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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)

**ANNOUNCEMENT OF THE INTERIM RESULTS FOR
THE SIX MONTHS ENDED 31 DECEMBER 2025**

The board of directors (the “**Board**”) of APAC Resources Limited (the “**Company**” or “**APAC Resources**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2025, which has been reviewed by the auditor of the Group and the audit committee of the Company (the “**Audit Committee**”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 December 2025

		Six months ended	
		31 December	
		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Turnover	2	2,881,698	1,150,686
Revenue	2		
Trading of goods		466,340	142,900
Interest income		471	4,913
		466,811	147,813
Cost of sales		(423,163)	(142,064)
Gross profit		43,648	5,749
Other gains and losses	4	1,538,633	(206,525)
Other income		57,695	32,524
Reversal of impairment loss/(impairment loss) on interests in associates, net	9	475,034	(105,097)
Administrative expenses		(296,711)	(28,997)
Exploration expenses		–	(4,690)
Finance costs	5a	(13,700)	(12,789)
Share of results of associates		59,602	(4,579)
Share of results of a joint venture		(1,384)	384
PROFIT/(LOSS) BEFORE TAXATION	5	1,862,817	(324,020)
Income tax (expense)/credit	6	(2,757)	11,048
PROFIT/(LOSS) FOR THE PERIOD		1,860,060	(312,972)

	Six months ended	
	31 December	
	2025	2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Attributable to:		
Owners of the Company	1,860,060	(309,884)
Non-controlling interests	<u>–</u>	<u>(3,088)</u>
PROFIT/(LOSS) FOR THE PERIOD	<u>1,860,060</u>	<u>(312,972)</u>
EARNINGS/(LOSS) PER SHARE		
(EXPRESSED IN HK CENTS)		
– Basic	<i>8(a)</i> <u>130.21</u>	<u>(22.84)</u>
– Diluted	<i>8(b)</i> <u>123.27</u>	<u>(22.84)</u>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2025

	Six months ended	
	31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
PROFIT/(LOSS) FOR THE PERIOD	1,860,060	(312,972)
Other comprehensive income, net of tax		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of associates	28,884	(110,718)
Exchange differences on translation of a joint venture	1,441	(1,054)
Exchange differences on translation of other foreign operations	7,631	3,523
Share of other comprehensive income of associates, net of related income tax	(3,545)	1,231
	34,411	(107,018)
Item that will not be reclassified to profit or loss:		
Share of other comprehensive income of an associate, net of related income tax	6,776	558
Other comprehensive income for the period, net of tax	41,187	(106,460)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,901,247	(419,432)
Attributable to:		
Owners of the Company	1,901,247	(416,026)
Non-controlling interests	–	(3,406)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,901,247	(419,432)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

		31 December	30 June
		2025	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		3,419	4,413
Interests in associates	<i>9</i>	2,048,806	1,464,607
Interest in a joint venture	<i>10</i>	90,145	94,146
Rental deposits	<i>11</i>	–	234
		<hr/> 2,142,370	<hr/> 1,563,400
Current assets			
Inventories		25,775	220,157
Trade receivables, prepayments, deposits and other receivables	<i>11</i>	103,656	84,647
Financial assets at fair value through profit or loss (“FVTPL”)		3,562,108	1,970,043
Loan receivables		7,298	83,578
Short-term bank deposits		201,560	–
Bank balances and cash		675,282	645,297
		<hr/> 4,575,679	<hr/> 3,003,722
TOTAL ASSETS		<hr/> 6,718,049	<hr/> 4,567,122

		31 December	30 June
		2025	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	1,477,572	1,408,971
Other reserves		258,282	217,095
Accumulated profits		4,092,490	2,394,829
		<u>5,828,344</u>	<u>4,020,895</u>
Non-current liabilities			
Lease liabilities		458	1,325
Deferred tax liability		4,430	8,488
		<u>4,888</u>	<u>9,813</u>
Current liabilities			
Trade and other payables	12	312,795	65,034
Bank and other loans		563,000	468,457
Tax payable		6,778	320
Lease liabilities		2,244	2,603
		<u>884,817</u>	<u>536,414</u>
TOTAL LIABILITIES		<u>889,705</u>	<u>546,227</u>
TOTAL EQUITY AND LIABILITIES		<u>6,718,049</u>	<u>4,567,122</u>
NET CURRENT ASSETS		<u>3,690,862</u>	<u>2,467,308</u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>5,828,344</u>	<u>4,020,895</u>

NOTES

For the six months ended 31 December 2025

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial information have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). It was authorised for issue on 27 February 2026.

The interim condensed consolidated financial information have been prepared in accordance with the same accounting policies adopted in the Group’s annual consolidated financial statements for the year ended 30 June 2025 except for the changes in accounting policy disclosures that are expected to be reflected in the Group’s annual consolidated financial statements for the year ending 30 June 2026 which are set out below:

Adoption of New Amendments to HKFRS Accounting Standards

In the current reporting period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 July 2025 for the preparation of the Group’s interim condensed consolidated financial information:

HKAS 21 and HKFRS 1 Lack of Exchangeability
(Amendments)

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, associates and a joint venture for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

2. TURNOVER AND REVENUE

The principal activities which materially affect the results or assets of the Group during the period include commodity business, resource investment and principal investment and financial services.

The amount of each significant category of turnover and revenue is as follows:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Trading of goods	466,340	142,900
Interest income	471	4,913
	<u> </u>	<u> </u>
Revenue	466,811	147,813
Gross sales proceeds from resource investment	2,414,887	1,002,873
	<u> </u>	<u> </u>
Turnover	<u>2,881,698</u>	<u>1,150,686</u>

Revenue

- (a) Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Trading of goods		
– Commodities (Iron ore)	<u>466,340</u>	<u>142,900</u>
Revenue from other sources		
Interest income under effective interest method		
– Loan receivables	<u>471</u>	<u>4,913</u>
Total revenue	<u>466,811</u>	<u>147,813</u>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographical markets are disclosed in Notes 3(a) and 3(b) respectively.

- (b) All sales contracts with customers within the scope of HKFRS 15 are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

3. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Company's executive director (the chief operating decision maker) for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- (i) Commodity business (trading of commodities);
 - (ii) Resource investment (trading of and investment in listed and unlisted securities of energy and natural resources companies); and
 - (iii) Principal investment and financial services (provision of loan financing and investments in financial assets and receiving interest income from these financial assets).
- (a) Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive director monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/(loss) is earnings and loss of each segment without allocation of share of results of associates and a joint venture, reversal of impairment loss/(impairment loss) on interests in associates, other gain/(loss) arising from associates, gain on loss of control of a non-wholly owned subsidiary, unallocated income and gains, unallocated administrative expenses and other losses, and unallocated finance costs.

Segment assets include all assets of operating and reportable segments other than interests in associates and a joint venture, certain property, plant and equipment and financial assets at FVTPL not held within the trading portfolios neither managed under principal investment and financial services segment nor managed under resource investment segment, certain other receivables and certain bank balances and cash not managed under segments and other unallocated corporate assets.

Segment liabilities include provisions, trade and other payables, deferred tax liability and lease liabilities attributable to the activities of the individual segments and borrowings managed directly by the segments.

In addition to receiving segment information concerning segment profit/(loss), the Board is provided with segment information concerning revenue, interest income (included in other income), depreciation, dividend income from financial assets at FVTPL, gain/(loss) arising from changes in fair value of financial assets measured at FVTPL, net, reversal of impairment loss/(impairment loss) on loan receivables, net, gain/(loss) arising from changes in fair value of provisional pricing arrangements in relation to trading of commodities, net, finance costs, net foreign exchange gain/(loss), income tax and additions to non-current segment assets (other than financial instruments and deferred tax assets) used by the segments in their operations.

The accounting policies of the operating segments are the same as the Group's accounting policies.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's executive director for the purposes of resource allocation and assessment of segment performance for the six months ended 31 December 2025 and 2024 is set out below.

	Six months ended 31 December 2025			Total HK\$'000 (Unaudited)
	Commodity business HK\$'000 (Unaudited)	Resource investment HK\$'000 (Unaudited)	Principal investment and financial services HK\$'000 (Unaudited)	
Segment revenue:				
Disaggregated by timing of revenue recognition				
– Point in time	466,340	–	–	466,340
– Revenue from other source:				
Interest income	–	–	471	471
	<u>466,340</u>	<u>–</u>	<u>471</u>	<u>466,811</u>
Revenue from external customers	<u>466,340</u>	<u>–</u>	<u>471</u>	<u>466,811</u>
Gross sales proceeds from resource investment	<u>–</u>	<u>2,414,887</u>	<u>–</u>	<u>2,414,887</u>
Segment results	44,040	1,299,552	5,732	1,349,324
Share of results of associates				59,602
Share of results of a joint venture				(1,384)
Reversal of impairment loss on interests in associates, net				475,034
Gain arising from deemed disposal of partial interests in associates, net				10,421
Unallocated income and gains				4,229
Unallocated administrative expenses and other losses				(21,841)
Unallocated finance costs				<u>(12,568)</u>
Consolidated profit before taxation				<u>1,862,817</u>

	At 31 December 2025			
			Principal investment and financial services	Total
	Commodity business	Resource investment		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment assets	606,717	3,728,577	7,811	4,343,105
Interests in associates				2,048,806
Interest in a joint venture				90,145
Unallocated head office and corporate assets				
– Bank balances and cash				232,536
– Other corporate assets				3,457
Consolidated total assets				<u>6,718,049</u>
Segment liabilities	68,911	327,176	20	396,107
Unallocated head office and corporate liabilities				
– Other loans				475,000
– Dividend payable				7,927
– Other corporate liabilities				10,671
Consolidated total liabilities				<u>889,705</u>

Six months ended 31 December 2024

	Commodity business HK\$'000 (Unaudited)	Resource investment HK\$'000 (Unaudited)	Principal investment and financial services HK\$'000 (Unaudited)	Total reportable segments HK\$'000 (Unaudited)	Others HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue:						
Disaggregated by timing of revenue recognition						
– Point in time	142,900	–	–	142,900	–	142,900
– Revenue from other source:						
Interest income	–	–	4,913	4,913	–	4,913
Revenue from external customers	<u>142,900</u>	<u>–</u>	<u>4,913</u>	<u>147,813</u>	<u>–</u>	<u>147,813</u>
Gross sales proceeds from resource investment	<u>–</u>	<u>1,002,873</u>	<u>–</u>	<u>1,002,873</u>	<u>–</u>	<u>1,002,873</u>
Segment results	(6,468)	(183,612)	3,597	(186,483)	(5,473)	(191,956)
Share of results of associates						(4,579)
Share of results of a joint venture						384
Impairment loss on interests in associates, net						(105,097)
Gain arising from acquisitions of interests in associates						1,013
Gain arising from deemed acquisitions of interests in associates						2,125
Gain on loss of control of a non-wholly owned subsidiary						2,161
Loss arising from deemed disposal of partial interests in associates						(3,036)
Unallocated income and gains						351
Unallocated administrative expenses and other losses						(15,919)
Unallocated finance costs						<u>(9,467)</u>
Consolidated loss before taxation						<u>(324,020)</u>

	At 30 June 2025			
	Commodity	Resource	Principal	
	business	investment	and financial	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Audited)	(Audited)	(Audited)
Segment assets	558,083	2,163,146	83,998	2,805,227
Interests in associates				1,464,607
Interest in a joint venture				94,146
Unallocated head office and corporate assets				
– Bank balances and cash				198,854
– Other corporate assets				4,288
				<u>4,567,122</u>
Consolidated total assets				
Segment liabilities	158,485	195,304	272	354,061
Unallocated head office and corporate liabilities				
– Other loans				175,000
– Dividend payable				6,904
– Other corporate liabilities				10,262
				<u>546,227</u>
Consolidated total liabilities				

(b) Geographical information

The following is an analysis of geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, interests in associates and a joint venture. The geographical location of customers is based on the location of goods delivered; the Group's interest income derived from loan receivables in respect of principal investment and financial services is analysed by the location where the loan financing is provided. In the case of non-current assets (excluding financial assets) which is presented based on geographical location of assets (where the property, plant and equipment is located and where the associates and the joint venture are incorporated/listed).

	Revenue from external customers		Non-current assets	
	Six months ended		At	
	31 December		31 December	30 June
	2025	2024	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Hong Kong (place of domicile)	471	4,913	2,423	2,973
The PRC	466,340	142,900	135,741	140,919
Australia	–	–	1,998,824	1,412,906
Philippines	–	–	5,382	6,368
	466,811	147,813	2,142,370	1,563,166

4. OTHER GAINS AND LOSSES

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Gain/(loss) arising from changes in fair value of financial assets mandatorily measured at FVTPL, net:		
– listed equity securities held-for-trading	1,435,886	(199,084)
– unlisted equity investments	1,549	(1,138)
– derivative financial instruments		
– warrants	79,959	2,293
– others	8	(591)
Reversal of impairment loss/(impairment loss) on loan receivables, net	5,683	(588)
Gain on loss of control of a non-wholly owned subsidiary (<i>note</i>)	–	2,161
Gain arising from deemed acquisitions of interests in associates	–	2,125
Gain/(loss) arising from deemed disposal of partial interests in associates, net	10,421	(3,036)
Gain arising from acquisitions of interests in associates	–	1,013
Gain/(loss) arising from changes in fair value of provisional pricing arrangements in relation to trading of commodities:		
– trade payables designated at FVTPL	4,268	(1,697)
Net foreign exchange gain/(loss)	986	(7,332)
Others	(127)	(651)
	<u>1,538,633</u>	<u>(206,525)</u>

Note:

During the six months ended 31 December 2024, upon the completion of the right issue and share placement by a then subsidiary (the “Investee”), the Group’s interests in the Investee decreased significantly and directors of the Company considered that the Group lost control over the Investee but retained significant influence on the Investee. Accordingly, the financial statements of the Investee were deconsolidated from the Group’s consolidated financial statements and a gain on loss of control of a non wholly-owned subsidiary of HK\$2,161,000 was recognised in profit or loss.

5. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging the following:

	Six months ended	
	31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
(a) Finance costs:		
Interest on lease liabilities	112	31
Interest on bank and other loans	<u>13,588</u>	<u>12,758</u>
	<u>13,700</u>	<u>12,789</u>
(b) Staff costs (including directors' emoluments) (notes (i) and (iii)):		
Salaries and allowance	276,476	13,730
Contributions to defined contribution retirement plans	<u>122</u>	<u>174</u>
	<u>276,598</u>	<u>13,904</u>
(c) Other items:		
Costs of goods recognised as expenses (note (ii))	420,741	142,064
Depreciation charges (note (i))		
– owned property, plant and equipment	100	192
– right-of-use assets	1,192	1,253
Exploration expenses (note (iii))	–	4,690
Short-term lease expense	<u>39</u>	<u>35</u>

Notes:

- (i) Included in staff costs and depreciation charges, there are HK\$276,598,000 (2024: HK\$12,739,000) and HK\$1,292,000 (2024: HK\$1,445,000) respectively being classified under administrative expenses. Other major components of administrative expenses include brokerage and custodian fees for investments of HK\$8,389,000 (2024: HK\$3,748,000) and legal, professional and consultancy fees of HK\$2,633,000 (2024: HK\$1,989,000).
- (ii) For the six months ended 31 December 2025, cost of inventories included reversal of write-down of inventories of HK\$13,699,000 (2024: write-down of inventories of HK\$6,232,000).
- (iii) For the six months ended 31 December 2024, exploration expenses in the condensed consolidated statement of profit or loss included staff costs of HK\$1,165,000, which were also included in the respective total amounts disclosed separately above.

6. INCOME TAX (EXPENSE)/CREDIT

Amounts recognised in profit or loss:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax:		
– Hong Kong Profits Tax for the period	(788)	(37)
– PRC Enterprise Income Tax for the period	(5,874)	(5,582)
– Withholding tax on dividend income	(153)	–
Deferred tax:		
– Origination and reversal of temporary differences	<u>4,058</u>	<u>16,667</u>
Income tax (expense)/credit	<u>(2,757)</u>	<u>11,048</u>

7. DIVIDENDS

Dividends recognised as distribution to owners of the Company during the period:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
2025 final dividend declared		
– HK11 cents (2024: 2024 final dividend declared HK10 cents)	<u>162,399</u>	<u>135,664</u>

During the six months ended 31 December 2025, a final dividend of HK11 cents (six months ended 31 December 2024: HK10 cents) per ordinary share, in an aggregate amount of HK\$162,399,000 (six months ended 31 December 2024: HK\$135,664,000), was declared in respect of the year ended 30 June 2025 (six months ended 31 December 2024: in respect of year ended 30 June 2024), which is paid or payable in cash.

No dividend has been proposed for the six months ended 31 December 2025 (six months ended 31 December 2024: Nil).

8. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of the basic earnings/(loss) per share is as follows:

	Six months ended	
	31 December	
	2025	2024
	(Unaudited)	(Unaudited)
Profit/(loss) for the period attributable to owners of the Company for the purpose of basic earnings/(loss) per share (HK\$'000)	1,860,060	(309,884)
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share (in thousands)	1,428,474	1,356,636
Basic earnings/(loss) per share (HK cents)	<u>130.21</u>	<u>(22.84)</u>

(b) Diluted earnings/(loss) per share

The calculation of the diluted earnings/(loss) per share is as follows:

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential shares. The Company's dilutive potential ordinary shares comprise ordinary shares to be issued under 2027 warrants. In relation to ordinary shares issued under 2027 warrants, a calculation is done to determine the number of ordinary shares that could have been acquired at fair value (determined as the average market share price of the Company's ordinary shares during the period) based on the monetary value of the subscription rights attached to outstanding number of warrants. The number of ordinary shares calculated as above is compared with the number of ordinary shares that would have been issued assuming the exercise of the warrants.

	Six months ended	
	31 December	
	2025	2024
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to owners of the Company, used to determine diluted earnings/(loss) per share (HK\$'000)	<u>1,860,060</u>	<u>(309,884)</u>
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share (in thousands)	1,428,474	1,356,636
Effect of dilutive potential ordinary shares under 2027 warrants (in thousands)	<u>80,436</u>	<u>–</u>
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share (in thousands)	<u>1,508,910</u>	<u>1,356,636</u>
Diluted earnings/(loss) per share (HK cents)	<u>123.27</u>	<u>(22.84)</u>

9. INTERESTS IN ASSOCIATES

	At	At
	31 December	30 June
	2025	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Interests in associates before impairment	2,503,337	2,394,172
Impairment losses recognised	<u>(454,531)</u>	<u>(929,565)</u>
	<u>2,048,806</u>	<u>1,464,607</u>
Fair value of listed investments	<u>2,845,982</u>	<u>1,558,834</u>

At the end of the reporting period, the management of the Group carried out review on impairment loss on the carrying amounts of its interests in associates by comparing their recoverable amounts (higher of value in use and fair value less costs of disposal) with its respective carrying amounts when there is impairment or reversal of impairment indication. The reversal of impairment loss/(impairment loss) on respective associates recognised in the condensed consolidated statement of profit or loss for the six months ended 31 December 2025 and 2024 are as follows:

	For the six months ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
MGX Resources Limited (previously known as Mount Gibson Iron Limited) (“ MGX ”)	474,690	(111,986)
Tanami Gold NL (“ Tanami ”)	–	6,788
Mabuhay Holdings Corporation (“ MHC ”)	344	101
	<u>475,034</u>	<u>(105,097)</u>

10. INTEREST IN A JOINT VENTURE

	At	At
	31 December	30 June
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
Interest in a joint venture with nil impairment	<u>90,145</u>	<u>94,146</u>

11. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Trade receivables (<i>note (i)</i>)	70,372	9,639
Other receivables and deposits	20,984	36,234
Value-added tax receivable	–	30,459
Dividend receivable	–	312
Rental deposits (<i>note (ii)</i>)	287	234
Receivable from securities brokers	9,679	6,970
Prepayments	2,334	1,033
	<u>103,656</u>	<u>84,881</u>
Representing:		
– Non-currents assets	–	234
– Current assets	103,656	84,647
	<u>103,656</u>	<u>84,881</u>

Except for the non-current rental deposits, all other receivables are expected to be recovered or recognised as expense within one year.

Notes:

(i) Aging analysis

As of the end of the reporting period, the aging analysis of trade receivables based on invoice date which approximates the revenue recognition date, is as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
0 – 30 days	<u>70,372</u>	<u>9,639</u>

The Group allows an average credit period of 90 days to its trade customers from commodity business. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits to it. The credit limits attributed to customers are reviewed regularly.

(ii) Rental deposits are typically paid for leased properties, which are refundable after the expiry of the leases.

12. TRADE AND OTHER PAYABLES

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
Trade payables designated at FVTPL (<i>note</i>)	55,380	4,768
Provision of employee benefits	238,183	33,430
Other payables measured at amortised cost	<u>19,232</u>	<u>26,836</u>
	<u>312,795</u>	<u>65,034</u>

Note:

Aging analysis

As of the end of the reporting period, the aging analysis of trade payables designated at FVTPL based on the invoice date is as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 30 June 2025 <i>HK\$'000</i> (Audited)
0 – 30 days	<u>55,380</u>	<u>4,768</u>

The Group purchases iron ore commodities under provisional pricing arrangements where final prices are based on prevailing spot prices over a quotation period after shipment by the supplier, MGX. These trade payables are designated at FVTPL on contract by contract basis.

13. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Authorised:		
At 1 July 2025 (audited) and 31 December 2025 (unaudited), ordinary shares of HK\$1.00 each	<u>3,000,000,000</u>	<u>3,000,000</u>
Issued and fully paid, ordinary shares of HK\$1.00 each		
At 1 July 2024 (audited)	1,356,636,962	1,356,637
Share issued under 2027 warrants	<u>52,333,542</u>	<u>52,334</u>
At 30 June 2025 and 1 July 2025 (audited)	1,408,970,504	1,408,971
Share issued under 2027 warrants	<u>68,601,735</u>	<u>68,601</u>
At 31 December 2025 (unaudited)	<u>1,477,572,239</u>	<u>1,477,572</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

APAC Resources Limited (“**APAC Resources**” or the “**Company**”) and its subsidiaries (collectively, the “**Group**”) reported a net profit attributable to shareholders of the Company of HK\$1,860,060,000 for the six months ended 31 December 2025 (“**1H FY25/26**”), compared with a net loss attributable to shareholders of the Company of HK\$309,884,000 for the six months ended 31 December 2024 (“**1H FY24/25**”). This profit was mostly driven by a strong performance from our Resource Investment segment, where we generated a segment profit of HK\$1,299,552,000, and an impairment loss reversal of HK\$474,690,000 on interests in MGX Resources Limited (“**MGX**”, previously known as Mount Gibson Iron Limited) (ASX: MGX).

Primary Strategic Investments

Our Primary Strategic Investments are in MGX, Tanami Gold NL (“**Tanami Gold**”) (ASX: TAM), Metals X Limited (“**Metals X**”) (ASX: MLX), Dragon Mining Limited (“**Dragon Mining**”) (HKEX: 1712) and Prodigy Gold NL (“**Prodigy Gold**”) (ASX: PRX), where APAC Resources owns 38.4%, 46.3%, 23.3%, 24.7% and 30.7% as at 31 December 2025 respectively.

The combined net attributable profits shared from MGX, Tanami Gold, Metals X, Dragon Mining and Prodigy Gold which are accounted for as the Group’s associates for 1H FY25/26 was HK\$58,912,000 (1H FY24/25: net attributable loss of HK\$5,508,000).

During the period, APAC Resources’ shareholding in Prodigy Gold rose from 29.6% as at 30 June 2025 to 30.7% as at 31 December 2025 due to subscription of the entitlement offer by Prodigy Gold (one new share for every one share held) and underwriting the shortfall offer at an issue price of A\$0.002 per share.

MGX

APAC Resources owns 38.4% of MGX at 31 December 2025. MGX is undergoing a business transition from an iron ore producer to a gold developer, with the scheduled end of Koolan Island operation in 2026 and completed acquisition of 50% interest in the Central Tanami Gold Project Joint Venture. MGX owns the Koolan Island mine off the Kimberley coast in the remote north-west of Western Australia.

Due to a significant rockfall on the eastern footwall of the main pit at Koolan Island in October 2025, mining was suspended. The investment required to remediate the mine was not economically justified, especially noting that mining was scheduled to conclude around September 2026. For now, the operations are focused on the monetization of lower grade stockpiles, with processing and shipping of low-grade material expected to continue to late in the June quarter of 2026.

MGX generated A\$15 million free cash flow in the December quarter of 2025 with the sales of 798,000 wet metric tonnes (“wmt”) of iron ore (319,000 wmt of average 62.6% Fe iron ore and 479,000 wmt of average 49.6% Fe iron ore). For the coming two quarters, MGX targets to process and ship a further 1 million wmt of low grade (42-45% Fe iron ore) stockpiled material, followed by a full depletion of the mine stocks.

Sales guidance for the year ending 30 June 2026 (“FY25/26”) was withdrawn on 24 October 2025. MGX’s cash and investment reserves was A\$497 million at the end of 1H FY25/26, although this doesn’t include the A\$50 million payment made in February 2026 upon acquisition of the Central Tanami Gold Project Joint Venture. Pro-forma MGX has A\$447 million cash and investment reserves.

The Platts Iron Ore Index 62% CFR China index traded strongly in 1H FY25/26, from mid-US\$90s per dry metric tonne (“dmt”) in July to circa US\$108 per dmt in late December 2025. At time of writing in early February 2026, the price is around US\$100 per dmt. Iron ore prices have been supported by strong Indian and United States (“U.S.”) steel output, while China, Russia, and European steel production has declined due to weak economic growth. Iron ore prices are expected to fluctuate with sentiment related to China and India’s economy.

Tanami Gold

APAC Resources owns 46.3% of Tanami Gold at 31 December 2025. Tanami Gold’s principal business activity is gold exploration. It holds 50% of the Central Tanami Project and has a cash balance of A\$14 million. In May 2021, Tanami Gold entered into a binding agreement with Northern Star Resources Limited (“Northern Star”) (ASX: NST) to establish a new 50-50 Joint Venture covering the Central Tanami Gold Project Joint Venture. On 3 December 2025, MGX reported that it received approval from the Foreign Investment Review Board for an acquisition for Northern Star’s 50% interest in Central Tanami Gold Project Joint Venture, and the transaction was completed in February 2026.

Metals X

APAC Resources owns 23.3% of Metals X as at 31 December 2025. Metals X is focused on implementing its life of mine plan at Renison mine, including the development of the high-grade Area 5 deposit. In the six months ended 31 December 2025, the Renison mine produced 2,796 tonnes of tin (net 50% basis), down 10% year-on-year, as September quarter mill throughput was impacted by operational downtime and equipment failures. However, production rebounded significantly in the December quarter due to notably higher grades and recoveries as plant operations were more stable. Production improved in December quarter by 46% quarter-on-quarter.

Tin prices have rallied from circa A\$34,000 per tonne in early July 2025 to circa A\$48,000 per tonne at the time of writing in late February 2026. Demand for critical mineral stockpiling, supply challenges such as Indonesia illegal tin mine shut-downs and Myanmar shipment delays and speculative trading activities have all contributed to strong tin prices. We remain comfortable with the outlook for tin due to the lack of supply growth, growing demand for tin from the electrification trend, and growth from semiconductors and energy storage industries.

Dragon Mining

APAC Resources owns 24.7% of Dragon Mining at 31 December 2025. The principal activity of Dragon Mining is gold exploration, mining, and processing in the Nordic region. Dragon Mining operates gold mines and processing facilities in Finland and Sweden. In Finland, the Vammala Production Centre consists of a conventional 300,000 tonnes per annum crushing, milling and flotation plant, the Jokisivu Gold mine, the Orivesi Gold mine which ceased production in June 2019, and the Kaapelinkulma Gold mine which ceased production in April 2021, and the Uunimäki Gold project. Annual production from Dragon Mining is in the range of 20,000 to 30,000 ounces of gold in concentrate depending on the grade of ore and gold concentrate feed. In Sweden, the operation is known as the Svartliden Production Centre, consisting of a 300,000 tonnes per annum carbon-in-leach processing plant together with the closed Svartliden Gold mine (mining completed in 2013), and the Fäboliden Gold mine where a campaign of test-mining was completed in September 2020. On 1 April 2025, Allied Properties Resources Limited (“**APRL**”), a wholly-owned subsidiary of APAC Resources, announced a pre-conditional voluntary cash offer of HK\$2.20 per share for all issued shares of Dragon Mining not owned by APRL and its concert parties. On 19 May 2025, Wah Cheong Development (B.V.I.) Limited (“**Wah Cheong**”), an indirect wholly-owned subsidiary of Allied Group Limited (a substantial shareholder of APAC Resources), announced a conditional voluntary cash offer of HK\$2.60 per share for all issued shares of Dragon Mining not owned by Wah Cheong and its concert parties. On 2 June 2025, APRL’s offer was withdrawn. On 22 September 2025, Dragon Mining raised HK\$172.8 million via a placement of over 31.6 million shares at HK\$5.61 per share.

Prodigy Gold

APAC Resources owns 30.7% of Prodigy Gold at 31 December 2025.

Prodigy Gold is a gold exploration company listed on the Australian Securities Exchange. It holds a large footprint of exploration tenements in the Tanami region in the Northern Territory, Australia, and a JORC resource of 1.03 million ounces across its Hyperion, Tregony, Buccaneer and Old Pirate projects. Some of its tenements are held in joint venture with partners such as Newmont Corporation (ASX: NEM) and IGO Limited (ASX: IGO). At the end of December 2025, Prodigy Gold has a cash balance of A\$5.2 million. The focus of Prodigy Gold for 2026 will be exploration on the Tanami North Project area and continue with its strategy to divest non-core assets.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss comprise mainly the Group's Resource Investment. As at 31 December 2025, within the Resource Investment, APAC Resources had significant investment representing 5% or more of the Group's total assets in Shougang Fushan Resources Group Limited (“**Shougang Fushan**”) (HKEX: 639).

Significant Investment

Name of investee company	Number of shares held at 31 December 2025	% of shares held at 31 December 2025	For the period ended 31 December 2025					As at 31 December 2025	
			Investment cost HK\$'000	Dividend income HK\$'000	Realised gain HK\$'000	Unrealised gain HK\$'000	Fair value gain, net HK\$'000	Carrying value HK\$'000	% of carrying value to the Group's total assets
Shougang Fushan	139,649,823	2.7%	245,461	38,170	167	9,818	9,985	409,174	6.1%

Our investment in Shougang Fushan generated a fair value gain of HK\$9,985,000 during the period with carrying value as at 31 December 2025 of HK\$409,174,000.

Shougang Fushan is a coking coal producer listed on The Stock Exchange of Hong Kong Limited. Its principal businesses are coking coal mining and the production and sales of coking coal products in China. It has three mines located in China with reserves of 54 million tonnes of raw coking coal at 31 December 2024 and during six months ended 30 June 2025 Shougang Fushan produced 2.6 million tonnes of raw coking coal and sold 1.6 million tonnes of clean coking coal.

Its results for the year ended 31 December 2025 are not yet available at the time of writing. The market capitalisation of Shougang Fushan in early February 2026 is around HK\$16.9 billion. During the six months ended 30 June 2025, Shougang Fushan generated revenue of HK\$2,101 million and attributable profits of HK\$481 million and had cash and time deposits of HK\$9.4 billion at 30 June 2025.

Resource Investment

The investments in this segment comprise mostly minor and liquid holdings in various natural resource companies listed on major stock exchanges, including Australia, Canada, Hong Kong, the United Kingdom and the U.S.. Our investments focus on select commodities within several commodity segments: energy, bulk commodities, base metals and precious metals.

Resource Investment posted a fair value gain of HK\$1,435,886,000 in 1H FY25/26 (1H FY24/25: loss of HK\$199,084,000), which, after accounting for segment-related dividends and other investment income and expenses, resulted in a segment profit of HK\$1,299,552,000 (1H FY24/25: loss of HK\$183,612,000).

Our Resource Investment segment includes, among other investing strategies, the two resource portfolios announced in August 2016, with an additional natural resource-focused strategy subsequently established and focused on large caps and specialist opportunities. The aim of the portfolios is to produce a positive return using the Company's funds as well as to create a track record to attract potential third-party investments in the future. These various portfolios are managed under the Resource Investment segment of the Company, which is separate from the Company's large strategic stakes. Our portfolios have a global long-only mandate (cannot short stocks) and strict parameters on market capitalisation, liquidity, development stage (exploration through to production) and jurisdiction to manage risk.

Small and Mid-Cap Mining Portfolio

This portfolio is focused on investments in small and mid-cap companies involved in the exploration, development and production of battery metals, base metals, precious metals, uranium, bulks and other hard rock commodities. Managed by the same portfolio manager since its inception in October 2016, the Small and Mid-Cap Mining Portfolio delivered a return of 78.4% in the six months ended 31 December 2025, which is an outperformance of 35.0% against its benchmark, which is a currency adjusted equal weighting of the ASX 200 Small Cap Resources, FTSE AIM All Share Basic Resources and TSX Venture Composite indices.

Over its full investment lifetime of October 2016 to December 2025, the portfolio has now delivered a return of 1,418%, which is a substantial outperformance of 1,335% against its benchmark return of 82%. A full breakdown of the Small and Mid-Cap Mining Portfolio's annual performance against its benchmark is presented in the table below.

From	To	Small and Mid-Cap Mining Portfolio Performance	Benchmark Performance	Alpha	Small and Mid-Cap Mining Portfolio Cumulative Performance	Cumulative Benchmark Performance	Cumulative Alpha
01 Oct 2016	30 Sep 2017	8.7%	4.0%	4.7%	8.7%	4.0%	4.7%
01 Oct 2017	30 Sep 2018	9.6%	-4.3%	13.9%	19.1%	-0.4%	19.5%
01 Oct 2018	30 Sep 2019	18.8%	-15.4%	34.2%	41.4%	-15.7%	57.1%
01 Oct 2019	30 Sep 2020	59.8%	29.4%	30.4%	126.0%	9.0%	117.0%
01 Oct 2020	30 Jun 2021	87.0%	33.5%	53.5%	322.6%	45.5%	277.1%
01 Jul 2021	30 Jun 2022	14.2%	-27.6%	41.8%	382.7%	5.4%	377.3%
01 Jul 2022	30 Jun 2023	16.3%	-3.2%	19.5%	461.2%	2.0%	459.2%
01 Jul 2023	30 Jun 2024	17.4%	-2.9%	20.3%	558.6%	-1.0%	559.6%
01 Jul 2024	30 Jun 2025	29.2%	28.5%	0.7%	750.8%	27.2%	723.6%
01 Jul 2025	31 Dec 2025	78.4%	43.4%	35.0%	1417.8%	82.4%	1335.4%

The Small and Mid-Cap Mining Portfolio's exceptional performance for the six months ended 31 December 2025 was primarily driven by continued high-conviction positioning in the precious metals sector. This was supported by a robust macro backdrop for gold given ongoing central bank buying, the de-dollarisation trend, increasing concerns around fiscal deficits and sovereign debt, plus significantly higher investor buying (which can be fickle). The portfolio remains focused on gold producers that are moving into record margin expansion and cycle-high free cash flows and this strategy has proved highly effective as investors generally valued these companies significantly higher. Consequently, the list of major contributors was dominated by gold miners, including Bellevue Gold (ASX: BGL), Equinox Gold (NYSE: EQX), St Barbara (ASX: SBM), Kingsgate Consolidated (ASX: KCN), Meeka Metals (ASX: MEK) and Galiano Gold (NYSE: GAU), as well as Seabridge Gold (NYSE: SA) for leverage to its world class Kerr-Sulphurets-Mitchell gold-copper development project.

Beyond the precious metals allocation, the portfolio also benefited from successful stock selection in the critical minerals space, which has received a surge in investor attention. Governments globally are increasingly viewing reliable supply chains through the lens of national security and are ramping up support for key projects, including fast-track permitting, grants, direct equity stakes, low-interest loans and even price floors. The portfolio manager identified this trend early and held large positions in Q2 Metals (TSX: QTWO) for its Tier 1 Cisco lithium development project in Quebec, plus EQ Resources (ASX: EQR), which provides unique leverage to the global tungsten squeeze via two operating mines in turnaround under new management.

In contrast to the breadth of positive performers, the portfolio experienced very few loss-making positions, reflecting the strength of the underlying commodity environment and disciplined asset selection. Asante Gold (TSX: ASE) was the only position to act as a material drag on performance as the portfolio generally avoided stock specific “banana peels” during the period.

This marks the tenth consecutive period of both positive returns and outperforming the benchmark. Despite being a long-only strategy in higher-beta small and mid-cap companies in a highly cyclical sector, and where the benchmark has recorded five years of negative returns during those ten years, the portfolio has never recorded a down year yet. The lifetime annualised return is now 34.2%, which compares to the benchmark averaging 6.7% per year.

Looking ahead, the portfolio manager will continue to focus on generating alpha by getting the commodity weightings right via larger positions in high conviction stories that demonstrate a combination of strong or inflecting free cash flows, high quality development or exploration potential, credible leadership, and compelling valuations.

Energy Portfolio

This portfolio is primarily focused on the oil, gas, power and renewables sectors. At the end of 2019, the mandate for this portfolio was expanded to include investments in renewables, and with a broader sector of investments, from February 2020 (before the full impact of the Covid-19 Pandemic) to January 2026, the Energy Portfolio has generated a return on investment of 197%.

The investment choices in the Energy Portfolio are selected through a combination of fundamental bottom up valuation and analysis of the prospects for different sectors. During the early days of the Covid-19 pandemic, the investments were focused in companies in the green energy sector given that the low interest rate environment was supportive of stocks with significant growth potential. During 1H FY25/26, we have continued to focus on companies that support base load power (predominantly natural gas in certain countries and uranium) and added select names that were leveraged specifically to the power demand part of the artificial intelligent (“AI”) Data Centre thematic. At the same time, we reduced oil exposure significantly, on the assumption that we would see oversupply given OPEC+ laid out a path to unwind production cuts. In 1H FY25/26, oil price fell 7%, although admittedly oil price performance was not as bad as we initially feared given restocking demand from the U.S.. Strategic Petroleum Reserve, plus ongoing Chinese purchases as both strategic and commercial stockpiles continued to grow. The energy transition continues, particularly in select areas like Energy Storage System. At the time of writing in February 2026, we are starting to see some greenshoots in parts of the solar value chain as it appears the policy overhang is starting to clear up.

Large-Cap Resources Portfolio

This portfolio is strategically focused on high-quality investments across the broader resources sector, encompassing leading metals miners and developers, royalty companies, downstream material producers and physical commodities holding vehicles. In the six months ended 31 December 2025, the Large-Cap Resources Portfolio delivered an impressive return of 57.6%, reflecting the powerful tailwinds in the sector during this period.

The exceptional performance was primarily driven by a strong allocation to the precious metals sector, underpinned by a firmly positive outlook on gold and silver (as highlighted in our Small and Mid-Cap Mining Portfolio section). During the period, the portfolio focused on high quality gold and silver developers, where Hycroft Mining (NASDAQ: HYMC) and NovaGold Resources (NYSE: NG) have been the top contributors of the portfolio’s performance. Holdings of established precious metals producers, including Coeur Mining (NYSE: CDE), Equinox Gold (NYSE: EQX), IAMGOLD (NYSE: IAG), Newmont Corporation (NYSE: NEM), also contributed to the portfolio’s extraordinary return in the period.

During the period, there were a few loss-making positions, including Asante Gold (TSX: ASE) and Allied Gold (TSX: AAUC), which had experienced volatility driven by risks associated with operating in less stable jurisdictions such as Ghana and Mali. However, we see asymmetric risk-reward with the compelling company valuations, considering the massive cash flow generated under a resilient gold and silver price environment.

Looking ahead, the portfolio will maintain its emphasis on sectors experiencing a cyclical upturn, with a selective, rigorous approach to identifying high quality companies that offer attractive risk-reward profiles. This disciplined strategy positions the portfolio to continue capitalizing on the favorable dynamics in resources and precious metals.

Precious Metals

Precious Metals (majority gold exposure) generated a net fair value gain of HK\$1,139,861,000 in 1H FY25/26 (1H FY24/25: HK\$55,082,000). As at 31 December 2025, the carrying value of the Precious Metals segment was HK\$2,110,989,000 (As at 30 June 2025: HK\$1,045,084,000). Our largest gold investment in the Resource Investment segment is in Northern Star (ASX: NST) which generated a fair value gain of HK\$44,123,000 with a carrying value as at 31 December 2025 of HK\$139,310,000. We also own Westgold Resources (ASX: WGX) which generated a fair value gain of HK\$56,510,000 with a carrying value as at 31 December 2025 of HK\$100,691,000. Northern Star is the largest gold company in Australia and owns high-grade underground mines in Western Australia and Alaska. In 1H FY25/26, its production was 728,000 ounces of gold, and it generated a net mine cash flow of A\$313 million. In FY25/26, its production target is 1,600,000 - 1,700,000 ounces.

The gold price had a strong rally in 1H FY25/26 from approximately US\$3,300 per ounce and reached a high of US\$4,500 per ounce before ending the year at around US\$4,300 per ounce. There is speculation that the strong gold price has been driven by central bank purchases, safe haven demand amid worries on geopolitical tensions and expectations that global monetary policies would loosen.

Bulk Commodities

The Bulk Commodities segment generated a net fair value gain of HK\$47,222,000 in 1H FY25/26 (1H FY24/25: net loss of HK\$128,771,000). As at 31 December 2025, the carrying value was HK\$539,379,000 (As at 30 June 2025: HK\$492,600,000). Our largest investment in this segment during 1H FY25/26 is in Shougang Fushan (HKEX: 639), which generated a fair value gain of HK\$9,985,000 and had a carrying value as at 31 December 2025 of HK\$409,174,000.

Base Metals

The Base Metals segment (a mix of copper, nickel, zinc, aluminium, tin and cobalt companies) delivered a net fair value gain of HK\$88,407,000 in 1H FY25/26 (1H FY24/25: net loss of HK\$21,592,000). As at 31 December 2025, the carrying value was HK\$300,619,000 (As at 30 June 2025: HK\$112,239,000). During the period, base metal prices were strong, with copper prices up 24.3%, nickel prices up 10.2%, and zinc prices up 12.7%. The Base Metals segment includes our investment in Lundin Mining Corp (TSX: LUN) which generated a fair value gain of HK\$29,911,000 and had a carrying value as at 31 December 2025 of HK\$58,674,000.

Energy

The Energy segment (mix of oil and gas, uranium and renewables) had a net fair value gain of HK\$47,444,000 in 1H FY25/26 (1H FY24/25: net loss of HK\$61,989,000). As at 31 December 2025, the carrying value was HK\$232,745,000 (As at 30 June 2025: HK\$163,539,000). Our significant Energy investments include Paladin Energy Limited (ASX: PDN), which generated a fair value gain of HK\$24,778,000 and had a carrying value as at 31 December 2025 of HK\$63,734,000.

Others

We also have a net fair value gain of HK\$114,501,000 from the remaining commodity (diamonds, manganese, rare earths, lithium and mineral sands among others) and non-commodity investments in 1H FY25/26 (1H FY24/25: net loss of HK\$42,952,000). As at 31 December 2025, the carrying value was HK\$254,863,000 (As at 30 June 2025: HK\$113,034,000).

Commodity Business

We have an iron ore offtake at Koolan Island, and we continue to look for new offtake opportunities across a range of commodities. For 1H FY25/26, our Commodity Business generated a segment gain of HK\$44,040,000 (1H FY24/25: loss of HK\$6,468,000).

Principal Investment and Financial Services

The Principal Investment and Financial Services segment, which covers the income generated from loan receivables and other financial assets. For 1H FY25/26, this segment recognised a profit of HK\$5,732,000 (1H FY24/25: profit of HK\$3,597,000).

Money Lending

Business Model and Customer Profile

The Group provides both secured and unsecured term loans to its customers under its Principal Investment and Financial Services segment. Money lending activities diversifies the income stream and business risks of the Group, and generates a stable return with the Group's available financial resources on hand from time to time. The Group mainly financed its money lending business by its internal resources.

The Group does not set a specific target for the industry, business or level of annual revenue to corporate borrowers. The customers of the Group's lending business were referred to the Group through its corporate or business networks. For 1H FY25/26, customer of the Group's lending business included a Hong Kong listed company for an unsecured loan.

Outstanding loan receivables net of loss allowances as at 31 December 2025 amounted to HK\$7,298,000 (As at 30 June 2025: HK\$83,578,000). During the period, the Group has written back impairment losses on its loan receivables of HK\$5,683,000 (1H FY24/25: impairment losses of HK\$588,000).

Risk Management Policies

The Group adopts a thorough credit assessment and approval process, and will assess and approve each loan transaction on a case-by-case basis. The finance department of the Group (the "**Finance Department**") is responsible for conducting a background check on the prospective borrower in compliance with the applicable laws and regulations, reviewing the background and financial strength of such borrower and where applicable, the guarantor, and enquiring the prospective borrower about the purpose of the loan and the expected source of funds for loan repayment. To support its analysis, the Group will obtain corporate documents, financial statements and search reports of the borrower and/or the guarantor, and thereafter, assess the credit risk of the loan and negotiate the terms thereof after considering (i) the background and financial position of the borrower or the guarantor (if applicable), including net asset value and gearing ratio; and (ii) the value of the securities, if any.

Each loan transaction will be approved by either the Board, or if the loan principal does not exceed the threshold set by the Board, by the executive committee of the Board.

The Finance Department monitors the loan and interest repayment regularly and reviews the annual financial statements of the borrowers and guarantors (if applicable). It would promptly report to the chief executive or chief financial officer of the Group for any delay or default in repayment upon maturity, who would then formulate plans for loan collection, including but not limited to requesting for additional securities or initiating legal actions.

Loan Impairment Policies

The Company adopts expected credit loss allowances (“ECLs”) according to the requirements of Hong Kong Financial Reporting Standard 9 issued by the Hong Kong Institute of Certified Public Accountants. Accordingly, it shall review the recoverable amount of each loan at the end of each reporting period to ensure that adequate impairment losses are made. The Group applies a general approach on loan receivables to assess for the ECLs.

Assessment is done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the borrower. In order to measure the ECLs of loan receivables, the Group will apply a credit rating for each of its borrowers by reference to each borrower’s past default records, current past due exposure, an analysis of its current financial position, likelihood or risk of a default, an assessment on any significant increase in credit risk, and fair value of collaterals (if any), and adjust for forward looking information that is available without undue cost or effort, such as the current and forecasted global economy and the general economic conditions of the industry in which the borrower operates.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying any significant increase in credit risk before the loan amount becomes past due.

Liquidity, Financial Resources and Capital Structure

As at 31 December 2025, our non-current assets amounted to HK\$2,142,370,000 (As at 30 June 2025: HK\$1,563,400,000) and net current assets amounted to HK\$3,690,862,000 (As at 30 June 2025: HK\$2,467,308,000) with a current ratio of 5.2 times (As at 30 June 2025: 5.6 times) calculated on the basis of its current assets over current liabilities. Included in current assets, the loan receivables amounted to HK\$7,298,000 (As at 30 June 2025: HK\$83,578,000).

As at 31 December 2025, we had borrowings of HK\$563,000,000 (excluding lease liabilities) (As at 30 June 2025: HK\$468,457,000) and had undrawn letter of credit, bank and other loan facilities amounting to HK\$883,067,000. As at 31 December 2025, we had a gearing ratio of nil (As at 30 June 2025: nil), calculated on the basis of net debt over equity attributable to owners of the Company. For this purpose, net debt is defined as borrowings (excluding lease liabilities) less cash and cash equivalents.

Foreign Exchange Exposure

For the period under review, the Group's assets were mainly denominated in Australian Dollars, Hong Kong Dollars and United States Dollars while the liabilities were mainly denominated in Hong Kong Dollars and United States Dollars. There would be no material immediate effect on the cash flows of the Group from adverse movements in foreign exchange for long term investments. In addition, the Group is required to maintain foreign currency exposure to cater for its present and potential investment activities, meaning it will be subject to reasonable exchange rate exposure. In the light of this, the Group did not actively hedge for the risk arising from the Australian Dollars denominated assets. However, the Group will closely monitor this risk exposure as required.

Pledge of Assets

As at 31 December 2025, the Group's certain listed associates and listed securities held-for-trading with a fair value of HK\$839,452,000 (As at 30 June 2025: HK\$950,689,000) were pledged to banks to secure banking facilities granted to the Group.

Employees and Emolument Policy

The Group ensures that its employees are remunerated according to the prevailing manpower market conditions and individual performance with its remuneration policies reviewed on a regular basis. All employees are entitled to participate in the Group's benefit plans including medical insurance and pension fund schemes including the Mandatory Provident Fund Scheme (subject to the applicable laws and regulations of the People's Republic of China (the "PRC") for its employees in the PRC).

As at 31 December 2025, the Group, including its subsidiaries but excluding associates, had 18 (As at 30 June 2025: 16) employees. Total remuneration together with pension contributions incurred for 1H FY25/26 amounted to HK\$141,033,000 (1H FY24/25: HK\$8,093,000).

Principal Risks

The Group adopts a comprehensive risk management framework. Policies and procedures are developed, regularly reviewed and updated to enhance risk management and react to changes in market conditions and the Group's business strategy. The audit committee of the Company (the "**Audit Committee**") reviews the Group's policies and scrutinises that management has performed its duty to have effective risk management and internal control systems necessary for monitoring and controlling major risks arising from the Group's business activities, changing external risks and the regulatory environment, and reports to the Board on the above.

Financial Risk

Financial risk includes market risk, credit risk and liquidity risk. Market risk concerns that the value of an investment will change due to movements in market factors and which can be further divided into foreign currency risk, interest rate risk and other price risk. Credit risk is the risk of losses arising from clients or counterparties failing to make payments as contracted. Liquidity risk concerns that a given security or asset cannot be traded readily in the market to prevent a loss or make the required profit.

Operational Risk

The Group faces various operational risks which are concerned with possible losses caused by human factors, inadequate or failed internal processes, systems or external events. Operational risk is mitigated and controlled through establishing robust internal controls, proper segregation of duties and effective internal reporting.

The business and operating line management are responsible for managing the operational risks of their business units on a day-to-day basis. Each department head has to identify risks, evaluate the effectiveness of key controls in place and assess whether the risks are effectively managed. Independent monitoring and reviews are conducted by the internal audit team which reports regularly to the respective senior management and the Audit Committee.

Bonus Issue of Warrants

As disclosed in the announcement of the Company dated 4 October 2024 and the circular of the Company dated 1 November 2024, on 4 October 2024, the Board proposed to make a bonus issue of warrants to qualifying shareholders of the Company on the basis of one warrant for every five ordinary shares held on 28 November 2024. Each warrant entitles the holder to subscribe in cash for one new ordinary share of the Company at an initial subscription price of HK\$1.00 (subject to adjustments) at any time during the period from the date of issue to 15 December 2027 (both days inclusive). The warrants are listed on The Stock Exchange of Hong Kong Limited (Warrant Code: 2478) and traded in board lots of 12,000 units each.

On 16 December 2024, a total of 271,327,392 units of warrants were issued by the Company to qualifying shareholders of the Company. As at 31 December 2025, a total 120,935,277 units of warrants were exercised and a total of 150,392,115 units of warrants were outstanding.

Proposed Change of Domicile

As disclosed in the announcements of the Company dated 5 December 2025 and 5 February 2026 and the circular of the Company dated 18 December 2025, the Company proposed to apply to the Companies Registry in Hong Kong (the “**Companies Registry**”) for re-domiciliation from Bermuda to Hong Kong (the “**Change of Domicile**”) under the laws of Hong Kong, and apply for deregistration in Bermuda after obtaining the certificate of re-domiciliation from the Companies Registry.

The Company has obtained the necessary shareholders’ approval in respect of the Change of Domicile at the special general meeting on 8 January 2026. As more time is required for the Company to obtain all necessary approvals from the relevant regulatory authorities or otherwise in respect of the Change of Domicile (including but not limited to receiving the certificate of re-domiciliation issued by the Companies Registry), it is expected that the effective date of the Change of Domicile will be on 20 March 2026. The timetable is indicative only and may be extended or varied. Further announcement(s) will be made by the Company with respect to any change to the expected timetable when appropriate and in accordance with the Listing Rules.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, during the six months ended 31 December 2025, the Group did not hold any other significant investments nor have any material acquisitions or disposals of subsidiaries, associates and joint ventures. Save as disclosed in this announcement, as at 31 December 2025, the Group did not have any plans for material investments or capital assets.

Capital Commitments

As at 31 December 2025, the Group had no material capital commitments contracted but not provided for.

Contingent Liabilities

As at the date of this announcement and as at 31 December 2025, the Board is not aware of any material contingent liabilities.

Important Events Affecting the Group After the end of the Financial Period

There are no important events affecting the Group after the end of the financial period for the six months ended 31 December 2025, and up to the date of this announcement.

Dividend

A final dividend of HK11 cents per share for the year ended 30 June 2025 was declared during the six months ended 31 December 2025 and an aggregate amount of HK\$162,399,000 was paid in cash on 16 December 2025. No dividend has been proposed for the six months ended 31 December 2025 (Six months ended 31 December 2024: Nil).

Company Strategy

The Board believes that the performance of the equity investments will be dependent on market sentiment which is affected by factors such as commodity prices, interest rate movements, geopolitical conditions and performance of the macro economy. In order to mitigate the associated risks, the Group will review its investment strategy regularly and take appropriate actions whenever necessary in response to changes in market situation. In addition, the Group will also seek potential investment opportunities with an aim to maximise value for the shareholders.

Forward Looking Observations

For FY25/26, we remain cautious on the near-term macro outlook, anticipating a prolonged period of high market volatility given fluctuations in U.S. trade policies, geopolitical tensions, fiscal and monetary decisions around the globe. While the U.S. economy has shown resilience driven by strong AI investments, the slowing income growth and weak labor market have driven concern of a gradual turnaround for the economy's strength. Mixed economic data points lead to difficulties in an interest rate cut decision. At the same time, while China achieved the strong GDP target in 2025, the sustainability of the growth rate is unclear to us, as a strong revival in Chinese domestic consumption and property sector is yet to be seen. We would not discount a potential strong policy response from the Chinese government to boost the domestic economy although this doesn't appear to be a high priority right now. We believe that precious metals investment demand will continue to be strong amid the uncertainties around global economy and rising U.S. debt levels. At the same time, we take a selective approach on other commodities, which benefit from structural trends such as energy transition and increasing AI activity and supportive medium term policies changes, such as increasing critical metals investment, expansion of strategic reserves and loosening policy constraints (for example on nuclear plants). By investing in high quality opportunities, we aim to deliver attractive returns over the long run with our mining and energy investment portfolios. We are also excited in the business transition of our largest investment, MGX, from an iron ore producer to a gold developer via the recent acquisition of the 50% interest in the Central Tanami Gold Project Joint Venture, which could unlock value by advancing the project with 2.8 million ounces high grade gold resources.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the six months ended 31 December 2025, the Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed “Part 2 – Principles of good corporate governance, code provisions and recommended best practices” of the Corporate Governance Code (“**CG Code**”) under Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for certain deviation which is summarized below:

Code Provision B.3.5

Pursuant to code provision B.3.5 of the CG Code, which takes effect on 1 July 2025, the Company should appoint at least one director of a different gender to the nomination committee. The nomination committee of the Board (“**Nomination Committee**”) currently comprised of directors of a single gender. Selection of candidates for the Board and its committees is based on a range of diversity perspectives with reference to the Company’s business model and specific needs, including but not limited to gender, age, cultural background, educational background, skills, knowledge and professional experience. The Company has been and will continue to review the composition of the Board and its committees on an annual basis and will make adjustments as appropriate to ensure a balanced and diverse Board and committee composition, with the ultimate goal of achieving gender diversity at the Nomination Committee as and when suitable candidates are identified.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited interim results for the six months ended 31 December 2025. In carrying out this review, the Audit Committee has relied on a review conducted by the Group’s external auditor in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants as well as obtaining reports from management. The Audit Committee has not undertaken independent audit checks.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2025.

On behalf of the Board
APAC Resources Limited
Arthur George Dew
Chairman

Hong Kong, 27 February 2026

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

Mr. Wang Hongqian, Mr. Kelvin Chau Kwok Wing and Mr. Li Chak Hung

* *For identification purpose only*