CAA Resources Limited
優庫資源有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Joint Provisional Liquidators appointed)
(For restructuring purposes only)
(Stock Code: 02112)

UNAUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL HIGHLIGHTS

- The Group's revenue reached approximately US$24.0 million, representing 14.0% lower than US$27.9 million recorded in the year of 2020.
- The Group's gross profit reached approximately US$0.2 million (2020: gross loss of approximately US$0.6 million).
- The Group recorded loss of US$57.0 million for the year ended 31 December 2021 (2020: loss of approximately US$29.6 million).
- The Directors of the Company did not recommend the payment of final dividend for the year ended 31 December 2021 (2020: nil).
- Basic loss per Share for the year ended 31 December 2021 was US$3.80 cents (2020: basic loss per Share of US$1.97 cents).

* *For identification only*

The Board is pleased to announce the unaudited consolidated results of the Group for the year ended 31 December 2021 ("**the year under review**") together with the comparative figures for the year ended 31 December 2020 as follows:

Consolidated Statement of Profit or Loss
Year ended 31 December 2021

	Notes	**2021** **US$'000** ***(Unaudited)***	2020 US$'000 *(Audited)*
Revenue	*4*	**23,978**	27,855
Cost of sales		**(23,814)**	(28,426)
Gross profit (loss)		**164**	(571)
Other income	*6*	**9,167**	1,756
Selling and distribution expenses		**—**	(32)
Administrative and other expenses		**(2,920)**	(4,247)
Impairment loss on financial assets, net of reversal		**(51,305)**	(13,335)
Reversal of impairment loss on remeasurement of non-current assets held for sale		**—**	3,612
Finance costs	*7*	**(12,112)**	(17,036)
Loss before income tax		**(57,006)**	(29,853)
Income tax credit	*8*	**—**	252
Loss for the year	*9*	**(57,006)**	(29,601)
Loss for the year attributable to:			
Owners of the Company		**(57,006)**	(29,601)
Non-controlling interests		**—**	—
		(57,006)	(29,601)
Loss per share attributable to the owners of the Company:			
Basic and diluted (US cents)	*10*	**(3.80)**	(1.97)

Consolidated Statement of Financial Position
31 December 2021

	Notes	**2021** **US$'000** ***(Unaudited)***	2020 US$'000 *(Audited)*
Non-current assets			
Property, plant and equipment		**522**	1,802
Intangible assets		**12,643**	13,121
Right-of-use assets		**—**	35
Financial assets at fair value through other comprehensive income		**—**	679
Goodwill		**6,597**	6,841
Total non-current assets		**19,762**	22,478
Current assets			
Trade receivables	*11*	**148,303**	204,120
Deposits, prepayments and other receivables	*12*	**3,876**	8,288
Cash and cash equivalents		**1,191**	102
Total current assets		**153,370**	212,510
Current liabilities			
Trade payables	*13*	**963**	8,337
Other payables and accruals	*14*	**23,029**	25,223
Lease liabilities		**—**	21
Amount due to ultimate holding company		**60,000**	60,000
Bank and other borrowings		**54,683**	54,683
Notes and bonds		**51,819**	45,786
Income tax payable		**3,414**	3,459
Total current liabilities		**193,908**	197,509
Net current (liabilities) assets		**(40,538)**	15,001
Total assets less current liabilities		**(20,776)**	37,479

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Non-current liabilities		
Lease liabilities	**—**	11
Provision for rehabilitation	**576**	525
Deferred tax liabilities	**2,922**	2,930
Total non-current liabilities	**3,498**	3,466
Net (liabilities) assets	**(24,274)**	34,013
Equity		
Share capital	**1,934**	1,934
Reserves	**(26,208)**	32,079
Equity attributable to owners of the Company	**(24,274)**	34,013
Non-controlling interests	**—**	—
Total equity	**(24,274)**	34,013

Notes to Financial Statements

31 December 2021

1. GENERAL INFORMATION

CAA Resources Limited (the "**Company**") was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 25 April 2012 and its shares are listed on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 3 July 2013.

The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of the principal place of business of the Company is Unit 1101, Tower 1, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Lai Chi Kok, Kowloon, Hong Kong.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company is Cosmo Field Holdings Limited ("**Cosmo Field**"), which was incorporated in the British Virgin Islands. The ultimate beneficial owner of the Company is Mr. Li, the Executive Director of Company.

The Company is an investing holding company. Its major operating subsidiaries are principal engaged in the mining, ore processing, sales of iron ore products and other commodities. The Group was also engaged in trading other products during the year ended 31 December 2021.

The functional currency of the Company and the subsidiaries incorporated in Hong Kong are United States dollars ("**US$**") while that of the subsidiaries established in the People's Republic of China, Malaysia and Singapore are Renminbi ("**RMB**"), Malaysia Ringgit ("**MYR**") and Singapore Dollar ("**SGD**") respectively. For the purpose of presenting the consolidated financial statements, the Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") adopted US$ as its presentation currency which is the same as the functional currency of the Company.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance and International Financial Reporting Standards ("**IFRSs**"). The consolidated financial statements have been prepared under the historical cost convention except for financial assets at fair value through other comprehensive income certain financial assets that are measured at fair values at the end of each reporting period. The preparation of consolidated financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

3. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

In the current year, the Group has applied, for its first time, the following amendments to IFRSs issued by the International Accounting Standards Board (the "**IASB**") which are effective for the Group's financial year beginning 1 January 2021.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform — Phase 2
Amendment to IFRS 16	COVID-19 — Related Rent Concessions

The application of other new and amendments to IFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs and interpretation that have been issued but are not yet effective:

IFRS 17	Insurance Contracts[3]
Amendments to IFRS 3	Reference to the Conceptual Framework[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture[4]
Amendments to IAS 1	Classification of liabilities as Current or Non-current[3]
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies[3]
Amendments to IAS 8	Definition of Accounting Estimates[3]
Amendments to IAS12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[3]
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use[2]
Amendments to IAS 37	Onerous contracts: Cost of fulfilling a contract[2]
Amendments to IFRS 16	COVID-19 – Related Rent Concessions beyond 30 June 2021[1]
Amendments to IFRSs	Annual Improvements to IFRS 2018–2020 cycle[2]

1 Effective for annual periods beginning on or after 1 April 2021

2 Effective for annual periods beginning on or after 1 January 2022

3 Effective for annual periods beginning on or after 1 January 2023

4 Effective date not yet been determined

The directors of the Company anticipate that, the application of the new and amendments to IFRSs will have no material impact on the results and the financial position of the Group.

4. REVENUE

Revenue represents revenue arising on sales of iron ore products, other commodities and other products. An analysis of the Group's revenue for the year is as follows:

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Revenue from contracts with customers within the scope of IFRS 15		
— Sales of iron ore products	**—**	240
— Sales of commodities	**14,080**	27,615
— Sales of other products	**9,898**	—
	23,978	27,855

Set out below is the disaggregation of the Group's revenue from contracts with customers by timing of recognition and geographical markets, arising from different reporting segments:

For the year ended 31 December 2021	**Commercial trade**	**Others**	**Total**
	US$'000	**US$'000**	**US$'000**
	(Unaudited)	***(Unaudited)***	***(Unaudited)***
Revenue from goods:			
— Sales of commodities	**14,080**	**—**	**14,080**
— Sales of other products	**—**	**9,898**	**9,898**
	14,080	**9,898**	**23,978**
Timing of revenue recognition:			
— At a point in time	**14,080**	**9,898**	**23,978**
Geographical markets:			
— People's Republic of China ("**PRC**")	**—**	**1,008**	**1,008**
— Hong Kong	**14,080**	**8,890**	**22,970**
	14,080	**9,898**	**23,978**

For the year ended 31 December 2020	Iron ore mining and processing operation US$'000 *(Audited)*	Commercial trade US$'000 *(Audited)*	Total US$'000 *(Audited)*
Revenue from goods:			
— Sales of iron ore products	240	—	240
— Sales of commodities	—	27,615	27,615
	240	27,615	27,855
Timing of revenue recognition:			
— At a point in time	240	27,615	27,855
Geographical markets:			
— Malaysia	240	—	240
— Hong Kong	—	27,615	27,615
	240	27,615	27,855

5. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purpose of resource allocation and assessment of segment performance focuses on types of goods provided. No operating segments identified by the CODM has been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

- Iron ore mining and processing operation — mining and sales of iron ore;
- Commercial trade — trading of crude oil and other commodities;
- Financing operation — investment in equity securities and other financial services; and
- Others — trading of other products.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 December 2021

	Iron ore mining and processing operation US$'000 *(Unaudited)*	Commercial trade US$'000 *(Unaudited)*	Financing operation US$'000 *(Unaudited)*	Others US$'000 *(Unaudited)*	Total US$'000 *(Unaudited)*
Segment revenue	—	14,080	—	9,898	23,978
Segment (loss) profit	(1,065)	(49,247)	(3,502)	165	(53,649)
Unallocated income					7,889
Unallocated corporate expenses					(1,650)
Unallocated finance costs					(8,655)
Impairment loss on other receivables					(941)
Loss before income tax					(57,006)

For the year ended 31 December 2020

	Iron ore mining and processing operation US$'000 *(Audited)*	Commercial trade US$'000 *(Audited)*	Financing operation US$'000 *(Audited)*	Total US$'000 *(Audited)*
Segment revenue	240	27,615	—	27,855
Segment (loss) profit	(839)	(16,581)	798	(16,622)
Unallocated income				472
Unallocated corporate expenses				(3,862)
Unallocated finance costs				(13,529)
Reversal of impairment loss on other receivables				76
Reversal of impairment loss on remeasurement of non-current assets held for sale				3,612
Loss before income tax				(29,853)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment loss represents the loss of each segment without allocation of central and other operating expenses, other income, finance costs, reversal of (impairment loss) on other receivables and reversal of impairment loss on remeasurement of non-current assets held for sale. This is the measure reported to the directors of the Company with respect to the resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

Segment assets

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Iron ore mining and processing operation	**13,776**	15,575
Commercial trade	**145,489**	203,340
Financing operations	**3,169**	6,609
Others	**2,007**	—
Total segment assets	**164,441**	225,524
Corporate and other assets	**8,691**	9,464
Total assets	**173,132**	234,988

Segment liabilities

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Iron ore mining and processing operation	**1,097**	1,345
Commercial trade	**129,757**	132,100
Others	**958**	—
Total segment liabilities	**131,812**	133,445
Corporate and other liabilities	**65,594**	67,530
Total liabilities	**197,406**	200,975

For the purposes of monitoring segment performance and allocating resources between segments:

— All assets are allocated to operating segment, other than allocated property, plant and equipment, right-of-use assets, financial assets at fair value through other comprehensive income ("**FVTOCI**"), goodwill, unallocated deposits, prepayments and other receivables, bank balances and cash and other corporate assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and

— All liabilities are allocated to operating segments, other than unallocated other payables and accruals, lease liabilities, other borrowings, notes and bonds, deferred tax liabilities and other corporate liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment liabilities.

Other segment information

For the year ended 31 December 2021

	Iron ore mining and processing operation US$'000 *(Unaudited)*	Commercial trade US$'000 *(Unaudited)*	Financing operation US$'000 *(Unaudited)*	Others US$'000 *(Unaudited)*	Unallocated US$'000 *(Unaudited)*	Total US$'000 *(Unaudited)*
Amounts include in the measure of segment loss or segment assets:						
Depreciation and amortisation	**739**	**—**	**—**	**—**	**(64)**	**675**
(Reversal of) impairment loss on trade receivables	**(153)**	**45,782**	**—**	**—**	**—**	**45,629**
Impairment loss on other receivables	**—**	**—**	**4,719**	**—**	**957**	**5,676**
Loss on disposal of property, plant and equipment	**402**	**—**	**—**	**—**	**—**	**402**
Loss on written-off of property, plant and equipment	**369**	**—**	**—**	**—**	**—**	**369**
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:						
Interest from waived of interest expense on other borrowings	**—**	**—**	**—**	**—**	**(7,878)**	**(7,878)**
Loan interest income	**—**	**—**	**—**	**(1,278)**	**—**	**(1,278)**
Finance costs	**—**	**3,457**	**—**	**—**	**8,655**	**12,112**

For the year ended 31 December 2020

	Iron ore mining and processing operation US$'000 *(Audited)*	Commercial trade US$'000 *(Audited)*	Financing operation US$'000 *(Audited)*	Unallocated US$'000 *(Audited)*	Total US$'000 *(Audited)*
Amounts include in the measure of segment loss or segment assets:					
Depreciation and amortisation	735	—	—	37	772
Impairment loss on trade receivables	115	13,182	—	—	13,297
(Reversal of) impairment loss on other receivables	(1)	(65)	104	—	38
Gain on derecognition of right-of-use assets	—	—	—	(37)	(37)
Gain on disposal of non-current assets classified as held for sale	—	—	—	(346)	(346)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:					
Loan interest income	—	—	(1,284)	—	(1,284)
Finance costs	—	3,507	—	13,529	17,036
Income tax credit	—	—	—	(252)	(252)

Geographical information

During the years ended 31 December 2021 and 2020, the Group's operations are located in Hong Kong and Malaysia.

Information about the Group's revenue from external customers is presented based on the location of the operations.

Revenue from external customers

	2021 **US$'000** ***(Unaudited)***	2020 US$'000 *(Audited)*
Hong Kong	**22,970**	27,615
PRC	**1,008**	—
Malaysia	**—**	240
Total revenue	**23,978**	27,855

Substantially all of the Group's operations and non-current assets are in Hong Kong and Malaysia.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Company A[1]	**14,080**	N/A[2]
Company B[1]	**8,251**	N/A[2]
Company C[2]	**N/A[3]**	19,932
Company D[2]	**N/A[3]**	7,923
	22,331	27,855

[1] Revenue from others segment.

[2] Revenue from commercial trade segment.

[3] The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. OTHER INCOME

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Income from waived of interest expense on other borrowings *(note i)*	**7,878**	—
Interest income from loan receivables	**1,278**	1,284
Gain on disposal of non-current assets classified as held for sale	**—**	346
Exchange gain, net	**—**	44
Gain on derecognition of rights-of-use assets	**—**	37
Government grants *(note ii)*	**—**	17
Others	**11**	28
	9,167	1,756

Notes:

(i) On 1 September 2021, the Company and the independent lender entered into supplemental agreement pursuant to which the independent lender agreed to adjust the interest rate from 3% per month to 5% per annum starting from 26 September 2019 and the default interest rate adjusted from 5% per month to 0% per annum starting from 26 September 2019.

(ii) During the year ended 31 December 2020, the Group recognised government grants of HK$135,000 (equivalent to approximately US$17,000) in respect of COVID-19-related subsidies, of which amounted to approximately US$17,000 related to Employment Support Scheme provided by the Government of the Hong Kong Special Administrative Region under the Anti-Epidemic Fund. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

7. FINANCE COSTS

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Interests on:		
— bank borrowings	**3,457**	3,506
— other borrowings	**908**	6,897
— notes	**7,311**	6,148
— bonds	**383**	467
— lease liabilities	**2**	2
Unwinding of discount on provision	**51**	16
	12,112	17,036

8. INCOME TAX CREDIT

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Current tax:		
Hong Kong Profits Tax	**—**	—
Over provision in prior years:		
Hong Kong Profits Tax	**—**	(252)
	—	(252)

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. For the years ended 31 December 2021 and 2020, Hong Kong Profits Tax of the qualified entities of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other entities of the Group in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

(iii) No provision for Singapore and PRC corporate income tax has been provided as the Company's subsidiaries located in Singapore and Mainland China had no assessable profits derived or earned in Mainland China and Singapore for the years ended 31 December 2021 and 2020.

(iv) Pursuant to the income tax rules and regulations in Malaysia, the subsidiaries located in Malaysia are liable to Malaysia corporate income tax at a rate of 24% (2020: 24%) on the assessable profits generated during the year.

9. LOSS FOR THE YEAR

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Loss for the year has been arrived at after charging:		
Directors' and chief executive's emoluments	**282**	567
Salaries, wages, allowances and other benefits	**449**	503
Contributions to retirement benefits scheme (excluding directors', chief executive's and supervisors' emoluments)	**24**	25
Total staff costs	**755**	1,095
Auditor's remuneration:		
— Audit services	**102**	102
— Non-audit services	**18**	—
Depreciation of property, plant and equipment	**675**	762
Depreciation of right-of-use assets	**13**	9
Amortisation of intangible assets	**—**	1
Loss on disposal of property, plant and equipment	**402**	—
Loss on written-off of property, plant and equipment	**369**	—
Lease rentals for office premises *(note i)*	**12**	2
Amount of inventories recognised as an expense	**23,814**	27,945
Impairment loss on trade receivables	**45,629**	13,297
Impairment loss on other receivables	**5,676**	38

Note:

(i) The amounts represent lease rentals related to short-term leases under IFRS 16.

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following:

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Loss		
Loss for the purpose of basic and diluted loss per share	**(57,006)**	(29,601)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share *('000 shares)*	**1,500,000**	1,500,000

The dilutive loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares outstanding during the years ended 31 December 2021 and 2020.

11. TRADE RECEIVABLES

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Receivables at amortised cost comprise:		
Trade receivables	**219,757**	229,945
Less: loss allowance for trade receivables	**(71,454)**	(25,825)
	148,303	204,120

As at 31 December 2021, the gross amount of trade receivables arising from contracts with customers amounted to approximately US$219,757,000 (2020: US$229,945,000).

The Group normally allows a credit period of not more than 120 days to its customers, although an extension of the credit period is not uncommon for customers who have a long term relationship with the Group. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of this and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

The following is an aged analysis of trade receivables, net of loss allowance for trade receivables, presented based on the invoice date, which approximates revenue recognition date at the end of each reporting period.

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Within 30 days	**627**	8,170
61–120 days	**10**	—
120–365 days	**802**	—
Over 365 days	**146,864**	195,950
	148,303	204,120

As at 31 December 2021, the Group's trade receivables with carrying values of approximately US$36,533,000 (2020: US$36,533,000) have been pledged to secure banking facilities granted to the Group.

12. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Loan receivables from a company *(note i)*	**9,285**	8,007
Deposits	**5**	29
Prepayments	**1**	1
Other receivables	**2,007**	1,997
	11,298	10,034
Less: loss allowance	**(7,422)**	(1,746)
	3,876	8,288

Note:

(i) Loan receivables

As at 31 December 2021, the amount represents a loan with the principal amount of approximately US$6,389,000 (2020: US$6,389,000) made to Shenzhen Wanyuntong Real Estate Development Company Limited* 深圳市萬運通房地產開發有限公司 ("**Shenzhen Wanyuntong**") and the interest receivables of approximately US$2,896,000 (2020: US$1,618,000) thereon. The loan carried effective interest at fixed rates at 20% per annum, unsecured and repayable with interest upon three months' notice by the Group. Details of the loan are set out in the Company's announcement dated 24 December 2015.

* *For identification only*

13. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Within 90 days	**963**	8,337

The average credit period granted by its suppliers ranging from 30 to 60 days. The Group has financial risk management in place to ensure that all payables are settled within the credit timeframe.

14. OTHER PAYABLES AND ACCRUALS

	2021	2020
	US$'000	US$'000
	(Unaudited)	*(Audited)*
Other payables *(note i)*	**2,094**	2,468
Interest payables *(note ii)*	**20,048**	21,900
Accruals	**887**	855
	23,029	25,223

Notes:

(i) Included in other payables as at 31 December 2021, approximately US$201,000 (2020: US$360,000) represented the amount due to directors of the Company. The amounts are unsecured, interest-free and no repayment on demand.

(ii) Included in interest payables was an amount of approximately US$20,048,000 (2020: US$21,900,000) which represented the aggregate accrued interests in default in connection with the In Default Borrowings and Cross-default Borrowings.

15. DIVIDENDS

No dividend was paid or proposed during the years ended 31 December 2021 and 2020, nor has any dividend been proposed since the end of the reporting period.

16. EVENT AFTER THE REPORTING PERIOD

Reference is made to the announcements of the Company dated 19 March 2021, 5 May 2021, 31 May 2021, 6 June 2021, 11 June 2021, 20 June 2021, 21 June 2021, 19 October 2021 and 23 March 2022 in relation to the winding up petition presented against the Company. The Petitioner has agreed to withdraw winding up petition which was initially scheduled to be heard on 30 March 2022, while the Petitioner reserved its rights to present new wind-up petition in future.

Mr. Leung Yiu Cho has been appointed as an independent non-executive director of the Company and will serve as the chairman of the audit committee of the Board with effect from 11 March 2022.

Mr. Ng Khing Yeu was appointed as an executive Director and co-chairman with effect from 25 March 2022.

Save as disclosed above, the Company is not aware of significant event after the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND MARKET DEVELOPMENT

The Company acts as an investment holding company, and its principal business activities are iron ore exploration, mining, crushing and beneficiation as well as sale of iron ore products and other commodities, and investment holding. The Group was also engaged in trading other products during the year ended 31 December 2021 (the "**Year**"). The primary mining asset of the Group is the iron-ore reserves in Ibam Mine, which is located in the State of Pahang, Malaysia.

Since the beginning of 2020, the COVID-19 epidemic is still raging around the world, and the normal order of production and life has not yet been restored. The main mining assets of the Company are located in Malaysia. At the beginning of 2021, the Malaysian government tried to implement the Recovery Movement Control Order (RMCO), which aims to restore the economy while continuing to prevent and control the COVID-19 epidemic. However, due to the fact that the number of cases continued to increase under the RMCO, the Malaysian government had to announce the all states would re-enter the movement control order (MCO) in the middle of the year. In the second half of the year, affected by the mutant strains of Delta and Omicron, the epidemic in Malaysia has been repeated and has not improved. Continued government control measures have resulted in the inability of the company to operate during the time.

In order to cope with the challenges of the external environment, the Group continued to implement a diversified trade strategy, and during the year obtained the cooperation and trade business with JD.com, a leading e-commerce platform in China. In addition, in the second half of the year, the Group developed a trade partnership with a third-party company engaged in R&D and production of healthcare products and owns a number of exclusive patents. While continuing to look for industry-related strategic investors, the company will actively integrate resources and expand its business to improve cash flow.

The Company has taken timely and active prevention and control measures since the initial stage of the epidemic, in order to ensure the health and safety of all employees, and to accumulate strength for the recovery and development of the Company.

As the COVID-19 adverse impact started to ease in the second half of the year, the Group generated revenue from sales of commodities and other products, and recorded gross profit of US$0.2 million (2020: gross loss of approximately US$0.6 million). Looking forward, the Group is cautiously optimistic of the prospects if the COVID-19 adverse impact shall ease in future.

MARKET REVIEW AND OUTLOOK

The iron ore market was highly volatile in 2021, but the median price of the year has moved up significantly year-on-year. In the second quarter, the demand for steel in China was strong, the price of finished products rose rapidly, and the profits of long-process steel mills expanded significantly. Meanwhile, overseas demand also recovered quickly, which resulted in a certain diversion of the supply of foreign mines. The Platts 62% index once broke through US$230/metric tonne, hitting a new all-time high.

After entering the third quarter, with the expected implementation of crude steel production, the demand for iron ore collapsed, and the price began to decline unilaterally, with a cumulative decline of more than 60%. The volatility during the year was historically rare. The price difference between high– and low-grade iron ore products has also expanded to a historical extreme this year, and the structural contradiction between varieties has become more prominent.

From a fundamental point of view, the supply and demand of China's iron ore market will be weak in 2022, but the decline in demand will be steeper due to the impact of the crude steel production target. The output growth of Big 4 major global iron ore producers will be greater than 2021, but due to the diversion of overseas demand, the actual volume shipped to China may drop slightly year-on-year. The shipments of non-mainstream iron ore products will be suppressed by the decline of prices, and the year-on-year decline in actual arrivals will further expand. In 2022, the supply pressure of iron ore is expected to be reduced compared to 2021.

On the demand side, the annual hot metal production of Chinese steel mills is expected to continue the downward trend. There is still room for overseas hot metal production to continue to recover. India's hot metal production will continue to hit a record high, and the production in Japan and the EU will return to pre-epidemic levels. The contraction rate of the supply side of China's iron ore will be slightly smaller than that of the demand side, and the balance of supply and demand will further ease slightly. Port inventories are expected to hit a record high, exceeding 170 million tons. In 2022, the iron ore price will be mainly influenced by finished products. The improvement in the end user demand for steel products will determine the price of finished steel product, as well as the iron ore price.

BUSINESS & OPERATIONS REVIEW

Project Ibam operation update

The Group's principal mining site is Project Ibam. Based on the "Independent Technical Report", there is approximately 151 Mt of ore resource altogether at a grade higher than or equal to 35%, with an average grade of 46.5% total iron, and it has a mine life expected to be more than 26 years as of 31 December 2012. The Group uses the open-pit mining method to simplify operations and reduce production costs. The Group produces iron ore products through a relatively low cost process which includes ball-milling, magnetic separation process and dewatering. The processing method is environmentally friendly as it does not require chemical additives and reduces the amount of waste water produced.

The Group was unable to conduct any production activities during the Period due to the movement control order imposed by the Malaysia government remaining in place as a result of the continuing COVID-19 pandemic in Malaysia with thousands of new cases recorded daily.

Due to low production efficiency and safety reasons caused by aging equipment, the Group disposed of beneficiation lines and crushing lines. During the year under Review, the Group focused on commodities trading and no mining and production activities were carried out and plans to purchase new equipment when production resumes in the future to reduce production costs and improve efficiency.

During the year, there was no revenue arising from sale of iron ore (2020: US$0.2 million).

Operating Results

The Sales analysis for the Group is as follows:

	For the year ended 31 December 2021	For the year ended 31 December 2020	Change
Sales Revenue	**US$23,978,000**	US$27,855,000	–13.9%
— Iron Ore	**Nil**	US$240,000	–100.0%
— Other Commodities	**US$14,080,000**	US$27,615,000	–49.0%
— Other products	**US$9,898,000**	Nil	+100.0%
Gross Profit (loss)	**US$164,000**	(US$571,000)	+128.7%
Gross Profit (loss) margin	**0.68%**	–2.05%	+2.74 percentage points

FINANCIAL REVIEW

PROFIT AND OTHER COMPREHENSIVE INCOME

Revenue

During the year, the Group's revenue reached approximately US$24.0 million, about 14.0% lower than that recorded in 2020, which was US$27.9 million. The significant decrease in revenue was due to the movement control order imposed by the Malaysia government remaining in place as a result of the continuing COVID-19 pandemic in Malaysia, the Group was unable to conduct any production activities during the year. In order to offset the revenue impact by COVID-19 pandemic, the Group established new lines of trading business in personal accessories, electronics and biological products (collectively referred to as "**other products**").

Cost of sales

During the year ended 31 December 2021, the Group's cost of sales reached approximately US$23.8 million, about 16.2% lower than approximately US$28.4 million recorded in 2020. Cost of sales mainly included the cost of purchasing other commodities and other products for trading activities. The decrease in cost of sales was in line with the decrease in revenue during the year.

Gross profit (loss)

During the year ended 31 December 2021, the Group's gross profit reached approximately US$0.2 million (2020: gross loss of approximately US$0.6 million). The change in gross profit was mainly due to the higher gross profit in trading of other products and cost control during this year.

Administrative expenses and other expenses

During the year ended 31 December 2021, the Group's administrative expenses and other expenses reached approximately US$2.9 million, about 31% lower than approximately US$4.2 million recorded in 2020. The decrease was mainly due to decrease in legal and professional expense.

Finance costs

During the year ended 31 December 2021, the Group's finance costs reached approximately US$12.1 million, decrease 28.8% from the US$17.0 million recorded in 2020. The decrease mainly due to the Company and the independent lender entered into supplemental agreement pursuant to which the independent lender agreed to adjust the interest rate from 3% per month to 5% per annum starting from 26 September 2019 and the default interest rate adjusted from 5% per month to 0% per annum starting from 26 September 2019. It waived of interest expense on other borrowings during the year.

Income tax credit

The Group recorded nil income tax expense during the year which was over provision in previous year (2020: US$0.2 million).

Loss for the year

The loss for the year ended 31 December 2021 was US$57.0 million, about 92.6% higher than approximately US$29.6 million recorded in 2020. The increase in loss in FY2021 was mainly attributable to impairment loss on financial assets of approximately US$51.3 million in FY2021 as compared to approximately US$13.3 million in FY2020.

LIQUIDITY AND CAPITAL RESOURCES

The total negative equity of the Group as at 31 December 2021 was approximately US$24.3 million (31 December 2020: positive equity of US$34.0 million). The Group generally finances its operation with internally generated cash flow, interest-bearing bank and other borrowings, and interest-free and security-free shareholder loans from our Controlling Shareholder. Primary uses of funds during the year included payment of operating expenses, repayment of bonds. As at 31 December 2021, current assets of approximately US$153.4 million primarily comprised US$148.3 million of trade receivables, US$3.9 million of deposits, prepayments and other receivables, and US$1.2 million of cash and cash equivalents. Current liabilities of approximately US$193.9 million mainly comprised US$1.0 million of trade payables, US$23.0 million of other payables and accruals, US$54.7 million of interest-bearing bank and other borrowings, US$51.8 million of notes and bond payable and US$3.4 million of tax payable. Current ratio, being total current assets to total current liabilities was 0.8 as at 31 December 2021 (2020: 1.1).

As at 31 December 2021, the Group had certain interest-bearing bank and other borrowings of US$54.7 million in total (2020: US$54.7 million). The bank and other borrowings were mainly used to finance the issuance of letter of credit and working capital of the Group.

Trade receivables

The Group's trade receivables decreased by 27.3% from approximately US$204.1 million as at 31 December 2020 to approximately US$148.3 million as at 31 December 2021, which was mainly due to the increase in expected loss allowance of trade receivables.

Major customers were granted credit on open account basis or allowed to settle by documentary letter of credit. Overdue balances are reviewed regularly by senior management, if any. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

On 10 March 2021, the Group filed a claim to the Hong Kong High Court against the customers for breach of contracts in related to sales of goods to customers and outstanding contract sums of approximately US$216.6 million. After reporting period, the Group received letter of commitment from its customer that these customers will repay all outstanding amount within 12 months. Loss allowance for such trade receivables of approximately US$71.1 million (2020: US$25.2 million) has been made in the consolidated financial statements as at 31 December 2021.

As of 31 December 2021, the Group had made provision of impairment loss amounted to approximately US$71.5 million against overdue trade receivables in accordance with accounting standards, as reviewed by management.

Deposits, prepayments and other receivables

As at 31 December 2021, the Group's prepayments, deposits and other receivables amounted to approximately US$3.9 million (2020: approximately US$8.3 million). The decrease was mainly due to increase in expected loss allowance of loan receivables.

Trade payables

Trade payables mainly consists of payables to suppliers for purchase of other commodities and other products for trading activities. The Group's trade payables amounted to approximately US$1.0 million as at 31 December 2021 and approximately US$8.3 million as at 31 December 2020. The decrease in trade payables was mainly due to reduce of credit term granted by trade payables.

Other payables and accruals

The Group's other payables and accrued expenses were approximately US$23.0 million as at 31 December 2021, representing a decrease of approximately 8.7% from approximately US$25.2 million as at 31 December 2020. The decrease was mainly due to the interest expense on other borrowings have been waived.

Net current (liabilities) assets position

The Group's net current assets decrease during the year, from net current assets of approximately US$15.0 million as at 31 December 2020 to net current liabilities of approximately US$40.5 million as at 31 December 2021. The decrease was mainly due to an increase of approximately US$6 million in notes as current liabilities, a decrease of trade receivables of approximately US$55.8 million, and decrease of deposits, prepayments and other receivables of approximately US$4.4 million.

Borrowings

As at 31 December 2021, the Group's borrowings consisted mainly of:(i) a loan of approximately US$36.5 million due to a commercial bank; (ii) a loan of approximately US$18.2 million; and (iii) notes and bond amounting to US$51.8 million which included the note with the principal of US$31.3 million and the note with the principal of US$18.0 million, and the bond with the principal of US$2.5 million.

As at 31 December 2021, the Company also owed shareholder loans of US$60.0 million (2020: US$60.0 million) from Cosmo Field (the Controlling Shareholder) which were interest-free and unsecured.

LEGAL PROCEEDINGS

Reference is made to the announcements of the Company dated 19 March 2021, 5 May 2021, 31 May 2021, 6 June 2021, 11 June 2021, 20 June 2021, 21 June 2021, 19 October 2021 and 23 March 2022 in relation to the winding up petition presented against the Company. The Petitioner has agreed to withdraw winding up petition which was initially scheduled to be heard on 30 March 2022, while the Petitioner reserved its rights to present new wind-up petition in future.

On 4 June 2021, the Company had filed a petition with the Grand Court of the Cayman Islands for the appointment of joint provisional liquidators for restructuring purpose only. As of this date, no restructure proposal has been submitted. For more details, please refer to the announcement of the Company dated 20 June 2021.

As disclosed in the announcement dated 18 May 2020, a bank has instituted legal proceedings against Cosmo Field Holdings Limited ("Cosmo Field", the controlling shareholder of the Company wholly owned by Mr. Li Yang ("Mr. Li")) and Mr. Li (as guarantor) for a loan advanced to Cosmo Field. For details, please refer to the said announcement.

As disclosed in the announcement dated 20 January 2020, a bank instituted legal proceedings against Mr. Li (as guarantor) for breach of loan advanced to a subsidiary of the Company. For details, please refer to the said announcement.

CAPITAL STRUCTURE

The Group is currently funding its capital expenditure through internal funds generated from its operations, bank borrowings, notes and bond issued and loan from Cosmo Field. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is defined as interest-bearing bank and other borrowings and an amount due to Cosmo Field, net of cash and bank balances and it excludes liabilities incurred for working capital purposes. Equity includes equity attributable to the equity shareholders of the Company and non-controlling interest.

The Group's gearing ratio as at 31 December 2021 was 117.2% (31 December 2020: 82.5%).

The Group continued to conduct its operational business mainly in US$. The Group did not arrange any forward currency contracts for hedging purposes.

FOREIGN CURRENCY RISK

The Group has transactional currency exposures. These exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group is also exposed to currency risk in respect of its equity investments designated as at fair value through other comprehensive income which are denominated in a currency other than the relevant units' functional currencies.

CAPITAL EXPENDITURE

During the year, the company did not incur any material capital expenditure for the purchase or upgrade of property, plant and equipment and payment in advance (31 December 2020: US$Nil).

RESOURCE AND RESERVES OF IBAM MINE UNDER JORC CODE AS AT 31 DECEMBER 2021

Mineral resources of the Ibam Mine for ore with iron grade greater than or equal to 35% as at 31 December 2021 *(Note)***:**

Classification	Quantity (Mt)	Fe Grade (%)
Measured	108	46.7
Indicated	—	—
Inferred	42	46.6
Total	150	46.6

Ore reserves of the Ibam Mine for ore with iron grade greater than or equal to 35% as at 31 December 2021:

Classification	Quantity (Mt)	Fe Grade (%)
Proved	—	—
Probable	102	44.6

Note: The figures were calculated by the resource and reserves as at 31 December 2013 under the JORC Code (confirmed by Geos Mining Minerals Consultants, Australia which is a specialist independent geological and mineral exploration consultant) less the mining volume since then.

All assumptions and technical parameters set out in the technical report of Geos Mining (the "**Independent Technical Adviser**") which is prepared under JORC Code as shown in the prospectus of the Company dated 20 June 2013 with respect to the Ibam Mine have not been materially changed and continued to apply to the above disclosed data.

EMPLOYEES AND EMOLUMENT POLICIES

The Group values its human resources and recognises the importance of attracting and retaining qualified staff for its continuing success. As at 31 December 2021, the Group had 15 employees (2020: 19). For the year ended 31 December 2021, total staff cost including Directors' emolument amounted to approximately US$0.8 million (2020: US$1.1 million).

The Group's remuneration policies are in line with prevailing market practices and are determined on the basis of the performance and experience of the individual. The Group has constantly been reviewing the staff remuneration package to ensure it is competitive in the relevant industries.

CORPORATE GOVERNANCE

The Board of Directors is committed to maintaining appropriate corporate governance practices to enhance the accountability and transparency of the Company in order to protect Shareholders' interests and to ensure that the Company complies with the latest statutory requirements and professional standards.

The Company has complied with the code provisions set out in CG Code during the year ended 31 December 2021 except for the deviation from CG Code provision A.2.1 in respect of the roles of chairman and Chief Executive Officer of the Company. Under CG Code A.2.1 under Appendix 14 to the Listing Rules, the roles of chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The positions of chairman and Chief Executive Officer of the Company are both currently carried on by Mr. Li Yang. The Board considers that the structure currently operated by the Company does not undermine the balance of power and authority between the Board of Directors and the management.

The Board members have considerable experience and qualities which they bring to the Company and the Board, of which Mr. Li Yang can take advantage in fulfilling his duties, and the management is not impaired. Mr. Li Yang has strong client relationships and has the full backing from the Board of Directors and senior management of the Company in fulfilling his obligations as chairman and Chief Executive Officer. The Board believes that having the same person performing the roles of both chairman and Chief Executive Officer can provide the Group with strong and consistent leadership and that, operating in this manner allows for more effective and efficient overall strategic planning of the Group. Further, the decisions of the Board are made collectively by way of voting and therefore the chairman of the Board should not be able to monopolize the voting result.

Since 8 October 2020 and up to 10 March 2022, the Company only has two independent non-executive Directors, thus the number of the independent non-executive Directors falls below the minimum number required under Rule 3.10(1) of the Listing Rules. According to Rule 3.10(2) of the Listing Rules, at least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise (the "**Qualification**"), and following the resignation of Mr. Leung, there would be no independent non-executive Director who has the Qualification as required under Rule 3.10(2) of the Listing Rules. As a result of the insufficient number of independent non-executive Directors, the Company has also failed to comply with the requirements set out in Rule 3.21 of the Listing Rules with regard to the minimum number of members and the composition of the audit committee of the Board ("**Audit Committee**"). Upon appointment of independent non-executive Director and chairman of Audit Committee on 11 March 2022, the Company has re-complied with the aforesaid requirement.

Since 30 July 2020 and up to 10 March 2022, the position of company secretary of the Company has remained vacant. The Company has not been able to identify suitable candidate within three months from the date of resignation of company secretary on 30 July 2020 as required under rule 3.28 of the Listing Rules. Upon appointment of company secretary and authorized representative on 11 March 2022, the Company has re-complied with the aforesaid requirement.

PURCHASE, SALES OR REDEMPTION 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 throughout the year ended 31 December 2021.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct for dealing in securities by the Directors. Having made specific enquiry to all the Directors, all the Directors have confirmed that they had complied with the required standards set out in the Model Code for the year ended 31 December 2021.

ANNUAL GENERAL MEETING

The AGM notice of the Company will be despatched in accordance with Listing Rules in due course.

PUBLICATION OF INFORMATION ON THE STOCK EXCHANGE WEBSITE

This announcement is published on the websites of the Company and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2021 will be dispatched to Shareholders of the Company and available on the above websites in due course.

AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process, internal control and risk management system of the Group, and to make proposals to the Board as to the appointment, re-appointment and removal of the Company's independent auditors and the related remuneration and appointment terms. The Audit Committee has reviewed the accounting standards and practices adopted by the Group and discussed with the management about the internal control and financial reporting matters.

REVIEW OF UNAUDITED ANNUAL RESULTS

The Audit Committee has together with the Board reviewed and approved the annual results for the year ended 31 December 2021.

The auditing process for the annual results for the year ended 31 December 2021 has not been completed due to the COVID-19 coronavirus outbreak. Due to the pandemic and the travel restrictions in Malaysia, Hong Kong and Mainland China as a result of the outbreak of COVID-19, the auditors have not been able to finish, all required works before the latest timeline for this announcement. It is expected that the figures, including receivables and payables and any such other areas which the auditors may deem necessary for further review and adjustments will be subject to further audit works of the auditors, and are thus subject to uncertainties. As such, the unaudited annual results contained in this announcement have not been agreed with the Company's auditors as required under Rule 13.49(2) of the Listing Rules. An announcement relating to the audited results will be made when the auditing process has been completed by the Company's auditors.

PUBLICATION OF FURTHER ANNOUNCEMENT, THE FINAL RESULTS AND ANNUAL REPORT

This unaudited annual results announcement is published on the website of the Stock Exchange and the website of the Company. Following the completion of the auditing process, the Company will issue further announcement(s) in relation to the audited results for the year ended 31 December 2021 as agreed by the Company's auditors and the accounting adjustment or material differences (if any) as compared with the unaudited annual results contained herein. In addition, the Company will issue further announcement as and when necessary in a timely manner if there are other material development in the completion of the auditing process. The financial information contained herein in respect of the annual results of the Group for the year ended 31 December 2021 have not been audited and have not been agreed with the auditors, and is subject to possible adjustments. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

The uncertain timing of the current restrictions on travelling arrangements as well as the resumption of operation by the Group's customers and suppliers may have adverse impact on the timeline of the annual report of the financial results for the year ended 31 December 2021 as required under the Listing Rules. The Company will continue to closely monitor the situation and will make updated announcements at appropriate times.

Glossary

"AGM"	the annual general meeting of the Company
"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of Directors of the Company
"BVI"	the British Virgin Islands

"CAA Resources", "Company", "we", "us" or "our"	CAA Resources Limited (優庫資源有限公司), a company incorporated in the Cayman Islands on 25 April 2012 under the Companies Law CAP. 22 and, except where the context otherwise requires, all of its subsidiaries or where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by it
"CG Code"	Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules
"Chief Executive Officer"	the chief executive (as defined in the SFO) of the Company
"China" or "PRC"	the People's Republic of China. For the purpose of this announcement and for geographical reference only and except where the context requires, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Companies Law"	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended and supplemented from time to time
"Controlling Shareholder"	has the meaning ascribed to it under the Listing Rules, and in the context of this announcement means the controlling shareholders of our Company, namely Cosmo Field and Mr. Li Yang, and Controlling Shareholder means any one of them
"Cosmo Field"	Cosmo Field Holdings Limited (宇田控股有限公司), a company incorporated in the BVI with limited liability on 26 March 2012, and which is wholly owned by Mr. Li Yang
"Director(s)"	the director(s) of the Company
"Group", "we" or "us"	Our Company and our subsidiaries at the relevant time, or where the context refers to any time prior to our Company becoming the holding company of our current subsidiaries, our current subsidiaries and the business carried on by such subsidiaries or (as the case may be) our predecessors, and "our" shall be construed accordingly
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Ibam Mine"	the mining site in respect of which the Mining Lease is granted and is located in Lot 27887 (PA 143236), Sungai Cipai, Mukim Keratong, Daerah Rompin, Pahang, Malaysia

"indicated resources"	part of the iron ore resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence as defined by the JORC Code
"inferred resource"	part of the iron ore resource for which tonnage, grade and mineral content can be estimated with a low level of confidence as defined by the JORC Code
"iron ore products"	the products produced from our iron ore crushing and beneficiation facilities in the form of iron ore concentrates and iron ore fines
"JORC"	the Australasian Joint Ore Reserves Committee
"JORC Code"	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
"Kt"	thousand tonnes, which is weight unit of measure for iron ore either on dry basis or on wet basis
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"Main Board"	the stock exchange (excluding the option markets) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"measure resource"	mineral resource that has been intersected and tested by drill holes or sampling procedures at locations close enough to confirm continuity
"mining volume"	the aggregate volume of produced ore volume excluding stripping rock volume
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
"Mt"	million tonnes, which is weight unit of measure for iron ore either on dry basis or on wet basis
"probable reserves"	the economically mineable part of an indicated resource, and in some circumstances, a measured resource, as defined by the JORC Code, which includes diluting materials and allowances for losses which may occur when the material is mined
"Project Ibam"	the mining project carried out at the Ibam Mine pursuant to the Mining Agreement
"Prospectus"	the prospectus dated 20 June 2013 issued by the Company in connection with the Global Offering and the Listing

"proved reserves"	the economically mineable part of a measured mineral resource, as defined by the JORC Code, which includes diluting materials and allowances for losses which may occur when the material is mined
"RM"	Malaysian Ringgit, the lawful currency of Malaysia
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) with a nominal value of HKD0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Hong Kong Companies Ordinance
"Substantial Shareholder"	has the meaning ascribed to it under the Listing Rules
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US dollars" or "USD"	United States dollars, the lawful currency of the United States
"%"	per cent

By Order of the Board
CAA Resources Limited
Li Yang
Co-chairman and Chief Executive Officer

Hong Kong, 30 March 2022

As at the date of this announcement, the executive Directors are Mr. Li Yang, Mr. Ng Khing Yeu, Ms. Li Xiaolan and Mr. Wang Er and the independent non-executive Directors are Mr. Leung Yiu Cho, Dr. Li Zhongquan and Dr. Wang Ling.