



(於百慕達註冊成立之有限公司)

(incorporated in Bermuda with limited liability)

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## CITIC RESOURCES ANNOUNCES 2019 ANNUAL RESULTS

### MACRO ECONOMIC FACTORS IMPACT EARNINGS STRENGTHENING COMPETITIVENESS IN THE TROUGH

#### Financial Highlights

(HK\$ Million)	For the year ended December 31		
	2019	2018	Change
Revenue	3,425.5	4,427.3	-22.6%
EBITDA *	1,304.3	2,070.9	-37.0%
Adjusted EBITDA ^	1,723.3	2,443.9	-29.2%
Profit attributable to shareholders	600.3	905.3	-33.7%
Earnings per share (Basic)	HK7.64 cents	HK11.52 cents	

\* EBITDA = Profit before tax + finance costs + depreciation + amortisation + asset impairment losses

^ Adjusted EBITDA = EBITDA + (share of finance costs, depreciation, amortisation, income tax expense and non-controlling interests of a joint venture) – share of reversal of asset impairment loss of a joint venture

(Hong Kong, 25 March 2020) – CITIC Resources Holdings Limited (“**CITIC Resources**” or the “**Company**”) (Stock code: 1205.HK) announced the audited annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2019.

During the year, macroeconomic factors such as tension in Sino-US relations and Brexit caused substantial decline in global crude oil and commodity prices, and thereby impacted upon the Group’s financial performance. Revenue of the Group decreased by 22.6% year-on-year to HK\$3,425.5 million. Profit attributable to shareholders was approximately HK\$600.3 million, which is down 33.7% compared to 2018. Earnings per share (Basic) recorded HK 7.64 cents. The board does not recommend a final dividend for the year ended 31 December 2019.

**Mr. Suo Zhengang, Vice Chairman and Chief Executive Officer of the Group** commented - “In 2019, the external macro-environment, especially the volatility of commodities and crude oil prices, had been the major factor affecting the Group’s operating results. The slowdown in global economy growth and the intensifying trade tensions had led to a larger extent of decline in commodity prices of our major businesses – crude oil, alumina and coal. As a result, the Group’s revenue and profits were greatly affected.

It is expected that the challenge in 2020 will be even more severe. The sudden outbreak of coronavirus disease pandemic in the beginning of the year has seriously affected market demands. Many countries have adopted lockdown measures or declared a state of emergency. In addition, the negotiations on a deeper cut in production among the OPEC+ members have failed in the early March, which triggered a “cliff” fall of oil prices and stock prices. The Group has established an epidemic control team and formulated measures to maintain the production and operation at a relatively stable level. Meanwhile, we will exercise more stringent cost control throughout the entire business process, continue to increase management efficiency, and strive to mitigate the adverse effects from both the epidemic and unfavorable market environment.

In 2019, the Seram Block in Indonesia completed a smooth transition to the new Production Sharing Contract and recommenced new wells drilling in the Oseil area in the first quarter of 2020, and also resumed exploration of natural gas resources in the Lofin area. Drilling of new wells in Yuedong Oilfield recommenced in the fourth quarter of 2019, and the drilling progress was better than expected, which can potentially be the key growth driver for future production. While exploring potential of the existing assets, we will continue to identify high-quality assets with the back of our parent company CITIC Limited, seek cooperation opportunities prudently, and strengthen our competitiveness.

Looking forward, our primary goal is to maintain profitability and a reasonable dividend payout ratio. At the same time, we will get prepared in the trough, target to bounce back after the market downturn, and generate generous returns for our shareholders.”

- End -

**About CITIC Resources Holdings Limited (HKEx stock code: 1205)**

CITIC Resources Holdings Limited has been listed on the Hong Kong Stock Exchange since 1997. Principal activities of the Company include the exploration, development and production of oil and coal, investments in manganese, bauxite mining, alumina refinery and aluminium smelting, as well as the import and export of commodities. CITIC Limited is the largest shareholder with about 60% interest in the Company.

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**Attachment:**

*Announcement of the 2019 Annual Results appears on Citic Resources Holdings Limited's website:*  
<http://resources.citic/big5/global/home.htm>