EHA3 were the same as their carrying amounts.
- (i) The fair values of forward currency contracts and EHA3 were based on valuation techniques using significant observable market inputs and insignificant unobservable market inputs.

## 23. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

#### Assets measured at fair value:

	Fair value measurement using			Total
	quoted prices in active markets (Level 1)	significant observable inputs (Level 2)	significant unobservable inputs (Level 3)	
<b>30 June 2024 (unaudited)</b>				
Derivative financial instruments	–	89,253	–	89,253
<b>31 December 2023 (audited)</b>				
Derivative financial instruments	–	72,691	–	72,691

During the Period, the Group did not have any transfer of fair value measurements between Level 1 and Level 2 nor any transfers into or out of Level 3 for both financial assets (2023: Nil).

## 24. Events after the Reporting Period

On 17 July 2024, approval from certain regulatory authority of the PRC for the Group's participation (the "Transaction") in the scheme of arrangement by way of which Alcoa Corporation ("Alcoa") acquired 100% of the ordinary shares on issue in Alumina Limited ("AWC") for scrip consideration of 0.02854 shares of Alcoa common stock for each share in AWC (the "AWC Scheme of Arrangement") was obtained. On 18 July 2024 (AEST), the AWC Scheme of Arrangement was approved by the requisite majorities of shareholders of AWC at the scheme meeting. On 22 July 2024 (AEST), the Court approved the AWC Scheme of Arrangement and the AWC Scheme of Arrangement had become effective on 23 July 2024 (AEST). It is currently expected that the AWC Scheme of Arrangement will be implemented on 1 August 2024 (AEST).

The Transaction constitutes a major disposal and a major acquisition of the Company. Immediately upon completion of the Transaction, the Group will cease to have any equity interest in AWC and its equity interest in Alcoa is expected to be classified as a financial asset through other comprehensive income, the subsequent measurement of which is solely based on the movement of Alcoa's share price.

Further details of the AWC Scheme of Arrangement and the Transaction were disclosed in the announcements of the Company dated 26 February 2024, 17 July 2024 and 23 July 2024 and the circular of the Company dated 17 July 2024.

## Business Review and Outlook

### Review

#### Operating Environment

Under the influence of geopolitical tensions and weakening economic growth momentum, the uncertainties and challenges in the global economic environment remained severe. The global oil demand and supply is expected to remain balance or slightly surplus in forthcoming years of 2024 and 2025, with the international oil prices remaining relatively high and fluctuating in a small scale. The demand of aluminium products increased due to the high consumption of new energy vehicles. On top of China's energy conservation and carbon reduction which set a red line for aluminium smelting production capacity, the construction and release of overseas aluminium smelting production capacity were lower than expected, leading to the persistent gap between global demand and supply for aluminium smelting, and the rebounded prices of upstream aluminium products. Coal prices have remained at a low level since the drop from the high level in 2023.

During the Period, international oil prices rose slightly and aluminium prices dropped slightly year-on-year, while the coal prices dropped significantly year-on-year. Brent oil price averaged US\$84.0 per barrel during the Period, increasing by approximately 5.1% year-on-year. LME aluminium ingot price averaged US\$2,415.0 per tonne for the Period, decreasing by approximately 1.2% year-on-year. Coal price averaged US\$163.5 per tonne for the Period, decreasing by approximately 34.5% year-on-year. The fluctuations in commodity prices led to slight decline of the Group's financial performance, but the Group's production and operation were stable and the financial position was healthy, maintaining strong operational and risk management ability.

#### Operating Results and Analysis

The Group has been focusing on three core tasks of "resolving risks, improving quality and efficiency, and optimising management", and has been determined to promote the improvement of quality and efficiency by adopting effective and refined management measures in all aspects of sales and production, vigorously promoting applicable new technologies and processes, and building up a technological foundation and cost advantage for sustainable development. Meanwhile, the Group has increased the reserves and production to expand the resource base, stabilising the profitability of different businesses segments and enhancing asset value, including facilitating steadily the development of Hainan Block 20 in Yuedong Oilfield, facilitating and implementing the expansion of the Caspian Bitumen Plant, and striving to realise the value of natural gas upon its commercialization in the Lofin Area at a minimal cost.

During the Period, the Group achieved revenue of approximately HK\$3.94 billion, representing a year-on-year increase of approximately HK\$1.90 billion, or approximately 93.1%, benefiting from the impact of the newly added oil and gas trading business; and recorded net profit attributable to ordinary shareholders of the Company of approximately HK\$0.35 billion, representing a year-on-year decrease of approximately HK\$0.03 billion, or approximately 7.9%, mainly due to the impact of the drop in coal prices from the high level and the high base as a result of the one-off tax benefit in the same period of 2023. As at 30 June 2024, the Group's total assets amounted to approximately HK\$13.07 billion and net assets attributable to ordinary shareholders of the Company were approximately HK\$7.83 billion. The Group continued to proactively curtail its high-interest US-dollar denominated loans, bringing down its interest-bearing debt ratio to approximately 10.4%, and delivered an annualised return on net assets of approximately 9.1%. The Group's operating results remained stable in line with expectation, with strong liquidity and healthy assets.

## Oil and Gas Business

The Group continued to promote various measures to increase reserves and production, improve quality and efficiency, stabilise the profitability of its oil and gas business and enhance the value of its oil and gas properties. Through the continuous introduction of new processes and technologies and the scientific arrangement of production enhancement measures, the Group has been able to promote the improvement of production volume and economic benefits. The Group strengthened the concept of production safety management and intensified the efforts in safety management, resulting in stable production without any significant safety and environmental protection accidents. During the Period, the Group's oil and gas business achieved a working interest output of 4.722 million barrels, representing a year-on-year increase of approximately 1.1%. The oil and gas business achieved revenue of approximately HK\$0.73 billion during the Period, which was basically flat year-on-year, and contributed a net profit attributable to ordinary shareholders of the Company of approximately HK\$0.34 billion.

## Non-Oil-and-Gas Businesses

During the Period, the Group fully exercised its shareholders' rights and proactively promoted the engagement of the metals and mining investment team in the management and shareholders' affairs of the PAS and CMJV, facilitating the optimisation of the operation modes, increasing production capacity and reducing costs. The Group actively and properly dealt with the share swap transaction between AWC and Alcoa, with a view to protecting the interests of shareholders as a whole. During the Period, the Group's non-oil-and-gas businesses achieved a net profit attributable to ordinary shareholders of the Company of approximately HK\$54.76 million, representing a year-on-year decrease of approximately 11.8%, which was mainly attributable to the year-on-year decrease in coal prices. The oil trading business achieved revenue of approximately HK\$2.21 billion, with a trading volume of approximately 3.35 million barrels.

## Outlook

With the possible reversal of the interest rate in the United States, global capital flows are likely to undergo greater changes, and the global economy will continue to be driven by the developing countries and emerging economies. Technological innovation and the development of the digital economy will continue to drive economic growth, and the global supply chain and industrial chain are expected to regain balance and stability.

For the traditional resource and energy industries, both opportunities and challenges exist in the future. The Group will build consensus and synergy to reform, actively explore investment opportunities in the upstream aluminium business and new energy sectors, and cultivate the second growth curve, while the oil trading business will move steadily to an annual trading volume of 10 million barrels. Through the dual driver of investment and trading, the Group envisages to become an influential listed company specialising in resources and energy with "dual driver of energy and mineral product investment and commodity trading".

## Financial Review

### Group's financial results:

HK\$'000

#### Operating results and ratios

	Six months ended 30 June		Change
	2024 Unaudited	2023 Audited	
Revenue	3,944,594	2,043,222	93.1%
EBITDA <sup>1</sup>	795,550	832,809	(4.5)%
Adjusted EBITDA <sup>2</sup>	1,096,569	1,140,226	(3.8)%
Profit attributable to ordinary shareholders of the Company	353,113	383,207	(7.9)%
Adjusted EBITDA coverage ratio <sup>3</sup>	11.63 times	8.21 times	
Earnings per share (Basic) <sup>4</sup>	HK4.49 cents	HK4.88 cents	

#### Financial position and ratios

	30 June	31 December	Change
	2024 Unaudited	2023 Audited	
Cash and deposits	1,221,375	1,483,816	(17.7)%
Total assets	13,074,726	11,624,391	12.5%
Total debt <sup>5</sup>	1,421,044	1,830,739	(22.4)%
Net debt <sup>6</sup>	199,669	346,923	(42.4)%
Total equity	7,925,312	7,841,423	(1.1)%
Current ratio <sup>7</sup>	1.3 times	1.7 times	
Net debt to net total capital <sup>8</sup>	2.5%	4.2%	
Net asset value per share <sup>9</sup>	HK\$1.00	HK\$0.99	

<sup>1</sup> profit before tax + finance costs + depreciation + amortisation

<sup>2</sup> EBITDA + (share of finance costs, depreciation, amortisation, income tax expense and non-controlling interests of a joint venture)

<sup>3</sup> adjusted EBITDA/(finance costs + share of finance costs of a joint venture)

<sup>4</sup> profit attributable to ordinary shareholders of the Company/weighted average number of ordinary shares in issue during the period

<sup>5</sup> bank and other borrowings + lease liabilities

<sup>6</sup> total debt – cash and deposits

<sup>7</sup> current assets/current liabilities

<sup>8</sup> net debt/(net debt + total equity) x 100%

<sup>9</sup> equity attributable to ordinary shareholders of the Company/number of ordinary shares in issue at end of the period/year

The average Brent oil price stood at US\$84.0 per barrel during the Period. Many energy industry analysts initially expected global oil prices would rebound in the second half of this year, with Brent crude rising above US\$90.0 a barrel or higher, but that changed after the Organization for Petroleum Exporting Countries (OPEC+) announced earlier that it would begin lifting current production limits by October.

The potential additional supplies hit the global market sooner than expected, sending the oil prices lower following the announcement. There may not likely to be a clear direction in the global oil market.

During the Period, the Group recorded a profit attributable to ordinary shareholders of the Company of approximately HK\$353.1 million (1H 2023: HK\$383.2 million), representing a decrease of approximately 7.9% as compared with the same period of last year. The decrease was mainly attributable to the following factors:

- (i) a decrease in the average selling price of coal and the softening of the average prices of aluminium sold by the Group, comparing to the same period of last year; and
- (ii) a decrease in the share of profit of a joint venture.

Despite that, all of the Group's segments and investments recorded profits for the Period. Although the Group had repaid bank and other borrowings of approximately HK\$431.5 million during the Period, the Group continues to maintain a strong financial position with cash and deposits of approximately HK\$1,221.4 million as at 30 June 2024.

### Aluminium smelting

- The Group holds a 22.5% participating interest in the PAS JV. The PAS sources alumina and produces aluminium ingots.
- Revenue HK\$601.6 million (1H 2023: HK\$770.2 million) ▼ 22%  
Segment results HK\$39.8 million (1H 2023: HK\$0.7 million) ▲ 5,586%
- The market started relatively weak as compared to 1H 2023, the segment recorded a decrease of approximately 22% in revenue, with the average selling price and the sales volume decreased by approximately 1% and 21% respectively as compared to 1H 2023. The segment recorded a profitable gross margin during the Period, attributable to the lower production cost during the Period when compared with 1H 2023 as a result of PAS's partial curtailment of the production due to instability of equipment in the 1H 2023. The segment results reported a significant increase as compared to 1H 2023.

The Group's aluminium smelting business is a net US\$ denominated asset while certain costs are payable in A\$. Fluctuations between A\$ and US\$ throughout the Period caused a net exchange gain of approximately HK\$7.7 million (1H 2023: a net exchange gain of approximately HK\$5.6 million).

- In April 2021, EHA3 was signed between the Group and various independent electricity suppliers. The EHA3 effectively allowed the PAS to hedge the spot price for electricity for a specific load from 1 August 2021 to 30 June 2026. In accordance with HKFRSs, EHA3 is accounted for as a financial derivative where movements in its fair value are recognised as gain or loss in the consolidated income statement. Pricing of the electricity include certain components which are linked to market inputs such as foreign exchange and the London Metal Exchange aluminium prices. During the Period, the EHA3 fair valuation gain amounted to approximately HK\$16.6 million (1H 2023: a valuation gain of approximately HK\$23.4 million).

- As disclosed in the announcement of the Company dated 16 March 2023, it was announced by Alcoa Australia Limited, which owns 55% participating interest in the PAS JV, on 15 March 2023 that the PAS began to immediately reduce its overall production due to operational instability. Such instability was related to the production of rodded anodes that are necessary to convey electricity into the smelting pots. Previously, the PAS had been operating at about 95% of its total capacity. Immediately after the curtailment of 68 pots in March, there were 288 pots in service which was below 70% of its total capacity. After the rodding room equipment was repaired, gradually 24 pots were put back in service by early July, which is equivalent to 75% of its total capacity. The Company has been given to understand that Alcoa Australia Limited maintained this capacity until the end of September 2023 to ensure equipment stability at the PAS and will then assess whether to increase pot numbers and expand the production capacity. PAS JV management has been reviewing the health of the critical assets and developing maintenance or asset improvement plan to ensure that the assets can operate reliably. As at 30 June 2024, the smelter was operating 336 pots, representing about 82% of its total capacity. The PAS JV will continue to monitor the situation to ensure operational stability before starting more pots in the second half of 2024.

## Coal

- The Group holds a 14% participating interest in the CMJV and interests in several coal exploration projects in Australia. The CMJV is a major producer of low volatile pulverised coal injection coal in the international seaborne market.

- |                 |                   |                              |       |
|-----------------|-------------------|------------------------------|-------|
| Revenue         | HK\$405.2 million | (1H 2023: HK\$539.3 million) | ▼ 25% |
| Segment results | HK\$27.0 million  | (1H 2023: HK\$71.0 million)  | ▼ 62% |

Because of significant drop of the PCI coal price, the average selling price also decreased by approximately 26% as compared to 1H 2023. Factors such as logistic challenges due to the disruptions caused by poor railway performance, as well as production issues contributed by labour shortages, had driven up costs and led to a decline in the segment results by approximately 62% as compared to 1H 2023.

- The Group's coal business is a net US\$ denominated asset while most of its costs are payable in A\$. Fluctuations between A\$ and US\$ throughout the Period caused a net exchange gain of approximately HK\$7.3 million (1H 2023: a net exchange loss of HK\$2.2 million).

## Import and export of commodities

- |                 |                     |                            |       |
|-----------------|---------------------|----------------------------|-------|
| Revenue         | HK\$2,206.8 million | (1H 2023: nil)             | N/A   |
| Segment results | HK\$0.7 million     | (1H 2023: HK\$3.8 million) | ▼ 82% |

- Since the cessation of the import of steel products operations in the second half of 2022, management has been actively exploring various new opportunities such as trading of crude oil around the world and trading of alumina in Australia. In January 2024, the Company signed the first contract for a back-to-back trading of crude oil and the first shipment occurred in February 2024.

- The Group's import and export of commodities business is a net US\$ denominated asset while most of its costs are payable in A\$. Fluctuations between A\$ and US\$ throughout the Period caused a net exchange loss of HK\$0.2 million (1H 2023: a net exchange gain of HK\$0.2 million).
- In April 2020, Weihai City Commercial Bank Co., Ltd. ("**Weihai**") commenced three claims (the "**Claims**") in the Shandong High People's Court against, amongst others, a wholly-owned subsidiary of the Company, CA Commodity Trading Pty Ltd ("**CACT**"). The Claims relate to three letters of credit amounting to US\$31,742,190 including the claims for interests and fee of US\$3,342,190 issued in favour of CACT as payment for the sale by CACT to Qingdao Decheng Minerals Co., Ltd. of certain quantity of aluminium stored at bonded warehouses at Qingdao Port, China in 2014. Weihai arranged for the issuance of the letter of credits as payment on behalf of Decheng and it has subsequently disputed the authenticity of the warehouse receipts for the aluminium stored at the bonded warehouses at Qingdao Port.

In December 2020, the Shandong High People's Court ruled that CACT is not liable for Weihai's losses as there was no evidence of any intention to commit fraud on the part of CACT (the "**First Instance Judgement**"). Weihai subsequently submitted an appeal to the Supreme Court of the People's Republic of China ("**SPC**"), appealing against the decision of the Shandong High People's Court.

In December 2022, the SPC held that the Shandong High People's Court did not clearly ascertain the facts of the Claims based on the evidence made available; the SPC has therefore ordered that the First Instance Judgement be rescinded and the cases be remanded to the Shandong High People's Court for a retrial.

A hearing was held at the Shandong Court on 10 January 2024 and CACT submitted to the court all requisite evidence for the purpose of fact finding of the case. The Shandong Court will issue its finding after consideration of all evidence, which is likely to take place in the later part of the year 2024.

CACT maintains the view that the Claims are without merit and groundless and will continue to defend the Claims accordingly.

For details, please refer to the announcements of the Company dated 1 September 2020, 7 January 2021, 21 May 2021 and 27 February 2023.

### Bauxite mining and alumina refining

- The Group had an interest in a world-class global portfolio of upstream mining and refining operations in the aluminium sector through its 278,900,000 ordinary shares, representing 9.6117% equity interest in AWC, a leading Australian company listed on the ASX (Stock Code: AWC) during the Period. Other subsidiaries of CITIC Limited had a total 9.3070% equity interest in AWC. AWC was treated as an investment in an associate of the Group as at 30 June 2024.

As at 30 June 2024, the investment cost of AWC amounted to approximately HK\$3,291.9 million (31 December 2023: same), while the carrying amount of the investment in AWC was approximately 14.1% (31 December 2023: 15.7%) of the Group total assets.

AWC has significant global interests in bauxite mining, alumina refining and selected aluminium smelting operations through its 40% ownership of the Alcoa World Alumina and Chemicals joint venture, the world's largest alumina producer.

- The Group accounted for its share of profit or loss in AWC by using the equity method.

Share of profit of an associate      HK\$17.3 million (1H 2023: share of profit HK\$11.7 million) ▲ 48%

The Group recorded a share of profit in respect of its interest in AWC. This is mainly attributable to the share of the strong preliminary sales results from its investments.



During the Period, the Group did not receive any dividend from AWC (1H 2023: nil).

Detailed financial results of AWC are available on its website at <http://www.aluminalimited.com>.

- On 26 February 2024, AWC received a non-binding, indicative and conditional proposal from Alcoa in relation to the AWC Scheme of Arrangement. Subsequently on 11 June 2024, AWC published the scheme booklet in respect of the AWC Scheme of Arrangement. Subsequent to the Period and on 18 July 2024 (AEST), the AWC Scheme of Arrangement was approved by the requisite majorities of shareholders of AWC at the scheme meeting. On 22 July 2024 (AEST), the Court approved the AWC Scheme of Arrangement and the AWC Scheme of Arrangement had become effective on 23 July 2024 (AEST).

The Group's participation in the AWC Scheme of Arrangement (the "**Transaction**") constitutes a major disposal and a major acquisition of the Company. Immediately upon completion of the Transaction, the Group will cease to have any equity interest in AWC and in return holds approximately 3.03% equity interest in Alcoa, which is classified as a financial asset through other comprehensive income, and the subsequent measurement of which is solely based on the movement of Alcoa's share price. <sup>(Note)</sup>

The Group will gain exposure to a leading global pure play aluminium company with a geographically diversified and integrated portfolio across bauxite, alumina and aluminium through the Transaction, which aligns with the Group's investing strategy in the aluminium sector.

Further details of the AWC Scheme of Arrangement and the Transaction were disclosed in the announcements of the Company dated 26 February 2024, 17 July 2024, 23 July 2024 and the circular of the Company dated 17 July 2024.

### Crude oil (the Seram Island Non-Bula Block, Indonesia)

- CITIC Seram, an indirect wholly-owned subsidiary of the Company, owns a 41% participating interest in the PSC until 31 October 2039. CITIC Seram is the operator of the Seram Block.

As at 31 December 2023, in respect of the PSC, the Seram Block had estimated proved oil reserves of approximately 2.7 million barrels (31 December 2022: 2.6 million barrels) as determined in accordance with the standards of the PRMS.

- During the Period, the segment results of CITIC Seram recorded a profit of approximately HK\$8.7 million (1H 2023: HK\$5.3 million), representing an approximate 64% increase year-on-year. The following table shows a comparison of the performance of the Seram Block for the periods stated:

		1H 2024 (41%)	1H 2023 (41%)		Change
Average benchmark end-market mean of					
Dated Brent crude oil	(US\$ per barrel)	84.0	79.9	▲	5%
Platts Singapore (MOPS):					
Platts HSFO 180 CST Singapore	(US\$ per barrel)	71.2	62.6	▲	14%
Platts HSFO 380 CST Singapore	(US\$ per barrel)	69.3	61.4	▲	13%
Average crude oil realised price	(US\$ per barrel)	62.3	51.0	▲	22%
Sales volume	(barrels)	61,700	76,000	▼	19%
Revenue	(HK\$ million)	30.0	30.2	▼	1%
Total production	(barrels)	60,000	75,000	▼	20%
Daily production	(barrels)	326	417	▼	22%

Note: As disclosed in the announcement of the Company dated 1 August 2024, subsequent to the date of this report and before the latest practicable date prior to the printing of this report, the AWC Scheme of Arrangement had been implemented and the Transaction had completed on 1 August 2024 (AEST).

A 1% drop in revenue was a result of a 22% increase in the average crude oil realised price coupled with a 19% decrease in the sales volume.

Production decreased by approximately 20% year-on-year due to natural decline of existing wells.

Cost of sales per barrel increased by approximately 8.6% as compared to 1H 2023, due to the decrease in production volume.

Under a stringent cost control program, only essential repairs and maintenance works have been deployed to maintain production level of existing wells.

In 1H 2024, the Seram oilfield achieved a net profit attributable to ordinary shareholders of the Company of approximately HK\$8.8 million, representing an increase of approximately 57.1% as compared to 1H 2023.

- In January 2021, CITIC Seram was advised by SKK MIGAS (a special task force established by the government of the Republic of Indonesia to manage the upstream oil and gas business activities of the country) to offer a 10% participating interest under the PSC to MEA, a company owned and appointed by the local government of Maluku. MEA would set up a subsidiary to receive such 10% participating interest. Based on a letter issued by The Minister of Energy and Mineral Resources of Republic of Indonesia, the price for the 10% participating interest was 10% of the performance bond provided by the PSC at the time of extension. In March 2021, CITIC Seram submitted an offer letter to MEA and at the same time received letter of intent from MEA.

In June 2023, CITIC Seram signed a transfer agreement in respect of the transfer of 10% participating interest in the PSC to MEA (or its subsidiary). The transfer is conditional on, among others, the approval from the relevant authority of the government of the Republic of Indonesia. As of the date of this report, such approval is still pending.

- In July 2022, CITIC Seram received tax assessment letters for the underpayment of the fiscal years 2017 and 2018 corporate income tax and branch profit tax including penalty totalling US\$2.1 million. CITIC Seram settled this amount and lodged Tax Objection Letter to the Indonesia Tax Office in September 2022. In view of the ongoing legal proceedings, a provision in the amount of approximately HK\$15,691,000 was made for the tax prepaid for prudence purpose.

In July 2023, CITIC Seram was notified by the Indonesia Tax Office that the tax objection has been rejected. As a result, CITIC Seram initiated the legal process and appealed to the tax court in October 2023. As of the date of this report, the lawsuit is still undergoing.

- In December 2022, CITIC Seram commenced exploration activities in the Lofin-2 area and it is currently expected to produce natural gas in the mid of 2026.

## Crude oil (the Hainan-Yuedong Block, China)

- CITIC Haiyue, an indirect wholly-owned subsidiary of the Company, owns a 90% interest in Tincy Group.

Pursuant to a petroleum contract entered into with CNPC in February 2004, as supplemented by an agreement signed in May 2010, Tincy Group holds the right to explore, develop and produce petroleum from the Hainan-Yuedong Block until 2034. Tincy Group is the operator of the Hainan-Yuedong Block in cooperation with CNPC.

As at 31 December 2023, the Yuedong oilfield had estimated proved oil reserves of 24.3 million barrels (31 December 2022: 27.0 million barrels) as determined in accordance with the standards of the PRMS.

- In 1H 2024, the segment results of CITIC Haiyue recorded a profit of HK\$317.9 million (1H 2023: HK\$329.8 million), representing an approximate 4% decrease year-on-year. The following table shows a comparison of the performance of the Yuedong oilfield for the periods stated:

		1H 2024	1H 2023		
		(Tincy Group's share)		Change	
Average benchmark quote:					
Platts Dubai crude oil	(US\$ per barrel)	82.5	78.7	▲	5%
Average crude oil realised price	(US\$ per barrel)	82.7	78.3	▲	6%
Sales volume	(barrels)	1,087,300	1,143,000	▼	5%
Revenue	(HK\$ million)	700.9	703.4	▼	0%
Total production	(barrels)	1,085,000	1,074,000	▲	1%
Daily production	(barrels)	6,028	5,967	▲	1%

- An approximate 0.4% decrease in revenue was a result of an approximate 6% increase in the average crude oil realised price coupled with an approximate 5% decrease in sales volume. Production increased by approximately 1% as compared to 1H 2023, mainly as a result of replacing crude oil with accompanying natural gas as fuel for boilers, which led to injection of steam into the production of heavy oil in the oilfield, thereby saving crude oil consumption and achieving a year-on-year increase in equity production.
- Cost of sales per barrel increased by approximately 8% as compared to 1H 2023, attributable to (a) a 9% increase in depreciation, depletion and amortisation per barrel due to reversed impairment; (b) a 6% increase in direct operating costs per barrel, which was mainly due to increased repairs and maintenance costs and well operation costs; and (c) the decrease in marginal output net of marginal cost, which was mainly due to the fact that the development of the oilfield has reached its middle stage of production. On the other hand, devaluation of RMB, the functional currency of Tincy Group, against Hong Kong dollar by 3% during the Period, has reduced the negative impact from the increasing cost of sales.
- Under a stringent cost control program, only essential repairs and maintenance works have been deployed to maintain production level of existing wells, and effective production capacity increment is expected to be achieved through the development of added drilling wells. Application of new technologies will also be promoted to improve productivity in the Yuedong oilfield.

## Crude oil and bitumen (the Karazhanbas oilfield, Kazakhstan)

- CITIC Oil & Gas, an indirect wholly-owned subsidiary of the Company, and JSC KazMunaiGas Exploration Production, through CCEL, jointly own, manage and operate KBM. Effectively, by holding 100,000 ordinary shares in CCEL (31 December 2023: same), the Group owns 50% of the issued voting shares of KBM (which represents 47.3% of the total issued shares of KBM). As at 30 June 2024, the investment cost of CCEL amounted to approximately HK\$1,924.8 million (31 December 2023: same), while the carrying amount of the investment in CCEL was approximately 22.2% (31 December 2023: 24.0%) of the Group's total assets.

CCEL is an investment holding company and its operating subsidiaries are principally engaged in the development, production and sale of oil and holds the right to explore, develop, produce and sell oil from the Karazhanbas oilfield until 2035, production and sale of road bitumen and clarified oil, and provision of oilfield related services in Kazakhstan. The investment in CCEL is considered as strategic investment which aligned with the strategy of the Group's business.

As at 31 December 2023, the Karazhanbas oilfield had estimated proved oil reserves of 130.4 million barrels as determined in accordance with the standards of the PRMS.

In 1H 2024, the KBM oilfield achieved a net profit attributable to ordinary shareholders of the Company of approximately HK\$144.7 million, representing a year-on-year decrease of approximately 19.0%.

- The Group accounts for its share of profit or loss in CCEL using the equity method.

Share of profit of a joint venture      HK\$144.7 million      (2023: HK\$178.6 million)      ▼ 19%

The following table shows a comparison of the performance of the Karazhanbas oilfield for the periods stated:

		1H 2024 (50%)	1H 2023 (50%)		Change
<b>Crude Oil</b>					
Average benchmark end-market quotes:					
Urals Mediterranean crude oil	(US\$ per barrel)	71.4	50.5	▲	41%
Dated Brent crude oil	(US\$ per barrel)	84.0	79.9	▲	5%
Average crude oil realised price	(US\$ per barrel)	70.9	64.9	▲	9%
Sales volume	(barrels)	3,160,000	3,119,000	▲	1%
Revenue	(HK\$ million)	1,748.2	1,577.7	▲	11%
Total production	(barrels)	3,560,000	3,523,000	▲	1%
Daily production	(barrels)	19,600	19,500	▲	1%
<b>Bitumen</b>					
Average selling price	(US\$/tonne)	313.9	230.8	▲	36%
Sales volume	(tonnes)	67,000	71,000	▼	6%
Revenue	(HK\$ million)	165.0	128.7	▲	28%
Total production	(tonnes)	69,000	72,000	▼	4%

Revenue of crude oil increased by approximately 11% when compared to 1H 2023, attributable to increases in both average crude oil realised price and sales volume. Although sales volume of bitumen decreased by approximately 6%, revenue of bitumen increased by approximately 28% when compared to 1H 2023 as a result of the increase in the average selling price of bitumen by approximately 36%. Production of crude oil increased by approximately 1% and production of bitumen decreased by approximately 4% when compared to 1H 2023.

In CCEL's consolidated income statement, "Cost of sales" includes MET while "Selling and distribution costs" includes export duty and rent tax. Different progressive rates are applied in respect of these taxes. The applicable rate of MET is determined by reference to production volume whereas the applicable rates of export duty and rent tax are determined by reference to average oil prices.

MET is charged on production volume on a quarterly basis at rates per tonne by reference to the average oil price for the quarter. Export duty is charged on export volume on a monthly basis at rates per tonne by reference to the average oil price for the month. Rent tax is charged on export volume on a quarterly basis at rates per US\$ amount by reference to the average oil price for the quarter.

Cost of sales per barrel increased by approximately 11% when compared to 1H 2023, of which (a) direct operating costs per barrel increased by approximately 11% mainly as a result of an increase in wages and salaries and water supply; and (b) depreciation, depletion and amortisation per barrel increased by approximately 13% as a result of a write-back of a prior year provision for impairment in respect of certain oil and gas properties of KBM in 2023.

Selling and distribution costs per barrel increased by approximately 26% as compared to 1H 2023 as export duty and rent tax are charged at progressive rates and determined by reference to average oil prices, and the export duty per barrel and rent tax per barrel increased by approximately 13% and approximately 81%, respectively, in line with increases in average oil prices.

## Liquidity, Financial Resources and Capital Structure

### Cash and deposits

As at 30 June 2024, the Group continues to maintain a strong financial position, with cash and deposits balances amounting to approximately HK\$1,221.4 million (31 December 2023: HK\$1,483.8 million).

### Borrowings

As at 30 June 2024, the Group had total debt of approximately HK\$1,421.0 million (31 December 2023: HK\$1,830.7 million), which comprised:

- unsecured bank borrowings of approximately HK\$150.0 million;
- unsecured other borrowing of approximately HK\$1,208.3 million; and
- lease liabilities of approximately HK\$62.7 million.

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

The Group's total debt decreased by approximately HK\$409.7 million, which was mainly due to the net repayment of bank and other borrowings of approximately HK\$431.5 million from its surplus cash, together with the increase of lease liabilities of approximately HK\$21.8 million during the Period.

The Group aims to maintain the cash and deposits and undrawn banking and other facilities at a reasonable level at US\$325.1 million (equivalent to approximately HK\$2,530.0 million) and RMB80.0 million (equivalent to approximately HK\$86.2 million), respectively to meet the debt repayments and capital expenditures in the coming year.

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 "**A Loan**"), effective from 24 June 2021. The proceeds of the A Loan were mainly used for the repayment of the remaining balance of a then existing loan. On 30 June 2023, the A Loan was extended for 3 years with a maturity date on 30 June 2026. On 31 January 2024, the Company fully settled the outstanding amount of the A Loan of US\$84.6 million (equivalent to approximately HK\$659.9 million), and the A Loan was terminated in advance.

On 29 December 2022, the Company entered into a facility agreement with CITIC Finance International Limited (a fellow subsidiary of the Company, "**CITIC Finance International**") in respect of an unsecured 3-year revolving loan facility of US\$150.0 million (equivalent to approximately HK\$1,170.0 million) (the "**B Loan**"). The proceeds of the B Loan were used for refinancing the repayment of the remaining outstanding balance of the existing loans. As at 30 June 2024, the outstanding balance of the B Loan was HK\$200.0 million.

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 in respect of an unsecured 3-year committed US\$100.0 million (equivalent to approximately HK\$780.0 million) revolving loan facility (the "**C Loan**"). The proceeds of the C Loan were used for operation expenses and refinancing purposes. On 15 April 2024, the Company repaid the outstanding amount of the C Loan of HK\$350.0 million. As at 30 June 2024, there was no outstanding amount of the C Loan.

On 29 January 2024, a 90% owned subsidiary of the Company entered into an unsecured 2-year RMB800.0 million (equivalent to approximately HK\$876.8 million) credit facility agreement with CITIC Finance Company Limited (a fellow subsidiary of the Company, “**CITIC Finance PRC**”) (the “**D Loan**”). The proceeds of the D Loan were used for refinancing the repayment of the remaining outstanding balance of the existing loans. As at 30 June 2024, the outstanding balance of the D Loan was RMB720.0 million (equivalent to approximately HK\$792.1 million).

On 27 May 2024, the Company entered into an unsecured 2-year RMB200.0 million (equivalent to approximately HK\$219.2 million) credit facility agreement with CITIC Finance PRC (the “**E Loan**”). The proceeds of the E Loan were used for refinancing the repayment of the remaining outstanding balance of the existing loans. As at 30 June 2024, the outstanding balance of the E Loan was RMB200.0 million (equivalent to approximately HK\$216.2 million).

On 26 June 2024, a wholly-owned subsidiary of the Company entered into an unsecured 1-year uncommitted US\$75.0 million (equivalent to approximately HK\$585.0 million) credit facility agreement with China CITIC Bank International Limited (a fellow subsidiary of the Company) (the “**F Loan**”). The proceeds of the F Loan were used for refinancing the repayment of the remaining outstanding balance of the existing loans. As at 30 June 2024, the outstanding balance of the F Loan was HK\$150.0 million.

For the interest rates of the loans mentioned above, please refer to note 18 of the Financial Statements.

The Group leases certain plant and machinery for its aluminium and coal mine operations under finance leases. The lease liabilities arising from these finance leases as at 30 June 2024 were HK\$10.8 million (31 December 2023: HK\$13.2 million).

As at 30 June 2024, the Group’s net debt to net total capital was 2.5% (31 December 2023: 4.2%). Among the Group’s total debt, approximately HK\$167.6 million (31 December 2023: HK\$374.7 million) was repayable within one year, including unsecured bank loan and lease liabilities.

## **Share capital**

There was no movement in the share capital of the Company during the Period.

## **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. Their purpose is to manage the price risk arising from the Group’s operations and sources of finance.

## **New investment**

There was no new investment concluded during the Period.

## **Opinion**

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

## Employees and Remuneration Policies

As at 30 June 2024, the Group had 195 full time employees (30 June 2023: 202), including management and administrative staff.

During the Period, the remuneration of these full-time employees was approximately HK\$48.9 million (30 June 2023: HK\$69.1 million). In addition, the Group would share the expenses of the subcontractor remuneration of its investments as an operator (including the Seram Block, Indonesia and Hainan-Yuedong Block, China) and jointly owned investments (PAS and CMJV and certain exploration rights), involving approximately 1,750 employees in total (30 June 2023: 1,800) and amounting to approximately HK\$139.7 million (30 June 2023: HK\$146.2 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.

The employees of the Group's subsidiaries which operate in China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme.

The Group operates the following contribution retirement benefit schemes for its employees:

- (a) a defined scheme under the superannuation legislation of Australia for those employees in Australia who are eligible to participate; and
- (b) a defined scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees in Hong Kong who are eligible to participate.

Contributions are made based on a percentage of the employees' basic salaries. The assets of the above schemes are held separately from those of the Group in independently administered funds. The Group's employer contributions vest fully with the employees when contributed into these schemes.



## Events Occurring after the Reporting Period

Save as disclosed elsewhere in this report, there was no other important event or transaction affecting the Group and which is required to be disclosed by the Company to its shareholders from 1 July 2024 up to the date of this report.

## Corporate Governance Code

The Company has applied the principles and complied with the applicable code provisions, and also complied with certain recommended best practices, of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the Period, save and except for the following deviations from code provision C.2.1 of the Corporate Governance Code.

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

The roles of both the chairman of the Board (the “**Chairman**”) and chief executive officer of the Company (the “**CEO**”) have been vested in Mr. Hao Weibao since 18 April 2023 and up to the date of this report.

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 both roles of the Chairman and CEO 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, under the supervision of the Board which, apart from Mr. Hao who is an executive director, (i) a non-executive director and three independent non-executive directors at the time of Mr. Hao’s appointments; and (ii) another executive director, a non-executive director and three independent non-executive directors as at the date of this report, 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 for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules (or on terms no less exacting than the Model Code).

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

## Directors' and Chief Executive's Interests in Shares and Underlying Shares

As at 30 June 2024, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under such provisions of the SFO), or which are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required pursuant to the Model Code to be notified to the Company and the Stock Exchange are as follows:

### Long positions in shares and underlying shares of the Company

Name of director	Nature of interest	Number of ordinary shares of HK\$0.05 each held	Percentage of the total issued share capital of the Company
Mr. Chan Kin ("Mr. Chan")	Interest of controlled corporation	786,558,488*	10.01
Mr. Lu Dequan	Beneficial Owner	908,000	0.01

\* The figure represents an attributable interest of Mr. Chan through his interest in Argyle Street Management Holdings Limited ("ASM Holdings"). Mr. Chan is a significant shareholder of ASM Holdings.

### Long positions in shares and underlying shares of associated corporations of the Company

Name of director	Name of associated corporation	Shares/ equity derivatives	Number of shares/ equity derivatives held	Nature of interest	Percentage of the total issued share capital of the associated corporation
Mr. Hao Weibao	CITIC Limited	Ordinary shares	62,000	Beneficial owner	–

Save as disclosed herein, and in the section headed "Substantial Shareholders and Other Persons' Interests in Shares and Underlying Shares" (in case there is any disclosure therein) of this report, and, so far as is known to the directors, as at 30 June 2024, (i) none of the directors or the chief executive of the Company had an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under such provisions of the SFO), or which are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required pursuant to the Model Code to be notified to the Company and the Stock Exchange; and (ii) save as disclosed in the section headed "Board of Directors and Senior Management" in the annual report of the Company for the year ended 31 December 2023, none of the directors was a director or employee of a company which had interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## Share Option Scheme

A new share option scheme was adopted by the Company on 27 June 2014 which remained in force for a period of 10 years from 27 June 2014 (the “Share Option Scheme”). The Share Option Scheme has expired on 26 June 2024. No share option had been granted by the Company under the Share Option Scheme since its date of adoption and up to its expiry date.

## Substantial Shareholders’ and Other Persons’ Interests in Shares and Underlying Shares

As at 30 June 2024, the interests and short positions of the substantial shareholders and other persons in the shares or underlying shares of the Company, as recorded in the register required to be kept under section 336 of the SFO, were as follows:

Name of shareholder	Nature of interest	Number of ordinary shares of HK\$0.05 each held as long positions	Percentage of the total issued share capital of the Company
中國中信集團有限公司 (CITIC Group Corporation)	Interest of controlled corporation	4,675,605,697 <sup>(1)</sup>	59.50
CITIC Limited	Interest of controlled corporation	4,675,605,697 <sup>(2)</sup>	59.50
CITIC Corporation Limited	Interest of controlled corporation	4,675,605,697 <sup>(3)</sup>	59.50
CITIC Projects Management (HK) Limited	Beneficial owner	3,895,083,904 <sup>(4)</sup>	49.57
Keentech Group Limited	Beneficial owner	3,895,083,904 <sup>(5)</sup>	49.57
CITIC Australia Pty Limited	Interest of controlled corporation	750,413,793 <sup>(6)</sup>	9.55
Argyle Street Management Holdings Limited	Interest of controlled corporation	786,558,488 <sup>(7)</sup>	10.01
Argyle Street Management Limited	Interest of controlled corporation	786,558,488 <sup>(8)</sup>	10.01
ASM Connaught House General Partner Limited	Interest of controlled corporation	786,558,488 <sup>(9)</sup>	10.01
ASM Connaught House General Partner II Limited	Interest of controlled corporation	786,558,488 <sup>(10)</sup>	10.01
ASM Connaught House Fund LP	Interest of controlled corporation	786,558,488 <sup>(11)</sup>	10.01
ASM Connaught House Fund II LP	Interest of controlled corporation	786,558,488 <sup>(12)</sup>	10.01
ASM Connaught House (Master) Fund II LP	Interest of controlled corporation	786,558,488 <sup>(13)</sup>	10.01
Sea Cove Limited	Interest of controlled corporation	786,558,488 <sup>(14)</sup>	10.01
TIHT Investment Holdings III Pte. Ltd.	Beneficial owner	786,558,488 <sup>(15)</sup>	10.01

Notes:

- (1) The figure represents an attributable interest of 中國中信集團有限公司 (CITIC Group Corporation) ("**CITIC Group**") through its interest in CITIC Limited. CITIC Group is a company established in China.
- (2) The figure represents an attributable interest of CITIC Limited through its interest in CITIC Corporation Limited ("**CITIC Corporation**"). CITIC Limited, a company incorporated in Hong Kong and listed on the Main Board of the Stock Exchange (Stock Code: 267), is owned as to 32.53% by CITIC Polaris Limited ("**CITIC Polaris**") and 25.60% by CITIC Glory Limited ("**CITIC Glory**"). CITIC Polaris and CITIC Glory, companies incorporated in the BVI, are direct wholly-owned subsidiaries of CITIC Group.
- (3) The figure represents an attributable interest of CITIC Corporation through its interest in CITIC Projects Management (HK) Limited ("**CITIC Projects**"), CITIC Australia Pty Limited ("**CA**") and Fortune Class Investments Limited ("**Fortune Class**"). Fortune Class holds 30,108,000 shares representing 0.38% of the total issued share capital of the Company. CITIC Corporation, a company established in China, is a direct wholly-owned subsidiary of CITIC Limited. Fortune Class, a company incorporated in the BVI, is an indirect wholly-owned subsidiary of CITIC Corporation.
- (4) The figure represents an attributable interest of CITIC Projects through its interest in Keentech Group Limited ("**Keentech**"). CITIC Projects, a company incorporated in the BVI, is a direct wholly-owned subsidiary of CITIC Corporation.
- (5) Keentech, a company incorporated in the BVI, is a direct wholly-owned subsidiary of CITIC Projects.
- (6) CA, a company incorporated in Australia, is a direct wholly-owned subsidiary of CITIC Corporation.
- (7) The figure represents an attributable interest of ASM Holdings through its interest in ASM Limited, ASM Connaught House General Partner Limited ("**ASM General Partner**") and ASM Connaught House General Partner II Limited ("**ASM General Partner II**"). ASM Holdings is a company incorporated in the BVI.
- (8) The figure represents an attributable interest of ASM Limited through its control of, by virtue of its position as investment manager of, ASM Connaught House Fund LP ("**ASM Fund LP**"), ASM Connaught House Fund II LP ("**ASM Fund II**") and ASM Connaught House (Master) Fund II LP ("**ASM (Master) Fund II**"). ASM Limited, a company incorporated in the BVI, is a direct wholly-owned subsidiary of ASM Holdings.
- (9) The figure represents an attributable interest of ASM General Partner through its role as general partner of ASM Fund LP. ASM General Partner, a company incorporated in the Cayman Islands, is a direct wholly-owned subsidiary of ASM Holdings.
- (10) The figure represents an attributable interest of ASM General Partner II through its role as general partner in ASM Fund II and ASM (Master) Fund II.
- (11) The figure represents an attributable interest of ASM Fund LP through its interest in Albany Road Limited ("**Albany**"). Albany, a company incorporated in the BVI, is a direct wholly-owned subsidiary of ASM Fund LP.
- (12) The figure represents an attributable interest of ASM Fund II through its interest in ASM (Master) Fund II.
- (13) The figure represents an attributable interest of ASM (Master) Fund II through its interest in Caroline Hill Limited ("**Caroline**"). Caroline, a company incorporated in the BVI, is a direct wholly-owned subsidiary of ASM (Master) Fund II.
- (14) The figure represents an attributable interest of Sea Cove Limited ("**Sea Cove**") through its interest in TIHT Investment Holdings III Pte. Ltd. ("**TIHT**"). Sea Cove, a company incorporated in the BVI, is owned as to more than one-third of the total issued share capital by Caroline and more than one-third of the total issued share capital by Albany.
- (15) TIHT, a company incorporated in Singapore, is a direct wholly-owned subsidiary of Sea Cove.

Save as disclosed herein and in the section headed "Directors' and Chief Executive's Interests in Shares and Underlying Shares" of this report, and so far as is known to the directors, as at 30 June 2024, no person had an interest or a short position in the shares or underlying shares of the Company which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or recorded in the register to be kept under section 336 of the SFO.

## **Update on Directors' Information Pursuant to Rule 13.51B(1) of the Listing Rules**

Subsequent to the date of the 2023 annual report of the Company and as at the date of this report, the updates on the information of the directors which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

1. Mr. Andrew Look has retired from office by rotation as an independent non-executive director of Ka Shui International Holdings Limited ("Ka Shui", Stock Code: 822) on 31 May 2024 and did not seek for re-election at the annual general meeting of Ka Shui upon his retirement.

## **Purchase, Redemption or Sale of Listed Securities of the Company**

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

## **Review of Accounts**

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

On behalf of the Board

**Hao Weibao**

*Chairman*

Hong Kong, 26 July 2024

## Glossary of Terms

In this Interim report, unless the context otherwise requires, the following expressions have the following meanings:

A\$	Australian dollar, the lawful currency of Australia
AEST	Australian Eastern Standard Time
Alcoa	Alcoa Corporation, a company incorporated in Delaware and whose shares are listed on the NYSE
ASX	Australian Securities Exchange
AWC	Alumina Limited, a company limited by shares incorporated in Australia and whose shares are listed on the ASX (stock code: AWC)
AWC Scheme of Arrangement	acquisition of 100% of the ordinary shares on issue in AWC by Alcoa by way of a scheme of arrangement, for scrip consideration of 0.02854 shares of Alcoa common stock for each share in AWC
Board	Board of directors
BVI	British Virgin Islands
CCEL	CITIC Canada Energy Limited, a company incorporated under the laws of Alberta, Canada with limited liability and a joint venture of the Company
CITIC Haiyue	CITIC Haiyue Energy Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of the Company
CITIC Oil & Gas	CITIC Oil & Gas Holdings Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of the Company
CITIC Seram	CITIC Seram Energy Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of the Company
CMJV	Coppabella and Moorvale coal mines joint venture, in which the Group held a 14% participating interest as at the date of this report
CNPC	China National Petroleum Corporation, a state-owned enterprise established in the PRC
Company	CITIC Resources Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on the Main Board of the SEHK (stock code: 1205)

Court	Federal Court of Australia (sitting in Melbourne), or another court of competent jurisdiction under the Corporations Act 2001 (Cth) of Australia agreed in writing by Alcoa and AWC
Decheng	Qingdao Decheng minerals Co., Ltd. (青島德誠礦業有限公司)
EHA3	hedging agreement with the independent electricity suppliers, AGL Energy Limited, Alinta Energy Pty Limited and Origin Energy Limited, a company listed on ASX (Stock Code: ORG)
Financial Statements	interim condensed consolidated financial statements of the Company
Group	the Company and its subsidiaries from time to time
Hainan-Yuedong Block	Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, PRC
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
HKAS	Hong Kong Accounting Standard issued by HKICPA
HKFRSs	Hong Kong Financial Reporting Standards issued by the HKICPA
HKICPA	Hong Kong Institute of Certified Public Accountants
Karazhanbas oilfield	Karazhanbas Oil and Gas Field in Mangistau Oblast, Kazakhstan
KBM	JSC Karazhanbasmunai, a company incorporated under the laws of Kazakhstan
Listing Rules	Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
MEA	PT Maluku Energi Abadi
MET	Mineral extraction tax
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
NYSE	New York Stock Exchange
PAS or "PAS JV"	Portland Aluminium Smelter joint venture, in which the Group held a 22.5% participating interest as at the date of this report
PCI	Pulverized coal injection
Period or 1H 2024	six months ended 30 June 2024

PRC	People's Republic of China, which, for the purpose of this report only, excludes Taiwan, the Hong Kong Special Administrative Region of the People's Republic of China and the Macau Special Administrative Region of the People's Republic of China
PRMS	the Petroleum Resources Management System published by the Society of Petroleum Engineers, American Association of Petroleum Geologists, World Petroleum Council, and Society of Petroleum Evaluation Engineers in March 2007 as amended from time to time
PSC	Production sharing contract which grants the right to explore, develop and produce petroleum from the Seram Block
RMB	Renminbi, the lawful currency of China
Seram Block	Seram Island Non-Bula Block, Indonesia
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
SOFR	Secured Overnight Financing Rate
Stock Exchange	The Stock Exchange of Hong Kong Limited
Tincy Group	Tincy Group Energy Resources Limited, a company incorporated in Hong Kong and a subsidiary of the Company in which CITIC Haiyue held a 90% interest as at the date of this report
US\$	United States dollars, the lawful currency of the United States of America
Yuedong oilfield	principal oilfield within Hainan-Yuedong Block, PRC
1H 2023	six months ended 30 June 2023

Note: The English names of the Chinese entities mentioned hereinabove are translated from their Chinese names. If there are any inconsistencies, the Chinese names shall prevail.



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