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

OIL

COAL

ALUMINIUM

IMPORT AND
EXPORT OF
COMMODITIES

Interim Report
中期報告
2023

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。

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。

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.

(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。

Contents

Corporate Information

Board of Directors

Executive Director

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

Non-executive Director

Mr. Chan Kin

Independent Non-executive Directors

Dr. Fan Ren Da, Anthony
Mr. Gao Pei Ji
Mr. Look Andrew

Audit Committee

Dr. Fan Ren Da, Anthony *(Chairman)*
Mr. Gao Pei Ji
Mr. Look Andrew

Remuneration Committee

Mr. Gao Pei Ji *(Chairman)*
Dr. Fan Ren Da, Anthony
Mr. Look Andrew
Mr. Hao Weibao

Nomination Committee

Mr. Hao Weibao *(Chairman)*
Dr. Fan Ren Da, Anthony
Mr. Gao Pei Ji

Risk Management Committee

Mr. Look Andrew *(Chairman)*
Dr. Fan Ren Da, Anthony
Mr. Gao Pei Ji
Mr. Hao Weibao

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

Telephone	:	(852) 2899 8200
Facsimile	:	(852) 2815 9723
E-mail	:	ir@citicresources.com
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
China Construction Bank Corporation,
Hong Kong Branch
China Development Bank Hong Kong Branch
Mizuho Bank, Ltd., Hong Kong Branch
Sumitomo Mitsui Banking Corporation

Six months ended 30 June Unaudited HK$'000

Financial Results

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

Condensed Consolidated Income Statement

	Notes	2023	2022
Revenue	5	**2,043,222**	3,228,390
Cost of sales		**(1,615,721)**	(2,167,863)
Gross profit		**427,501**	1,060,527
Other income, gains and losses, net	5	**65,938**	102,486
General and administrative expenses		**(111,866)**	(132,932)
Other expenses, net		**(8,571)**	(14,336)
Finance costs	6	**(89,951)**	(55,122)
Reversal of provision for impairment of trade and other receivables		**739**	9,624
Share of profit of:			
An associate		**11,700**	102,445
A joint venture		**178,569**	286,722
Profit before tax	7	**474,059**	1,359,414
Income tax expense	8	**(64,071)**	(430,942)
Profit for the period		**409,988**	928,472
Attributable to:			
Ordinary shareholders of the Company		**383,207**	893,288
Non-controlling interests		**26,781**	35,184
		409,988	928,472
Earnings per share attributable to ordinary shareholders of the Company	9	**HK cents**	HK cents
Basic		**4.88**	11.37
Diluted		**4.88**	11.37

Six months ended 30 June Unaudited HK$'000

Condensed Consolidated Statement of Comprehensive Income

	2023	2022
Profit for the period	**409,988**	928,472
Other comprehensive income/(loss)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the period	**–**	13,060
Exchange differences on translation of foreign operations	**(114,685)**	(151,155)
Share of other comprehensive income/(loss) of a joint venture	**7,617**	(5,994)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	**(107,068)**	(144,089)
Other comprehensive loss for the period, net of tax	**(107,068)**	(144,089)
Total comprehensive income for the period	**302,920**	784,383
Attributable to:		
Ordinary shareholders of the Company	**287,503**	762,512
Non-controlling interests	**15,417**	21,871
	302,920	784,383

HK$'000

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2023 Unaudited	31 December 2022 Audited
Non-current assets			
Property, plant and equipment	11	**3,371,980**	3,601,304
Right-of-use assets		**58,669**	75,915
Mining assets		**182,066**	189,405
Exploration, evaluation and development expenditure		**27,763**	27,737
Investment in an associate		**2,796,100**	2,784,400
Investment in a joint venture		**2,561,089**	2,374,903
Prepayments, deposits and other receivables	12	**29,116**	29,626
Time deposit		**110,933**	102,972
Deferred tax assets		**31,979**	56,823
Total non-current assets		**9,169,695**	9,243,085
Current assets			
Inventories	13	**351,498**	560,457
Trade receivables	14	**413,828**	297,358
Prepayments, deposits and other receivables	12	**130,145**	105,469
Derivative financial instruments	15	**126,395**	102,995
Cash and deposits	16	**1,632,467**	2,130,203
Total current assets		**2,654,333**	3,196,482
Current liabilities			
Accounts payable	17	**88,024**	106,899
Tax payable		**109,555**	59,136
Accrued liabilities and other payables		**746,029**	869,273
Dividend payable		**471,516**	–
Bank and other borrowings	18	**–**	96,166
Lease liabilities		**24,980**	30,709
Provisions for long-term employee benefits		**42,112**	41,487
Provisions		**75**	75
Total current liabilities		**1,482,291**	1,203,745
Net current assets		**1,172,042**	1,992,737

HK$'000

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2023 Unaudited	31 December 2022 Audited
Total assets less current liabilities		**10,341,737**	11,235,822
Non-current liabilities			
Bank and other borrowings	18	**1,826,760**	2,486,640
Lease liabilities		**27,086**	30,898
Deferred tax liabilities		**267,286**	328,871
Provisions for long-term employee benefits		**15,069**	15,268
Provisions		**608,392**	608,457
Total non-current liabilities		**2,744,593**	3,470,134
Net assets		**7,597,144**	7,765,688
Equity			
Equity attributable to ordinary shareholders of the Company			
Issued capital	19	**392,886**	392,886
Reserves		**7,168,584**	7,352,545
		7,561,470	7,745,431
Non-controlling interests		**35,674**	20,257
Total equity		**7,597,144**	7,765,688

HK$'000

Condensed Consolidated Statement of Changes in Equity

	Issued capital	Share premium account	Contributed surplus	Capital reserve
At 31 December 2021 (audited) and 1 January 2022	392,886	6,852	251,218	(38,579)
Total comprehensive Income/(loss) for the Period	–	–	–	–
Final dividend	–	–	–	–
At 30 June 2022 (unaudited)	392,886	6,852	251,218	(38,579)
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	**–**	**–**	**–**	**–**
At 30 June 2023 (unaudited)	**392,886**	**6,852**	**251,218**	**(38,579)**

HK$'000

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
182,180	16,308	(1,422,978)	37,703	7,518,827	6,944,417	(21,093)	6,923,324
(137,842)	13,060	(5,994)	–	893,288	762,512	21,871	784,383
–	–	–	–	(353,598)	(353,598)	–	(353,598)
44,338	29,368	(1,428,972)	37,703	8,058,517	7,353,331	778	7,354,109
(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**

Unaudited HK$'000

Condensed Consolidated Statement of Cash Flows

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash flows from operating activities	**530,876**	1,149,572
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**40,066**	10,559
Dividend income from an associate	**–**	60,912
Purchases of items of property, plant and equipment	**(200,283)**	(244,850)
Proceeds from disposal of items of property, plant and equipment	**34**	784
Purchases of other assets	**(1,600)**	(202)
Repayment of loan from a joint venture	**–**	23,400
Addition in time deposits with original maturity of more than one year	**(13,055)**	(7,345)
Decrease/(increase) in deposits with a fellow subsidiary	**306,581**	(270,003)
Net cash flows from/(used in) investing activities	**131,743**	(426,745)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank and other borrowings	**–**	635,466
Repayment of bank and other borrowings	**(761,631)**	(958,811)
Principal portion of lease payments	**(17,556)**	(12,970)
Interest portion of lease liabilities	**(634)**	(750)
Interest paid	**(75,886)**	(35,084)
Finance charges paid	**(655)**	(980)
Net cash flows used in financing activities	**(856,362)**	(373,129)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(193,743)**	349,698
Cash and cash equivalents at beginning of period	**966,322**	1,306,724
Effect of foreign exchange rate changes, net	**2,588**	(204)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**775,167**	1,656,218
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**517,506**	1,289,585
Time deposits	**257,661**	366,633
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	**775,167**	1,656,218

Notes to the Condensed Consolidated Financial Statements

1. Basis of Preparation

These unaudited interim condensed consolidated financial statements ("**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 16 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 2022.

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 2022, except for the adoption of new and revised standards with effect from 1 January 2023 as detailed in note 2 below.

These Financial Statements were approved and authorised for issue by the Board on 27 July 2023.

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.

Standard No.	**Title**
Amendments to HKFRS 17	Insurance contracts
Amendments to HKAS 12	Deferred tax related to assets and liabilities arising from a single transaction
Amendments to HKAS 12	International tax reform – pillar two model rules[1]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of accounting policies
Amendments to HKAS 8	Definition of accounting estimates

1 The deferred tax exemption and disclosure requirement of the fact that the exemption has been applied, is effective immediately. The other disclosure requirements are effective for annual periods beginning on or after 1 January 2023.

Several amendments apply for the first time in 2023, but do not have an impact on the interim Condensed Consolidated Financial Statements of the Group.

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 1	Classification of liabilities as current or non-current[1]
Amendments to HKAS 1	Non-current Liabilities with Covenants[1]
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback (amendments)[1]
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan[1]
Amendments to HKAS 7 and HKFRS 7	Supplier finance arrangements[2]
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

[1] Effective for annual periods beginning on or after 1 January 2024
[2] Effective for annual periods beginning on or after 1 January 2024 (with transitional reliefs in the first year)
[3] 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 export of various commodity products and manufactured goods such as steel into Australia and New Zealand; and

(d) the crude oil segment comprises the operation of oilfields and the sale of crude oil in Indonesia and China.

HK$'000

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.

For the six months ended 30 June 2022, revenue for the import and export of commodities comprise of the import of steel products from various countries for distribution in Australia and New Zealand.

In the second half of 2022, a Deed of Termination was signed to cease the import and distribution arrangement with its business partner for steel products. Sales of the Group's steel products was last transacted in November 2022.

Notwithstanding the cessation of its import and distribution of the steel products, other trading activities, such as commission earned for export of commodities, have continued for the year ended 31 December 2022. In addition, management is in advanced negotiations with external parties to develop new trading product lines. During the Period, management is actively seeking to obtain the rights of sales for crude oil from our joint venture and also exploring the possibility of obtaining the rights of sales for alumina from our associate.

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
2023					
Segment revenue:					
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
Reconciliation:					
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

HK$'000

4. Operating Segment Information (continued)

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
2022					
Segment revenue:					
Sales to external customers	736,090	658,647	877,886	955,767	3,228,390
Other income, gains and losses, net	85,658	2,742	3,051	2,828	94,279
	821,748	661,389	880,937	958,595	3,322,669
Segment results	228,059	354,258	19,178	523,403	1,124,898
Reconciliation:					
Interest income and unallocated gains and losses, net					8,207
Unallocated expenses					(107,736)
Unallocated finance costs					(55,122)
Share of profit of:					
An associate					102,445
A joint venture					286,722
Profit before tax					1,359,414

	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
Segment assets					
30 June 2023 (unaudited)	**770,794**	**712,496**	**5**	**3,257,398**	**4,740,693**
31 December 2022 (audited)	761,797	680,012	152,980	3,442,726	5,037,515
Segment liabilities					
30 June 2023 (unaudited)	**420,968**	**323,105**	**6,833**	**609,985**	**1,360,891**
31 December 2022 (audited)	433,149	307,431	15,911	692,479	1,448,970

HK$'000

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

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

Six months ended 30 June Unaudited	2023	2022
Revenue from contracts with customers		
Sale of goods:		
Aluminium smelting	**770,240**	736,090
Coal	**539,350**	658,647
Import and export of commodities	**–**	877,886
Crude oil	**733,632**	955,767
	2,043,222	3,228,390

(a) Disaggregated revenue information

Six months ended 30 June Unaudited	Aluminium smelting	Coal	Import and export of commodities	Crude oil	Total
2023					
Geographical markets					
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**
	770,240	**539,350**	**–**	**733,632**	**2,043,222**
2022					
Geographical markets					
Mainland China	–	–	–	886,500	886,500
Australia	–	–	841,342	–	841,342
Europe	354,803	12,350	–	–	367,153
Other Asian countries	366,200	448,797	–	69,267	884,264
Others	15,087	197,500	36,544	–	249,131
	736,090	658,647	877,886	955,767	3,228,390

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

Six months ended 30 June Unaudited	2023	2022
Interest income	**39,130**	10,260
Handling service fees	**–**	2,867
Sale of scrap	**2,186**	3,029
Gain on disposal of items of property, plant and equipment	**37**	740
Fair value gain on derivative financial instruments	**23,400**	84,843
Exchange losses, net	**(7,265)**	(6,468)
Others	**8,450**	7,215
	65,938	102,486

HK$'000

6. Finance Costs

An analysis of finance costs is as follows:

Six months ended 30 June Unaudited	2023	2022
Interest expense on bank and other borrowings	**74,442**	36,134
Interest expense on lease liabilities	**764**	900
Total interest expenses	**75,206**	37,034
Other finance charges:		
Increase in discounted amounts of provisions arising from the passage of time	**10,914**	11,901
Others	**3,831**	6,187
	89,951	55,122

7. Profit Before Tax

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

Six months ended 30 June Unaudited	2023	2022
Depreciation of property, plant and equipment	**240,760**	223,568
Depreciation of right-of-use assets	**19,127**	15,599
Amortisation of other assets	**8,912**	766
Gain on disposal of items of property, plant and equipment, net	**(37)**	(738)
Fair value gain on derivative financial instruments	**(23,400)**	(84,843)
Exchange losses, net	**7,265**	6,468

8. Income Tax Expense

Six months ended 30 June Unaudited	2023	2022
Current – Hong Kong	**–**	–
Current – Elsewhere		
Charge for the period	**28,570**	161,493
Underprovision/(overprovision) in prior periods	**16**	(6)
Deferred taxation	**35,485**	269,455
Total tax expense for the period	**64,071**	430,942

The statutory rate of Hong Kong profits tax was 16.5% (2022: 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 (2022: 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% (2022: 30%).

Indonesia: The corporate tax rate applicable to the subsidiary which is operating in Indonesia was 25% (2022: 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% (2022: 15%).

Mainland China: The Group's subsidiaries registered in Mainland China were subject to corporate income tax at a rate of 25% (2022: 25%).

Kazakhstan: The Group's subsidiary incorporated in Kazakhstan was subject to corporate income tax at a rate of 20% (2022: 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$383,207,000 (2022: HK$893,288,000) and the weighted average number of ordinary shares in issue during the Period, which was 7,857,727,149 (2022: 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 2022.

10. Dividend

The Board has resolved not to pay an interim dividend for the Period (2022: Nil).

The final dividend of HK6.00 cents per ordinary share for the year ended 31 December 2022, totalling HK$471,464,000, was approved by shareholders at the annual general meeting of the Company held on 16 June 2023 and was paid on 18 July 2023.

11. Property, Plant and Equipment

During the Period, the Group acquired property, plant and equipment in an aggregate cost of approximately HK$118,267,000 (2022: HK$128,702,000) and disposed of property, plant and equipment having an aggregate carrying amount of nil (2022: HK$440,000).

HK$'000

12. Prepayments, Deposits and Other Receivables

	30 June 2023 Unaudited	31 December 2022 Audited
Prepayments	**25,254**	32,637
Deposits and other receivables	**189,079**	157,530
	214,333	190,167
Impairment allowance	**(55,072)**	(55,072)
	159,261	135,095
Portion classified as current assets	**(130,145)**	(105,469)
Non-current portion	**29,116**	29,626

Included in the Group's other receivables was an amount due from CCEL of approximately HK$12,426,000 (31 December 2022: HK$12,426,000), which was interest free and repayable on demand.

As at 30 June 2023, other receivables of approximately HK$55,072,000 (31 December 2022: HK$55,072,000) were impaired and fully provided. The amount of approximately HK$13,773,000 was written off and recorded in other expenses during the six months ended 30 June 2022 (Period: Nil).

13. Inventories

	30 June 2023 Unaudited	31 December 2022 Audited
Raw materials	**217,530**	229,239
Work in progress	**37,897**	26,365
Finished goods	**96,071**	304,853
	351,498	560,457

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 2023 Unaudited	31 December 2022 Audited
Within one month	**413,828**	143,098
One to two months	–	212
Two to three months	–	85,617
Over three months	–	68,431
	413,828	297,358

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

HK$'000

15. Derivative Financial Instruments

	30 June 2023 Unaudited		31 December 2022 Audited	
	Assets	Liabilities	Assets	Liabilities
EHA3	**126,395**	**–**	102,995	–
	126,395	**–**	102,995	–

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 foreign exchange rates, commodity prices and electricity prices.

16. Cash and Deposits

	30 June 2023 Unaudited	31 December 2022 Audited
Cash and bank balances	**516,793**	707,948
Time deposits	**369,307**	361,346
	886,100	1,069,294
Less: Time deposit with original maturity more than one year	**(110,933)**	(102,972)
Cash and cash equivalents	**775,167**	966,322
Deposits with a fellow subsidiary	**857,300**	1,163,881
Cash and deposits	**1,632,467**	2,130,203

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 2023 Unaudited	31 December 2022 Audited
Within one month	**84,323**	106,895
One to three months	**2,812**	–
Over three months	**889**	4
	88,024	106,899

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

HK$'000

18. Bank and Other Borrowings

	Notes	30 June 2023 Unaudited	31 December 2022 Audited
Bank borrowings – unsecured	(a)	**656,760**	1,412,806
Other borrowings – unsecured	(b)	**1,170,000**	1,170,000
		1,826,760	2,582,806

Notes:

(a) As at 30 June 2023, a bank loan denominated US$84,000,000 (HK$656,760,000) obtained from a subsidiary of the Company's ultimate holding company, which is interest-bearing at SOFR plus margin per annum (31 December 2022: LIBOR plus margin).

(b) The other borrowings included a borrowing denominated US$150,000,000 (HK$1,170,000,000) is a loan obtained from a subsidiary of the Company's ultimate holding company, which is interest-bearing at Chicago Mercantile Exchange ("**CME**") Term SOFR plus margin per annum, repayable in 2025.

	30 June 2023 Unaudited	31 December 2022 Audited
Bank loans repayable:		
Within one year or on demand	–	96,166
In the second year	–	1,316,640
In the third to fifth years, inclusive	**656,760**	–
	656,760	1,412,806
Other borrowing repayable:		
In the third to fifth years, inclusive	**1,170,000**	1,170,000
Total bank and other borrowings	**1,826,760**	2,582,806
Portion classified as current liabilities	–	(96,166)
Non-current portion	**1,826,760**	2,486,640

19. Share Capital

	30 June 2023 Unaudited	31 December 2022 Audited
Authorised:		
10,000,000,000 (31 December 2022: 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 2022: 7,857,727,149) ordinary shares of HK$0.05 each	**392,886**	392,886

HK$'000

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 related to three letters of credit amounting to USD28,400,000 issued in favour of CACT as payment for the sale by CACT to Qingdao Decheng Minerals Co., Ltd. ("**Decheng**") of certain quantity of aluminium stored at bonded warehouses at Qingdao Port, China in 2014. Weihai arranged for the issuance of the letters of credit 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 held that CACT was 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 lodged an appeal to the Supreme People's Court of the People's Republic of China ("**SPC**"), against the decision of the Shandong High People's Court.

The SPC held in December 2022 that the Shandong High People's Court did not clearly ascertain the facts of the Claims based on the evidence available. The SPC therefore ordered that the First Instance Judgement be set aside and the case be relisted at the Shandong High People's Court for retrial.

CACT has been informed that the cases have been relisted at the Shandong High People's Court for hearing at a date to be determined. CACT informed the Board of its view that the Claims are without merit and groundless. CACT has engaged counsel in Mainland China to defend the Claims and to represent the company in the retrial. For details, please refer to the announcement of the Company dated 27 February 2023.

21. Commitments

The Group's capital expenditure commitments are as follows:

	30 June 2023 Unaudited	31 December 2022 Audited
Contracted, but not provided for:		
Capital expenditure in respect of infrastructure and acquisition of items of property, plant and equipment	**171,925**	157,802

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

	30 June 2023 Unaudited	31 December 2022 Audited
Contracted, but not provided for:		
Capital expenditure in respect of infrastructure and acquisition of items of property, plant and equipment	**55,944**	21,673

HK$'000

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)

Six months ended 30 June Unaudited	2023	2022
Fellow subsidiaries:		
Interest expenses on lease liability	**31**	33
Interest expense on bank and other borrowings	**74,261**	26,348
Handling service fees	**–**	2,867
Interest income on deposits to a fellow subsidiary	**24,726**	6,904
Management fee income	**1,698**	1,784

The above transactions were made based on mutually agreed terms.

(b) Outstanding balances with related parties:

	30 June 2023 Unaudited	31 December 2022 Audited
Fellow subsidiaries:		
Cash and deposits	**864,532**	1,167,872
Bank borrowings	**656,760**	1,316,640
Other borrowing[1]	**1,170,000**	1,170,000
Lease liabilities	**727**	2,208

[1] An unsecured loan having a tenor of three years commencing from December 2022. The loan is interest-bearing at CME Term SOFR plus margin per annum (31 December 2022: LIBOR plus margin).

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

Six months ended 30 June Unaudited	2023	2022
Salaries	**3,057**	4,930
Directors' fee	**–**	145
Allowances	**36**	561
Pension scheme contributions	**65**	407
	3,158	6,043

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 2023 Unaudited	31 December 2022 Audited
Within one year	**2,122**	5,171

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.

HK$'000

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 quoted prices in active markets (Level 1)	significant observable inputs (Level 2)	significant unobservable inputs (Level 3)	Total
30 June 2023 (unaudited)				
Derivative financial instruments	**–**	**126,395**	**–**	**126,395**
31 December 2022 (audited)				
Derivative financial instruments	–	102,995	–	102,995

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 (2022: Nil).

Business Review and Outlook

Operating Environment

In the first half of 2023, pandemic containment policies were relaxed in China, and the global economy gradually came out of the shadow of the Covid-19 pandemic. The Russia-Ukraine conflict and the US interest rate hike were ongoing, the global supply chain and industrial chain remained fragile and were still seeking a balance. The expectation of global recession exerted a negative impact on the demand side, Europe and other economies were gradually adapting to the new energy landscape, and the Organization of the Petroleum Exporting Countries ("**OPEC**") continued to curtail production to support the oil price, while commodity prices returned to a stable range. The Group's resource and energy businesses were affected to varying degrees, and in particular, the product sales prices were under relatively high pressure.

During the Period, international oil prices, aluminium prices and coal prices declined significantly year-on-year. Brent oil price averaged US$79.9 per barrel for the first half of the year, decreasing by approximately 25.8% year-on-year. LME aluminium ingot price averaged US$2,443.3 per tonne for the Period, decreasing by approximately 24.4% year-on-year. Coal price averaged US$249.5 per tonne for the Period, decreasing by approximately 25.5% year-on-year. The above commodity prices resulted in a year-on-year decline in the Group's economic benefits, which nevertheless remained at a reasonable range as a result of the stable production and operation.

Operating Results and Analysis

Under this operating environment, the Group has strived for the high-quality development of the Group, focused on the three core tasks of "resolving risks, improving quality and efficiency, and optimising management", insisted on improving the mechanism to enhance operation, persisted with reforms and empowerment to tap its potential, and the Company has achieved a safe and stable production operation during the first half of the year. Firstly, the Group took various measures to intensively carry out measures to enhance quality and efficiency and to raise the team's sense of commitment, and it took the initiative to draw up plans and introduce new technologies and processes to solve practical issues of production. Secondly, the Group planned the long-term sustainable development of the Company with key programmes and projects, strengthened scientific and technological researches, optimised the production structure, improved the quality of operations, and ensured that production tasks would be accomplished smoothly by all means. Thirdly, the Group gradually built up a competitive advantage in management by comprehensively enhancing its management structure and standard, adhering to a pragmatic approach, emphasising on problem solving and improving work efficiency.

In the first half of 2023, the Group achieved revenue of approximately HK$2,043.2 million, representing a year-on-year decrease of approximately 36.7%, under the impact of the decline in commodity prices and the suspension of its steel trading operations; and recorded net profit attributable to ordinary shareholders of the Company of approximately HK$383.2 million, representing a year-on-year decrease of approximately 57.1%. As of 30 June 2023, the Group's total assets amounted to approximately HK$11,824.0 million and net assets attributable to ordinary shareholders of the Company were approximately HK$7,561.5 million. The Group continued to proactively curtail its US-dollar denominated loans, bringing down its gearing ratio to approximately 35.7% and deliver an annualised return on net assets of approximately 10.1%. The Group's operating results remained stable and in line with expectations, and its assets position was among the best in its history.

Oil and Gas Business

During the Period, the Group's oil and gas business division was under the impact of, among others, the ongoing tension of the Russia-Ukraine conflict and the inflation in resource countries. The Group scientifically formulated measures to increase reserve and production volume, intensified safety management and promoted application of new processes and new technologies, thus maintaining the output and economic benefits of the oil and gas business to be in a reasonable range. In the first half of 2023, the Group's oil and gas business achieved operating output of 8,740,000 barrels and working interest output of 4,672,000 barrels, representing a decrease of approximately 1.9% and 2.8%, respectively, as compared with the same period of last year. The oil and gas business achieved revenue for the first half of 2023 of approximately HK$733.6 million, representing a decrease of approximately 23.2% year-on-year, and contributed profit attributable to ordinary shareholders of the Company of approximately HK$425.5 million.

Non-oil-and-gas Businesses

During the Period, on the basis of the termination of steel trading operations at the end of last year, the Group has actively dealt with the follow-up matters. The Group proactively promoted the engagement of the non-oil-and-gas business team in the management and shareholders' affairs of the PAS and the CMJV projects, facilitating the optimisation of the operation modes, increasing production capacity and reducing costs. During the Period, the Group's non-oil-and-gas business contributed profit attributable to ordinary shareholders of the Company of approximately HK$65.9 million, representing a year-on-year decrease of approximately 83.4% which was mainly attributable to the decrease in the prices of aluminium and coal.

Outlook

New challenges and opportunities will arise in the second half of 2023. There might be demand-side recovery in light of the advanced stage of the US interest rate hike, the unclear signs of economic recession and the steady growth in the world's major economies. China's economic recovery would be conducive to the stability of the global supply chain and industrial chain, and there is currently no basis for further decrease in commodity prices while the active production curtailment by the OPEC is expected to support oil prices.

In 2023, the Group will continue to uphold the mindset of insisting on the bottom-line, intensify the safety risk investigation, respond to potential risks in accordance with the law and regulations and strengthen the integration of risk management, compliance and internal control. The Group will also continue to promote the application of new technologies and processes, optimize production processes and refine management measures, striving to achieve a steady increase in production. The Group will endeavor to build a management system in line with the characteristics of its business, improve work efficiency and achieve continuous improvement in corporate value. In the meantime, we will strive to explore the business opportunities in the areas of new energy and materials and search for new development directions, achieving greater returns to shareholders of the Company.

Financial Review

Group's financial results: **HK$'000**

Operating results and ratios

	Six months ended 30 June		
	2023 Unaudited	2022 Audited	Decrease
Revenue	**2,043,222**	3,228,390	(36.7%)
EBITDA [1]	**832,809**	1,654,469	(49.7%)
Adjusted EBITDA [2]	**1,140,226**	1,947,345	(41.4%)
Profit attributable to ordinary shareholders of the Company	**383,207**	893,288	(57.1%)
Adjusted EBITDA coverage ratio [3]	**8.21 times**	23.6 times	
Earnings per share (Basic) [4]	**HK 4.88 cents**	HK 11.37 cents	

Financial position and ratios

	30 June 2023 Unaudited	31 December 2022 Audited	Decrease
Cash and deposits	**1,632,467**	2,130,203	(23.4%)
Total assets	**11,824,028**	12,439,567	(4.9%)
Total debt [5]	**1,878,826**	2,644,413	(29.0%)
Net debt [6]	**246,359**	514,210	(52.1%)
Equity attributable to ordinary shareholders of the Company	**7,561,470**	7,745,431	(2.4%)
Current ratio [7]	**1.8 times**	2.7 times	
Net debt to net total capital [8]	**3.2%**	6.2%	
Net asset value per share [9]	**HK$0.97**	HK$0.99	

1 profit before tax + finance costs + depreciation + amortisation
2 EBITDA + (share of finance costs, depreciation, amortisation, income tax expense and non-controlling interests of a joint venture)
3 adjusted EBITDA/(finance costs + share of finance costs of a joint venture)
4 profit attributable to ordinary shareholders of the Company/weighted average number of ordinary shares in issue during the period
5 bank and other borrowings + lease liabilities
6 total debt – cash and deposits
7 current assets/current liabilities
8 net debt/(net debt + equity attributable to ordinary shareholders of the Company) x 100%
9 equity attributable to ordinary shareholders of the Company/number of ordinary shares in issue at end of the period

Oil prices have confounded expectations in the first quarter of 2023, with Brent oil price hitting a low of US$72.0 per barrel. The unexpectedly low prices remain as the war in Ukraine continues with no clear end in sight. Other developments have also failed to boost prices as expected. On the other hand, China, the world's largest importer of crude oil, abandoned its zero-COVID policy in December 2022, which created expectations that Chinese oil demand would quickly return.

This shows that oil price forecasts continue to be unreliable. The economic outlook and Chinese consumption growth are key to demand expectations. Until uncertainty around these factors dissipates, there will 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$383.2 million, representing a decrease of approximately 57.1% as compared with the same period of last year. The decrease was mainly attributable to the following factors:

- a significant decrease in average selling price of crude oil and the softening of the price of commodities sold by the Group, comparing to the same period of last year; and

- a significant decrease in the share of profit of an associate.

Despite that, all of the Group's segments and investments recorded profits for the Period. Although the Group had repaid bank borrowings of approximately HK$761.6 million during the Period, the Group continues to maintain a strong financial position with cash and deposits of approximately HK$1,632.5 million as at 30 June 2023.

Aluminium smelting

- The Group holds a 22.5% participating interest in the PAS joint venture. The PAS sources alumina and produces aluminium ingots.

Revenue	HK$770.2 million	(1H 2022: HK$736.1 million)	▲ 5%
Segment results	HK$0.7 million	(1H 2022: HK$228.1 million)	▼ 100%

- The slow recovery in global major economies has led to a slower growth in aluminium demand than that is expected. The average selling price achieved in 1H 2023 decreased by approximately 24% as compared to 1H 2022. Nevertheless, there was an increase in the sales volume which was contributed by the reduction in disruptions in the global logistics supply chain, the segment recorded a slight increase in revenue. In February 2023, the PAS partially curtailed its production volume by approximately 25% due to instability of equipment. This resulted in higher production costs in 1H 2023. In conjunction with the decrease in selling price, the segment results reported a decrease of approximately 100% as compared to 1H 2022, notwithstanding the slight increase in revenue.

  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$5.6 million (1H 2022: a net exchange gain of approximately HK$19.9 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 31 July 2026. In accordance with HKFRSs, components of EHA3, which are linked to several market factors, are considered a financial instrument embedded in the EHA3. Movements in its fair value are recognised as gain or loss in the consolidated income statement. For the 1H 2023, the EHA3 fair value gain amounted to approximately HK$23.4 million (1H 2022: HK$83.5 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 will maintain 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. As at the date of this report, the Company has not ascertained the financial impact of this matter, but will provide an update if the impact is determined to be material.

Coal

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

Revenue	HK$539.3 million	(1H 2022: HK$658.6 million)	▼ 18%
Segment results	HK$71.0 million	(1H 2022: HK$354.3 million)	▼ 80%

  Subsequent to the post-COVID recovery of the global economy, the momentum of growth had declined in 1H 2023. The average realized selling price also decreased by approximately 25% as compared to the 1H 2022. Factors such as logistic challenges due to the disruptions in coal supplies, as well as production issues contributed by labour shortages, had driven up costs and led to a decline in the segment results by approximately 80% as compared to 1H 2022.

- 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 loss of approximately HK$2.2 million (1H 2022: a net exchange gain of approximately HK$11.0 million).

Import of commodities

Revenue	HK$0 million	(1H 2022: HK$877.9 million)	▼ 100%
Segment results	HK$3.8 million	(1H 2022: HK$19.2 million)	▼ 80%

- Since the cessation of the import of steel products operations in the second half of 2022, management has been exploring various new opportunities to continue trading such as rights of sales of crude oil from a joint venture and the rights of sales of alumina from an associate. Such opportunities did not materialize in 1H 2023.

- In April 2020, Weihai commenced three claims (the "**Claims**") in the Shandong High People's Court against, amongst others, a wholly-owned subsidiary of the Company, CACT. The Claims related to three letters of credit amounting to USD28,400,000 issued in favour of CACT as payment for the sale by CACT to Decheng of certain quantity of aluminium stored at bonded warehouses at Qingdao Port, China in 2014. Weihai arranged for the issuance of the letters of credit 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 held that CACT was 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 lodged an appeal to the Supreme People's Court of the People's Republic of China ("**SPC**"), against the decision of the Shandong High People's Court.

  The SPC held in December 2022 that the Shandong High People's Court did not clearly ascertain the facts of the Claims based on the evidence available. The SPC therefore ordered that the First Instance Judgement be set aside and the cases be relisted at the Shandong High People's Court for retrial.

  CACT has been informed that the cases have been relisted at the Shandong High People's Court for hearing at a date to be determined. CACT informed the Board of its view that the Claims are without merit and groundless. As at the date of this report, CACT has not been informed of the date for the hearing. CACT has engaged counsel in Mainland China to defend the Claims and to represent the Company in the retrial. For details, please refer to the announcement of the Company dated 27 February 2023.

Bauxite mining and alumina refining

- The Group has an interest in a world-class global portfolio of upstream mining and refining operations in the aluminium sector through (as at the date of this report) its 9.6117% equity interest in AWC, a leading Australian company listed on the ASX (Stock Code: AWC). Other subsidiaries of CITIC Limited have a total 9.3070% equity interest in AWC as at the date of this report. AWC is treated as an associate of the Group.

  As at 30 June 2023, the investment cost of AWC amounted to approximately HK$3,291.9 million (31 December 2022: same), while the carrying amount of the investment in AWC was approximately 23.6% (31 December 2022: 22.4%) of the Group's total assets.

  AWC has significant global interests in bauxite mining, alumina refining and selected aluminium smelting operations through (as at the date of this report) its 40% ownership of the Alcoa World Alumina and Chemicals joint venture ("**AWAC**"), the world's largest alumina producer. The investment in AWC is considered as strategic investment which aligned with the strategy of the Group's business.

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

Share of profit of an associate	HK$11.7 million	(1H 2022: HK$102.4 million)	▼ 89%

  The Group recorded a share of profit in respect of its interest in AWC. In 1H 2023, the Group recorded a decrease in share of profit of AWC by approximately 89% as compared to 1H 2022. This is mainly attributable to the lower production volume and the higher cash costs of production as a result of the reduced production and unfavourable foreign exchange rate.

  During the Period, the Group did not receive any dividend (1H 2022: HK$60.9 million) from AWC.

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

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 2022, in respect of the PSC, the Seram Block had estimated proved oil reserves of approximately 2.6 million barrels (31 December 2021: 3.0 million barrels) as determined in accordance with the standards of the PRMS.

- For the Period, the segment results of CITIC Seram recorded a profit of approximately HK$5.3 million (1H 2022: HK$45.4 million). The following table shows a comparison of the performance of the Seram Block for the periods stated:

		1H 2023 (41%)	1H 2022 (41%)		Change[1]
Average benchmark end-market mean of:					
Dated Brent crude oil	(US$ per barrel)	**79.9**	107.7	▼	26%
Platts Singapore (MOPS):					
Platts HSFO 180 CST Singapore	(US$ per barrel)	**62.6**	90.7	▼	31%
Platts HSFO 380 CST Singapore	(US$ per barrel)	**61.4**	86.3	▼	29%
Average crude oil realised price	(US$ per barrel)	**51.0**	106.8	▼	52%
Sales volume	(barrels)	**76,000**	83,100	▼	9%
Revenue	(HK$ million)	**30.2**	69.3	▼	56%
Total production	(barrels)	**75,000**	84,400	▼	11%
Daily production	(barrels)	**417**	470	▼	11%

[1] The percentages have been rounded to the nearest integer.

An approximately 56% drop in revenue was attributable to an approximately 52% decrease in the average crude oil realised price, together with an approximately 9% decrease in the sales volume.

Production decreased by approximately 11% year-on-year due to natural decline of existing wells.

Cost of sales per barrel increased by approximately 8% as compared to 1H 2022 due to the decreased production volume.

In 1H 2023, the Seram oilfield achieved a net profit attributable to ordinary shareholders of the Company of approximately HK$5.6 million, representing a decrease of approximately 74.6% as compared to 1H 2022.

- 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 from the tax authority in Indonesia in relation to the alleged underpayment of corporate income tax and branch profit tax for the fiscal years 2017 and 2018. The total amount required to be settled, including the penalty, was US$2.1 million. CITIC Seram settled this amount and lodged a tax objection letter to the tax authority in September 2022. A provision for the tax prepaid was made for prudence purpose.

  In July 2023, CITIC Seram was notified by the tax authority that the tax objection has been rejected. As a result, CITIC Seram would initiate legal proceeding by lodging an appeal to the tax court.

- In December 2022, CITIC Seram commenced exploration activities in the Lofin-2 area and expected to produce natural gas in February 2025.

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 2022, the Yuedong oilfield had estimated proved oil reserves of approximately 27.0 million barrels (2021: 29.5 million barrels) as determined in accordance with the standards of the PRMS.

- In 1H 2023, the segment results of CITIC Haiyue recorded a profit of approximately HK$329.8 million (1H 2022: HK$478.0 million), being an approximately 31% decrease. The following table shows a comparison of the performance of the Yuedong oilfield for the periods stated:

		1H 2023 (Tincy Group's share)	1H 2022 (Tincy Group's share)		Change[1]
Average benchmark quote:					
Platts Dubai crude oil	(US$ per barrel)	**78.7**	102.1	▼	23%
Average crude oil realised price	(US$ per barrel)	**78.3**	98.1	▼	20%
Sales volume	(barrels)	**1,143,000**	1,148,000	▼	0%
Revenue	(HK$ million)	**703.4**	886.5	▼	21%
Total production	(barrels)	**1,074,000**	1,188,000	▼	10%
Daily production	(barrels)	**5,967**	6,600	▼	10%

1 The percentages have been rounded to the nearest integer.

- An approximately 21% decrease in revenue was a result of an approximately 20% decrease in the average crude oil realised price. Production decreased by approximately 10% as compared to 1H 2022, which was mainly due to the increased flooding and the decrease of formation energy in the Yuedong oilfield. In order to minimize the impact of the flooding, the oilfield operator will implement various measures such as chemical water plugging.

- Cost of sales per barrel increased by approximately 9% as compared to 1H 2022, attributable to (a) a 5% increase in depreciation, depletion and amortisation per barrel due to reduced production; (b) a 16% 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 7% 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. 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 2022: same), the Group owns 50% of the issued voting shares of KBM (which represents 47.31% of the total issued shares of KBM). As at 30 June 2023, the investment cost of CCEL amounted to approximately HK$1,924.8 million (31 December 2022: same), while the carrying amount of the investment in CCEL was approximately 21.7% (31 December 2022: 19.1%) 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 2022, the Karazhanbas oilfield had estimated proved oil reserves of approximately 141.8 million barrels as determined in accordance with the standards of the PRMS.

  In 1H 2023, the Karazhanbas oilfield achieved a net profit attributable to ordinary shareholders of the Company of approximately HK$178.6 million, representing a year-on-year decrease of approximately 37.7%.

- The Company had previously resolved to dispose of its entire equity interest in CCEL held indirectly through a wholly-owned subsidiary of CITIC Oil & Gas and the shareholder's loans provided by CITIC Oil & Gas. The public tender for such proposed disposal on the Shanghai United Assets and Equity Exchange commenced in August 2022 with an initial tender price of approximately RMB1,922,560,800. The public tender has been terminated and withdrawn from the Shanghai United Assets and Equity Exchange in June 2023. For details, please refer to the announcements of the Company dated 8 December 2021, 26 August 2022, 28 October 2022 and 2 June 2023.

- In February 2023, KBM received the final tax audit results from the local tax authority in Kazakhstan, claiming for tax payment, penalties and late charges in the aggregate amount of approximately KZT39.10 billion (equivalent to approximately US$87.74 million) (the "**Tax Claims**"). The Company has been informed that, having considered the advice from its legal counsel and tax advisor, KBM refutes the majority of the Tax Claims primarily relating to the withholding tax on dividends paid to CCPL and the deductibility of certain fees and interests incurred by KBM. The disputed amount of the Tax Claims in aggregate is approximately KZT37.40 billion (equivalent to approximately US$83.92 million). As at the date of this report, KBM has filed the complaint and application for administrative review against the final tax audit results. For details, please refer to the announcement of the Company dated 27 February 2023.

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

  Share of profit of a joint venture HK$178.6 million (1H 2022: HK$286.7 million) ▼ 38%

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

		1H 2023 (50%)	1H 2022 (50%)		Change[1]
Crude Oil					
Average benchmark end-market quotes:					
Urals Mediterranean crude oil	(US$ per barrel)	**50.5**	84.6	▼	40%
Dated Brent crude oil	(US$ per barrel)	**79.9**	107.7	▼	26%
Average crude oil realised price	(US$ per barrel)	**64.9**	87.1	▼	25%
Sales volume	(barrels)	**3,119,000**	3,123,000	▼	0%
Revenue	(HK$ million)	**1,577.7**	2,121.6	▼	26%
Total production	(barrels)	**3,523,000**	3,533,000	▼	0%
Daily production	(barrels)	**19,500**	19,500		
Bitumen					
Average selling price	(US$/tonne)	**230.8**	161.6	▲	43%
Sales volume	(tonnes)	**71,000**	98,000	▼	28%
Revenue	(HK$ million)	**128.7**	123.8	▲	4%
Total production	(tonnes)	**72,000**	99,000	▼	27%

1 The percentages have been rounded to the nearest integer.

Revenue of crude oil decreased by approximately 26% when compared to 1H 2022 due to a drop in average crude oil realised price of 25%. Although sales volume of bitumen decreased by approximately 28%, revenue of bitumen increased by approximately 4% when compared to 1H 2022 as a result of an approximately 43% increase in the average selling price of bitumen. Production of crude oil was comparable to 1H 2022. On the other hand, the production of bitumen decreased by approximately 27% as compared to 1H 2022.

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 revenue on a quarterly basis at rates per US$ amount by reference to the average oil price for the quarter.

Cost of sales per barrel was increased by approximately 13% when compared to 1H 2022, of which (a) direct operating costs per barrel increased by 13% mainly as a result of an increase in wages and salaries; and (b) depreciation, depletion and amortisation per barrel increased by approximately 12%.

Selling and distribution costs per barrel decreased by approximately 37% as compared to 1H 2022. As export duty and rent tax are charged at progressive rates which are determined by reference to average oil prices, export duty per barrel and rent tax per barrel decreased by approximately 7% and 73%, respectively, in line with decreases in average oil prices.

Liquidity, Financial Resources and Capital Structure

Cash and Deposits

As at 30 June 2023, the Group maintained strong liquidity with undrawn bank facilities of approximately HK$1,716.0 million (31 December 2022: HK$1,815.1 million) and had cash and deposits in total amount of approximately HK$1,632.5 million (31 December 2022: HK$2,130.2 million), comprising cash and cash equivalent of approximately HK$775.2 million and deposits with a fellow subsidiary of approximately HK$857.3 million.

Borrowings

As at 30 June 2023, the Group had total debt of approximately HK$1,878.9 million (31 December 2022: HK$2,644.4 million), which comprised:

- unsecured bank borrowings of approximately HK$656.8 million;
- unsecured other borrowing of approximately HK$1,170.0 million; and
- lease liabilities of approximately HK$52.1 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 significant decrease in the Group's borrowings was mainly due to the prepayment of bank loans in the amount of US$85.0 million (equivalent to approximately HK$663.0 million) from its surplus cash in 2023.

On 29 December 2022, the Company entered into a facility agreement with CITIC Finance International Limited (a fellow subsidiary of the Company, "**CITIC Finance**") in respect of an unsecured 3-year revolving loan facility of US$150.0 million (equivalent to approximately HK$1,170.0 million) (the "**A Loan**"). The proceeds of the A Loan were used for refinancing the prepayment of the remaining outstanding balance of the then existing loans in the aggregate amount of US$150 million (equivalent to approximately HK$1,170.0 million). As at 30 June 2023, the outstanding balance of the A Loan was US$150.0 million (equivalent to approximately HK$1,170.0 million).

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) credit facility agreement with China CITIC Bank International Limited (a fellow subsidiary of the Company) (the "**B Loan**"), effective from 24 June 2021. The proceeds of the B Loan were mainly used for the prepayment of the remaining outstanding balance of the then existing loan amounting to US$200.0 million (equivalent to approximately HK$1,560.0 million). On 30 June 2022, 31 August 2022, 30 April 2023 and 30 June 2023, partial prepayments of the B Loan in the aggregate amount of US$115.0 million (equivalent to approximately HK$897.0 million) were made by utilizing the Company's internal sources. As at 30 June 2023, the outstanding balance of the B Loan was US$85.0 million (equivalent to approximately HK$663.0 million). On 30 June 2023, the Company exercised the loan extension option to extend the repayment date to 30 June 2026.

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 2023 were HK$16.6 million (31 December 2022: HK$14.2 million).

As at 30 June 2023, the Group's net debt to net total capital was 3.2% (31 December 2022: 6.2%). Among the Group's total debt, approximately HK$25.0 million (31 December 2022: HK$126.9 million) was repayable within one year, including unsecured bank loan, trade finance 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, including principally forward currency contracts, forward commodity contracts, interest rate swap contracts, embedded derivatives and electricity hedge agreements. Their purpose is to manage the foreign currency risk, price risk, interest rate risk and inflation 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 2023, the Group had 202 full time employees (30 June 2022: 199), including management and administrative staff.

In 1H 2023, the remuneration of these full-time employees was approximately HK$77.0 million (30 June 2022: HK$81.7 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 1,800 employees in total (30 June 2022: 1,800) and amounting to approximately HK$146.2 million (30 June 2022: HK$102.8 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.

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible persons.

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 2023 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 14 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.

During the period from 1 January 2023 to 18 April 2023, Mr. Sun Yufeng, a former executive director of the Company, held the roles of both the chairman of the Board (the "**Chairman**") and chief executive officer of the Company (the "**CEO**"). Following the resignation of Mr. Sun Yufeng as an executive director of the Company, Chairman and CEO on 18 April 2023, the roles of both the Chairman and CEO have been vested in the same person, namely Mr. Hao Weibao who was appointed as an executive director of the Company on the same date.

Vesting the role of CEO in Mr. Sun, who was then an executive director of the Company and the Chairman, could facilitate and ensure that there would be a smooth and continuous execution of the Group's business strategies and effectiveness of its operation. In respect of the vesting of both the roles of the Chairman and CEO in Mr. Hao, in view of Mr. Hao's personal profile, extensive relevant industry knowledge and working experience in multinational corporations, the Board has confidence in vesting both roles of the Chairman and CEO in Mr. Hao and believes that it will allow for more effective planning and execution of business strategies of the Group. Therefore, the Board considers that the deviations from the code provision C.2.1 of the Corporate Governance Code will not be inappropriate. In addition, under the supervision of the Board which, apart from an executive director, comprises a non-executive director and three independent non-executive directors, 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 10 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 2023, 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

* The figure represents an attributable interest of Mr. Chan through his interest in 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. Gao Pei Ji	CITIC Limited	Ordinary shares	20,000	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 2023, (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) 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

To enable the Company to continue to grant share options as an incentive or reward to eligible persons, a new share option scheme was adopted by the Company on 27 June 2014 (the "**Share Option Scheme**"). No share option has been granted under the Share Option Scheme since its date of adoption and up to the date of this report. The total number of shares of the Company in respect of which options may be granted under the Share Option Scheme and any other share schemes of the Company remains the same as that set out in the 2022 annual report of the Company, i.e. not exceeding 786,852,714 shares of the Company (representing 10% of the total number of shares of the Company in issue as at the date of adoption of the Share Option Scheme).

Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

As at 30 June 2023, 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 (1)	59.50
CITIC Limited	Interest of controlled corporation	4,675,605,697 (2)	59.50
CITIC Corporation Limited	Interest of controlled corporation	4,675,605,697 (3)	59.50
CITIC Projects Management (HK) Limited	Beneficial owner	3,895,083,904 (4)	49.57
Keentech Group Limited	Beneficial owner	3,895,083,904 (5)	49.57
CITIC Australia Pty Limited	Interest of controlled corporation	750,413,793 (6)	9.55
Argyle Street Management Holdings Limited	Interest of controlled corporation	786,558,488 (7)	10.01
Argyle Street Management Limited	Interest of controlled corporation	786,558,488 (8)	10.01
ASM Connaught House General Partner Limited	Interest of controlled corporation	786,558,488 (9)	10.01
ASM Connaught House General Partner II Limited	Interest of controlled corporation	786,558,488 (10)	10.01
ASM Connaught House Fund LP	Interest of controlled corporation	786,558,488 (11)	10.01
ASM Connaught House Fund II LP	Interest of controlled corporation	786,558,488 (12)	10.01
ASM Connaught House (Master) Fund II LP	Interest of controlled corporation	786,558,488 (13)	10.01
Sea Cove Limited	Interest of controlled corporation	786,558,488 (14)	10.01
TIHT Investment Holdings III Pte. Ltd.	Beneficial owner	786,558,488 (15)	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 2023, no person had an interest or a short position in the shares or underlying shares of the Company required to be 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 2022 annual report of the Company and as at the date of this report, there is no change in the information of the directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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 this interim report with senior management of the Company.

On behalf of the Board
Hao Weibao
Chairman

Hong Kong, 27 July 2023

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
AWC	Alumina Limited
ASM Holdings	Argyle Street Management Holdings Limited
ASM Limited	Argyle Street Management Limited
ASX	Australian Securities Exchange
Board	Board of directors
BVI	British Virgin Islands
CACT	CA Commodity Trading Pty Ltd
CCEL	CITIC Canada Energy Limited
CCPL	CITIC Canada Petroleum Limited
CITIC Haiyue	CITIC Haiyue Energy Limited
CITIC Seram	CITIC Seram Energy Limited
CITIC Oil & Gas	CITIC Oil & Gas Holdings Limited
CMJV	Coppabella and Moorvale coal mines joint venture
CNPC	China National Petroleum Corporation
Company	CITIC Resources Holdings Limited
COVID-19	Coronavirus disease 2019
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
Group	CITIC Resources Holdings Limited and its subsidiaries
Hainan-Yuedong Block	Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, China
HK$	Hong Kong dollars, the lawful currency of Hong Kong
HKAS	Hong Kong Accounting Standard

HKFRSs	Hong Kong Financial Reporting Standards
HKICPA	Hong Kong Institute of Certified Public Accountants
Karazhanbas oilfield	Karazhanbas Oil and Gas Field in Mangistau Oblast, Kazakhstan
KBM	JSC Karazhanbasmunai
KZT	Tenge, the lawful currency of Kazakhstan
Listing Rules	Rules Governing the Listing of Securities on the Stock Exchange
LIBOR	London interbank offered rates
MEA	PT Maluku Energi Abadi
MET	Mineral extraction tax
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
PAS	Portland Aluminium Smelter
Period or 1H 2023	six months ended 30 June 2023
PRMS	Petroleum Resources Management System
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)
SOFR	Secured Overnight Financing Rate
Stock Exchange	The Stock Exchange of Hong Kong Limited
Tincy Group	Tincy Group Energy Resources Limited
US$	United States dollars, the lawful currency of the United States of America
Weihai	Weihai City Commercial Bank Co., Ltd (威海市商業銀行股份有限公司)
Yuedong oilfield	Principal oilfield within Hainan-Yuedong Block, China
1H 2022	six months ended 30 June 2022

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.

Investor Relations Contact

Suites 6701-02 & 08B
67/F, International Commerce Centre
1 Austin Road West, Kowloon, Hong Kong
Attention : Investor Relations Department
Telephone : (852) 2899 8200
Facsimile : (852) 2815 9723
E-mail : ir@citicresources.com

投資者關係聯絡

香港九龍柯士甸道西1號
環球貿易廣場67樓
6701-02及08B室
聯絡：投資者關係部
電話 : (852) 2899 8200
傳真 : (852) 2815 9723
電郵 : ir@citicresources.com

http://resources.citic