APAC RESOURCES

APAC RESOURCES LIMITED

亞 太 資 源 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1104)

(Warrant Code: 2478)

INSIDE INFORMATION AND PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders, Warrantholders and potential investors of the Company that based on the preliminary review of the information currently available of the Group for 1H FY2025, it is expected to record a loss attributable to Shareholders of not less than HK$300 million as compared to the profit attributable to Shareholders of approximately HK$593 million for 1H FY2024.

Shareholders, Warrantholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by APAC Resources Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders (the "**Shareholders**"), warrantholders (the "**Warrantholders**") and potential investors of the Company that based on the information currently available of the Company and its subsidiaries (the "**Group**") for the six months ended 31 December 2024 ("**1H FY2025**"), the results of the Group for 1H FY2025 are expected to record a loss attributable to Shareholders of not less than HK$300 million as compared to the profit attributable to Shareholders of approximately HK$593 million for the six months ended 31 December 2023 ("**1H FY2024**").

The expected loss of the Group for 1H FY2025 compared to the profit of 1H FY2024 was primarily due to:

(a) segment loss was incurred in 1H FY2025 compared to the segment profit of approximately HK$302 million recorded in 1H FY2024. It is mainly due to the loss arising from changes in fair value of financial assets of approximately HK$190 million in 1H FY2025 compared to the gain of approximately HK$221 million in 1H FY2024;

(b) loss of over HK$220 million was expected from the net resultant effect of (i) impairment loss of the Group's interest in its principal associate, Mount Gibson Iron Limited ("**MGX**"), and (ii) the Group's share of its interim results. For 1H FY2024, the Group shared a profit of HK$295 million from MGX and recognized a reversal of impairment loss of HK$9 million in relation to it. Nevertheless, the impairment loss is a non-cash item that has not materially affected the cash position and the liquidity of the Group for 1H FY2025; and

(c) partly offset by increase in profits shared from other associates, other gains and credits.

The information contained in this announcement is only based on a preliminary review of the information currently available to the Board. It is subject to the finalization of the consolidated management accounts of the Company for 1H FY2025, which in turn is subject mainly to the 6-month results of MGX and other associates for 1H FY2025, determination of the impairment loss in relation to MGX and other associates as well as finalization of fair value assessments of certain financial assets of the Group. It is not based on any figures or information which has been reviewed by the independent auditor of the Company nor approved by the audit committee of the Company and therefore the actual results of the Group may be subject to amendments and adjustments where necessary.

The interim results announcement of the Company for 1H FY2025 will be published by the Company within the timeframe stipulated under the Listing Rules.

Shareholders, Warrantholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On Behalf of the Board
APAC Resources Limited
Andrew Ferguson
Executive Director

Hong Kong, 24 January 2025

As at the date of this announcement, the directors of the Company are:

Executive Director
Mr. Andrew Ferguson *(Chief Executive Officer)*

Non-executive Directors
Mr. Arthur George Dew *(Chairman) (Mr. Wong Tai Chun, Mark as his alternate)*, Mr. Lee Seng Hui and Ms. Lam Lin Chu

Independent Non-Executive Directors
Dr. Wong Wing Kuen, Albert, Mr. Wang Hongqian and Mr. Kelvin Chau Kwok Wing

* *For identification purpose only*