

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



新礦資源有限公司
NEWTON RESOURCES LTD

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1231)

**ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025
AND PROPOSED AMENDMENTS TO THE ARTICLES**

The Board wishes to announce the consolidated annual results of the Group for FY 2025 together with the comparative figures for FY 2024 as follows:–

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025

	<i>Notes</i>	2025 US\$'000	2024 <i>US\$'000</i>
Revenue	<i>3</i>	193,848	309,937
Cost of sales		<u>(192,435)</u>	<u>(304,747)</u>
Gross profit		1,413	5,190
Other income and gains, net		654	749
Selling and distribution costs		(2,108)	(2,706)
Administrative expenses		(2,410)	(2,443)
Impairment loss on other long-term asset	<i>8</i>	(4,078)	–
Finance expenses, net		(631)	(1,058)
Share of loss of an associate		<u>(3)</u>	<u>(6)</u>
Loss before tax	<i>4</i>	(7,163)	(274)
Income tax expenses	<i>5</i>	<u>(4)</u>	<u>(55)</u>
Loss for the year		<u>(7,167)</u>	<u>(329)</u>

	<i>Notes</i>	2025 US\$'000	2024 <i>US\$'000</i>
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations		<u>26</u>	<u>(28)</u>
Other comprehensive income for the year, net of tax		<u>26</u>	<u>(28)</u>
Total comprehensive income for the year		<u>(7,141)</u>	<u>(357)</u>
Loss attributable to:			
Owners of the Company		(7,015)	(287)
Non-controlling interests		<u>(152)</u>	<u>(42)</u>
		<u>(7,167)</u>	<u>(329)</u>
Total comprehensive income attributable to:			
Owners of the Company		(6,989)	(307)
Non-controlling interests		<u>(152)</u>	<u>(50)</u>
		<u>(7,141)</u>	<u>(357)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic and diluted (<i>US cents</i>)		<u>(0.18)</u>	<u>(0.01)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Non-current assets			
Property, plant and equipment		33	46
Right-of-use assets		308	478
Other long-term asset	8	–	6,640
Investment in an associate		184	183
		<u>525</u>	<u>7,347</u>
Total non-current assets			
Current assets			
Trade and bills receivables	9	3,758	36,317
Other current financial assets		2,245	4,307
Prepayments and other receivables		498	1,242
Income tax recoverable		44	23
Restricted bank deposits		2,685	6,199
Cash and cash equivalents		18,630	15,979
		<u>27,860</u>	<u>64,067</u>
Total current assets			
Current liabilities			
Trade and bills payables	10	3,221	36,779
Other current financial liabilities		859	748
Contract liabilities		636	634
Other payables and accruals		508	2,786
Interest-bearing bank and other borrowings		170	161
		<u>5,394</u>	<u>41,108</u>
Total current liabilities			
Net current assets		<u>22,466</u>	<u>22,959</u>
Total assets less current liabilities		<u>22,991</u>	<u>30,306</u>
Non-current liabilities			
Interest-bearing bank and other borrowings		150	324
		<u>150</u>	<u>324</u>
Total non-current liabilities			
Net assets		<u>22,841</u>	<u>29,982</u>
Equity			
Equity attributable to owners of the Company			
Share capital		46,890	46,890
Reserves		(24,747)	(17,758)
		<u>22,143</u>	<u>29,132</u>
Non-controlling interests		<u>698</u>	<u>850</u>
Total equity		<u>22,841</u>	<u>29,982</u>

NOTES:

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

During the year, the principal activity of the Company was investment holding and the principal activities of its subsidiaries included sourcing and supply of iron ores and other commodities (the “Resources Business”).

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) as issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain trade and bills receivables, certain trade and bills payables and iron ore futures contracts accounted for as financial assets or liabilities at fair value through profit or loss which have been measured at fair value. These financial statements are presented in US\$ and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted Amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year’s financial statements. The adoption of Amendments to IAS 21 has had no material impact on the Group’s financial performance and position for the reporting period. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7¹</i>

¹ *Effective for annual periods beginning on or after 1 January 2026*

² *Effective for annual/reporting periods beginning on or after 1 January 2027*

³ *No mandatory effective date yet determined but available for adoption*

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss and other comprehensive income into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Resources Business was the only reportable business segment of the Group during the years ended 31 December 2025 and 2024.

An analysis of revenue is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Revenue from contracts with customers	193,074	319,561
Revenue from other sources:		
Quotation period price adjustments		
– relating to prior year shipments	946	(3,779)
– relating to current year shipments	1,380	(11,602)
Net (losses)/gains on iron ore futures contracts	(1,552)	5,757
Total	<u>193,848</u>	<u>309,937</u>

Revenue recognised under provisional pricing adjustments is usually finalised within three months after the delivery of inventories. As at 31 December 2025, the Group's revenue recognised under provisional pricing adjustments had been finalised. As at 31 December 2024, certain of the Group's revenue, that was recognised subject to provisional pricing adjustments, had not been finalised.

(a) Revenue from contracts with customers

(i) *Disaggregated revenue information*

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Types of goods/services		
Sale of iron ores	173,660	293,005
Shipping services	19,414	26,556
Total	<u>193,074</u>	<u>319,561</u>
Geographical markets (note)		
Chinese mainland	<u>193,074</u>	<u>319,561</u>
Timing of revenue recognition		
Goods transferred at a point in time	173,660	293,005
Services transferred over time	19,414	26,556
Total	<u>193,074</u>	<u>319,561</u>

Note: Revenue from contracts with external customers by geographical location is based on the ports of discharge of the Group's iron ores.

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Shipping services	<u><u>634</u></u>	<u><u>960</u></u>

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of iron ores

Each iron ore shipment is governed by a sales contract with the customer.

Revenue from sales of iron ores is recognised when control of the iron ores passes to the customer, which generally occurs at a point in time when the iron ores are physically transferred onto a vessel. This is the point where title passes to the customer together with significant risks and rewards of ownership.

Shipping services

For the iron ores that are sold on a Cost and Freight ("CFR") incoterms basis, the Group is also responsible for providing shipping services, which represents a separate performance obligation. Under the CFR sales arrangements, revenue from the provision of shipping services is recognised over time using an output basis to measure the Group's progress towards complete satisfaction of the services. This basis best represents the Group's performance and the customer receives and simultaneously consumes the benefits from the services provided by the Group.

(b) Geographical Segment Information

(i) Revenue from external customers

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Chinese mainland	<u><u>193,848</u></u>	<u><u>309,937</u></u>

Revenue from external customers by geographical location is determined based on the ports of discharge of the Group's iron ores.

(ii) The Group's non-current assets mainly represented the right-of-use assets relating to the office premises which are located in Hong Kong.

(c) Information about major customers

The analysis of the Group's revenue from major customers (including revenue from contracts with customers and those arisen from the QP price adjustments but excluding gains or losses on iron ore futures contracts), which contributed 10% or more to the Group's revenue, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Customer A	96,323	83,827
Customer B	36,232	149,452
Customer C	31,174	N/A ¹

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

4. LOSS BEFORE TAX

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

	<i>Note</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Cost of inventories sold		172,922	264,957
Shipping costs		19,456	26,214
Net (gains)/losses on iron ore futures contracts included in cost of sales		(2,505)	10,759
Amortisation of other long-term asset included in cost of sales	8	2,562	2,817
Impairment loss on other long-term asset	8	4,078	–
Depreciation of items of property, plant and equipment		19	67
Depreciation of right-of-use assets		170	183

5. INCOME TAX EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for a subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Current – Hong Kong profits tax		
Charge for the year	–	55
Under provision in prior years	4	–
Total	4	55

6. DIVIDEND

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2025 (2024: Nil).

7. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 4,000,000,000 outstanding during the years ended 31 December 2025 and 2024.

The calculation of basic loss per share is based on:

	2025	2024
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic loss per share calculation (<i>US\$'000</i>)	<u><u>(7,015)</u></u>	<u><u>(287)</u></u>
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation (<i>thousands of shares</i>)	<u><u>4,000,000</u></u>	<u><u>4,000,000</u></u>

Diluted loss per share amounts were the same as the basic loss per share amounts as the Company had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2025 and 2024.

8. OTHER LONG-TERM ASSET

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
At 1 January	6,640	9,457
Amortisation provided	(2,562)	(2,817)
Impairment	<u><u>(4,078)</u></u>	<u><u>–</u></u>
At 31 December	<u><u>–</u></u>	<u><u>6,640</u></u>

The Group recognised the contractual rights and obligations to purchase Hematite Ores from the hematite mine (the “Hematite Mine”) under a commodity supply contract with forward purchases of future outputs at discount (the “Contract”) as the other long-term asset as at 31 December 2025 and 2024. The Group is entitled under the Contract to purchase the Hematite Ores from the Hematite Mine at discount in an annual quantity that equals 80% of its annual production of the Hematite Mine during the contract period from the Contract’s commencement date to the date of permanent cessation of the mining operations at the Hematite Mine.

In October 2025, a rockfall from the main pit footwall at Hematite Mine resulted in the closure of the pit and the suspension of mining operations. As at 31 December 2025, mining operations remain suspended. With the remaining life of Hematite Mine of less than one year, the supplier is accelerating progressive rehabilitation activities at Hematite Mine. Given the current status and the latest shipment schedule, the physical delivery of Hematite Ores from the supplier under the Contract over the life of Hematite Mine is remote. Furthermore, there is no active or observable market for the sale or transfer of the contractual rights under the Contract. Based on this assessment, the recoverable amount of the other long-term asset is determined to be zero. Accordingly, a full impairment loss of US\$4,078,000 was recognised in profit or loss for the year ended 31 December 2025.

9. TRADE AND BILLS RECEIVABLES

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Trade receivables	3,758	2,422
Bills receivables	<u>–</u>	<u>33,895</u>
Total	<u>3,758</u>	<u>36,317</u>

The Group's trading terms with its customers generally require deposits or letters of credit, except for creditworthy customers to whom credits are granted. Generally, on presentation of shipping documents and the provisional invoices, the customers shall settle 95% or more of the invoiced value of the cargoes by prescribed payment due dates and the remaining sales proceeds shall be settled within 30 days from the dates of the final invoices. Sales are invoiced and settled in US\$.

The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. The Group has not held any collateral or other credit enhancements over its trade receivable balances.

As at 31 December 2025 and 2024, the Group's trade and bills receivables were non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the respective reporting periods, based on the invoice date, net of loss allowance, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Within 3 months	<u>3,758</u>	<u>36,317</u>

The Group applies the simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade and bills receivables measured at amortised cost. As at 31 December 2025, the Group's trade receivables were not yet past due (2024: Nil), and therefore, the credit risk related to the receivables measured at amortised cost was considered to be immaterial.

10. TRADE AND BILLS PAYABLES

Certain of the Group's purchases are settled by letters of credit up to a tenor of 120 days. As at 31 December 2025, the Group did not have any bills payables (2024: US\$31,093,000). An ageing analysis of the trade and bills payables as at the end of the respective reporting periods, based on the invoice date, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Within 3 months	<u>3,221</u>	<u>36,779</u>

The Group's trade and bills payables were non-interest-bearing as at 31 December 2025 and 2024.

CHAIRMAN'S STATEMENT

I am pleased to present the annual results of the Company for the Reporting Period.

In 2025, the Group faced numerous challenges. In addition to reduced iron ore supply from our key suppliers and a downturn in downstream steel demand, which resulted in a decline in both sales volume and unit gross profit for iron ores, a significant rockfall incident in October 2025 at Koolan's main pit resulted in the suspension of Hematite Ores mining. This situation further intensified supply constraints and placed additional pressure on our operations.

During the Reporting Period, the Group generated revenue of approximately US\$193.8 million, a decline from approximately US\$309.9 million in FY 2024. Gross profit dipped to approximately US\$1.4 million, representing a decrease from approximately US\$5.2 million in FY 2024. Following the significant rockfall incident, the management of the Group discussed with relevant parties on potential remediation and remediation options. In light of these circumstances, an impairment loss of approximately US\$4.1 million had been recognised for other long-term asset related to our contractual rights to purchase the Hematite Ores in FY 2025. Consequently, the Group recorded a net loss for FY 2025 of approximately US\$7.2 million (2024: approximately US\$0.3 million).

Looking ahead, the Group expects the business environment in 2026 to remain challenging. The 2026 Middle East conflict has driven a sharp rise in oil prices, resulting in higher freight, shipping, and energy costs and disruptions to key maritime routes. These factors are expected to increase delivered ore and steelmaking costs, tighten iron ore supply availability, and support upward pressure on iron ore and finished steel prices over the short to medium term, with broader impacts across the mining value chain. We will continue to keep abreast of the business and market development and will take appropriate actions in due course to support ongoing business development. Additionally, the Group will continue to identify and explore new sources of iron ores and other commodities to diversify our product offerings. We will also explore mergers and acquisitions, other collaboration or investment opportunities as appropriate to strengthen our sustainable development.

Taking this opportunity, I would like to express my sincerest gratitude to my fellow Board members, our management, our business development team and all the staff members for their dedication and commitment. On behalf of the Board, I would like to express my sincere thanks to all Shareholders, customers, suppliers, banks and business partners for their unwavering support.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Revenue	193,848	309,937
Gross profit	1,413	5,190
Loss before tax and impairment	(3,085)	(274)
Loss for the year	(7,167)	(329)
Basic loss per share (<i>US cents</i>)	(0.18)	(0.01)
Total assets	28,385	71,414
Total equity	22,841	29,982
Net cash ¹	<u>18,310</u>	<u>15,494</u>
	2025	2024
Liquidity ratio ²	<u>5.2</u>	<u>1.6</u>

¹ *Net cash is defined as cash and cash equivalents less interest-bearing bank and other borrowings*

² *Liquidity ratio is computed as total current assets divided by total current liabilities*

CORPORATE STRATEGY, BUSINESS MODEL AND CULTURE

The Group continued to employ a distributorship business model that involved the sourcing and supply of iron ores and other commodities during the Reporting Period. Operating under the Group's ethos of legal, ethical, and responsible business practices, the Group's business development team (the "Business Development Team") liaised with suppliers and vessel owners for commodities supply and delivery, identified and secured new customers, developed the customer network, and executed the hedging strategy and hedging instruments. As a distributor, the Group continued to engage shipping service providers under chartering for cargo delivery during the Reporting Period.

BUSINESS AND FINANCIAL REVIEW

During the Reporting Period, according to the latest statistics released by the National Bureau of Statistics of China, China's economy experienced an annual growth rate of about 5.0%. Iron ore imports reached a historic high of about 1.26 billion tonnes, although China's crude steel production declined by about 4.4% year-on-year. The recovery in the real estate market has shown limited progress. While record steel export levels and supportive macroeconomic policies have bolstered infrastructure and manufacturing, these factors have not succeeded in reversing the downward trend in steel demand. Attributed to the effort of the Business Development Team, the Group was able to achieve swift sales of its iron ores during the Reporting Period.

The Group continued to procure the Hematite Ores extracted from the Hematite Mine from Koolan under the Contract on Free on Board basis from Australia during the Reporting Period. The Group is entitled under the Contract to purchase medium to high-grade Hematite Ores from the Hematite Mine at discount in an annual quantity that equals 80% of its annual production of the Hematite Mine during the contract period from the Contract's commencement date to the date of permanent cessation of the mining operations at the Hematite Mine. Under the Contract, the Group's iron ores are mainly priced with reference to the Platts 62% Fe CFR North China index (the "Platts IODEX Price") or the Platts 65% Fe CFR North China index (the "65 IO Price"), where applicable, with price adjustments based on the quality and impurity level and cargo specifications. To accommodate the needs and requests of the Group's customers and suppliers, the Group's iron ores are priced with reference to market indices under different price quotation periods. The Group also sourced iron ores from other overseas mines from time to time on CFR.

In October 2025, a significant rockfall occurred on the eastern footwall of the main pit of the Hematite Mine at Koolan Island's operation (the "Koolan Operation") (the "Incident"). According to Koolan, after considering the time and investment required to mitigate the safety risks associated with potential future instability of the affected area of the Koolan Operation, the remediation of the rockfall-affected area and resumption of mining operations are not viable, particularly in view of the limited remaining mine life of the Koolan Operation, which was initially scheduled to conclude around September 2026 prior to the Incident. As such, the mining activities of the Koolan Operation are currently suspended. Following the Incident, Koolan supplied Hematite Ores stocks and subsequently processed and supplied stockpiled low-grade iron ores, averaging about 50% Fe, which had been retained for blending purposes. The management of the Group further discussed with relevant parties on potential remediation and remediation options. With the remaining life of Hematite Mine of less than one year, Koolan is accelerating progressive rehabilitation activities at Hematite Mine. Given the current status and the latest shipment schedule, the physical delivery of Hematite Ores from Koolan under the Contract over the life of Hematite Mine is remote. In light of these circumstances, an impairment loss of approximately US\$4.1 million on the Contract had been recognised during the Reporting Period.

The Group purchased and sold about 2.1 Mt of iron ores (2024: about 2.9 Mt), comprising about 1.7 Mt of Hematite Ores sourced from Koolan (2024: about 2.2 Mt), about 0.2 Mt of iron ores from other mines (2024: about 0.7 Mt) and about 0.2 Mt of low-grade iron ores from Koolan (2024: Nil) during the Reporting Period, representing a drop by about 28% year-over-year. During the Reporting Period, the average iron grade of the Group's Hematite Ores was about 64% Fe (2024: about 65% Fe). Following the Incident, the Group also purchased and sold low-grade iron ores from Koolan with average iron grade of about 50% Fe during the Reporting Period.

In 2025, iron ore prices experienced a decline due to several key factors, including increased production from major miners, which led to record-high port inventories and a significant supply glut. Concurrently, waning demand from China became apparent as steel production faltered and the recovery in the real estate market has shown limited progress. Additionally, macroeconomic pressures, including potential impacts from U.S. trade tariffs and ongoing conflicts in the Middle East, further influenced global and Chinese economic conditions, contributing to the downward trend in both the Platts IODEX Price and the 65 IO Price. The average Platts IODEX Price settled at approximately US\$102 per tonne (compared to approximately US\$109 per tonne in 2024), while the average 65 IO Price dropped to approximately US\$115 per tonne (down from approximately US\$123 per tonne in 2024). Overall, iron ore price volatility during the Reporting Period was lower than in FY 2024.

The Group's revenue for the Reporting Period amounted to approximately US\$193.8 million (2024: approximately US\$309.9 million), representing a decline of about 37% year-over-year. There was also an overall decrease in the Group's gross profit to approximately US\$1.4 million (2024: approximately US\$5.2 million). This decline was mainly attributed to two factors: (i) a reduction in both sales and gross profit of the Group resulting from decreased quantity and comparatively lower quality, along with higher variability of iron ores supplied by Koolan in FY 2025, as compared to the Corresponding Prior Year, particularly in the fourth quarter following the Incident; and (ii) a significant drop in unit gross profit for iron ores due to weakened demand for the Group's iron ores throughout FY 2025. Additionally, the Group recognised an impairment loss of other long-term asset of approximately US\$4.1 million (2024: Nil) caused by the Incident. Consequently, the Group recorded a loss of approximately US\$7.2 million (2024: approximately US\$0.3 million) during the Reporting Period.

The iron ore and steel markets was complex and rapidly changing. The Group continues to employ hedging tools and derivatives to manage the exposure to the fluctuations in the market indices arising from the difference in price quotation periods for iron ore sales and purchases. During the Reporting Period, the Group recorded net losses of approximately US\$1.6 million (2024: net gains of approximately US\$5.8 million) and net gains of approximately US\$2.5 million (2024: net losses of approximately US\$10.8 million) from the hedging transactions which were recognised as part of the Group's revenue and cost of sales, respectively.

The Group's revenue attributed to the provision of iron ore shipping services amounted to approximately US\$19.4 million during the Reporting Period (2024: approximately US\$26.6 million), representing a decrease of about 27% year-over-year. Such decrease was mainly attributable to: (i) the overall decrease in the quantity of iron ores sold by the Group during the Reporting Period as compared to FY 2024; and (ii) an increase in the volume of iron ores sold on a Free on Board basis during the Reporting Period.

As at 31 December 2025, the Group maintained a healthy financial position, with total assets amounting to approximately US\$28.4 million (2024: approximately US\$71.4 million). The overall decrease in the Group's total assets as at 31 December 2025 was mainly attributable to the decrease in the trade and bills receivables by approximately US\$32.6 million, resulting from a decline in the Group's iron ore shipments prior to year-end. Also, the Group recorded an approximately US\$6.6 million reduction in other long-term asset, comprising an impairment loss of approximately US\$4.1 million and amortisation of approximately US\$2.5 million.

The Group had total liabilities of approximately US\$5.5 million as at 31 December 2025 (2024: approximately US\$41.4 million), representing a decrease of approximately US\$35.9 million. The overall decrease in the Group's total liabilities as at 31 December 2025 was mainly attributable to the decrease in the trade and bills payables by approximately US\$33.6 million as the Group's iron ore shipments decreased prior to year-end.

DIVIDEND

The Board does not recommend the payment of a final dividend in respect of FY 2025 (2024: Nil).

SEGMENT INFORMATION

The Group was principally engaged in the Resources Business throughout the Reporting Period and the Corresponding Prior Period. The Group's revenue from customers by geographical segment is categorised based on the ports of discharge of the Group's iron ores, which were all in Chinese mainland for the Reporting Period and the Corresponding Prior Period.

Further details of the Group's segment information and segment results are set out in Note 3 and the discussion of the business performance of the Resources Business is set out in the section headed "Business and Financial Review" above.

FINANCIAL RESOURCES, CAPITAL STRUCTURE AND LIQUIDITY

The Group has a treasury policy to monitor its funding requirements and perform ongoing liquidity reviews. This approach takes into consideration the maturity of the Group's financial instruments, financial assets and liabilities, projected cash flows from operations and the general working capital requirements. During the Reporting Period, the Group financed its operation with internal financial resources, interest-bearing bank and other borrowings and trade finance banking facilities. The Group's objective is to maintain a balance between the continuity of funds and flexibility through the effective use of these financing sources.

As at 31 December 2025, the Group's total equity amounted to approximately US\$22.8 million (2024: approximately US\$30.0 million). In line with the net loss recorded for the Reporting Period, the Group's total equity decreased by approximately US\$7.2 million.

The cash and cash equivalents of the Group amounted to approximately US\$18.6 million as at 31 December 2025 (2024: approximately US\$16.0 million), representing about 66% (2024: about 22%) of the total assets of the Group. The Group's cash and cash equivalents were mainly denominated as to about 98% in USD as at 31 December 2025 (2024: about 97% in USD). In addition, the Group had approximately US\$2.7 million restricted bank deposits denominated in USD to secure the issuance of letters of credit by banks to the suppliers as at 31 December 2025 (2024: approximately US\$6.2 million).

As at 31 December 2025, the Group had interest-bearing bank and other borrowings of approximately US\$0.3 million (2024: approximately US\$0.5 million). All of the Group's interest-bearing bank and other borrowings were lease liabilities, carried fixed interest rates, were unsecured and were denominated in HKD as at 31 December 2025 and 2024. About 53% (2024: about 33%) of such interest-bearing bank and other borrowings will mature within one year or on demand. Attributed to the decrease in iron ore shipments before 31 December 2025, the Group did not have any bank borrowings secured by bills receivable as at 31 December 2025.

The Group's recorded net cash was approximately US\$18.3 million as at 31 December 2025 (2024: approximately US\$15.5 million) and it is therefore not considered to have any net gearing. The Group's liquidity ratio was about 5.2 as at 31 December 2025 (2024: about 1.6). The Group's liquidity remained stable and healthy as at 31 December 2025.

The Group had in aggregate unutilised committed borrowing facilities and trade finance banking facilities of approximately US\$310.3 million for the Resources Business as at 31 December 2025 (2024: approximately US\$288.0 million). The Group will continue to negotiate for new trade finance facilities with banks to support its continual development.

PLEDGE OF ASSETS

As at 31 December 2025 and 2024, no property, plant and equipment or right-of-use assets were pledged for the Group's bank borrowing or banking facilities. The Group's utilised banking facilities as at 31 December 2025 were secured by restricted bank deposits in an aggregate amount of approximately US\$2.7 million (2024: approximately US\$6.2 million).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's business activities were principally carried out in Hong Kong and most of the transactions were denominated in USD, the Group's functional currency. Since HKD is pegged to USD, the Group's exposure to foreign currency risk mainly arose from the interest-bearing borrowings as at 31 December 2025 denominated in HKD, which is considered to be minimal. Therefore, the Group was considered to have insignificant exposure to exchange rate fluctuation during the Reporting Period. Currently, the Group does not have any foreign currency hedging policy.

EXPOSURE TO FLUCTUATIONS IN COMMODITY PRICES

During the Reporting Period, the Group continued to manage the operational exposure to fluctuations in iron ore market prices by entering into iron ore futures contracts. The Group's hedging executives managed such exposure by executing approved hedging strategies and hedging instruments. Through business negotiation and the use of hedging instruments, the Group shall be able to hedge against part of the fluctuations in iron ore market prices arising from the Resources Business. The pricing mechanism in the Group's iron ore sales and purchase contracts reflects reference index prices. The reference index prices mostly adopted by the Group during the Reporting Period were the Platts IODEX Price and the 65 IO Price.

As at 31 December 2025, the Group held a total of about 118,000 tonnes of iron ore futures contracts with negative carrying values of approximately US\$612,000, all of which expired by the end of December 2025. These contracts were settled in January 2026. Since the market price of these contracts was finalised as at 31 December 2025 and the Group did not have any iron ore sales and purchase contracts with final price subject to future QPs at that date, the Group's exposure to commodity price risk as at 31 December 2025 is considered to be minimal.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the Reporting Period, the Group had no significant investments, nor any material acquisitions or disposals of subsidiaries, associates and joint ventures.

The Group did not have any specific future plans for material investments or capital assets as at the date of this announcement. Nevertheless, the Group will continue to explore and evaluate projects and investment opportunities with the potential to create value for the Shareholders in the long run.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group had a total of 29 (2024: 33) employees in Hong Kong and Chinese mainland. During FY 2025, the Group's staff costs (inclusive of Directors' emoluments) were approximately US\$2.8 million (2024: approximately US\$3.1 million).

The remuneration packages of the employees are structured by reference to job nature (including geographical locations) and prevailing market conditions and are subject to periodic review. Year-end bonus and share options are available to reward employees in line with their performances and industry practice. In addition, the Group encourages its employees to receive training that is suitable for their job nature and caters to their needs of obtaining certain professional qualifications.

The emoluments of the Directors, comprising the Director's fees, salary packages, discretionary bonuses and share options, were reviewed and determined by the Board based on the recommendations from the Remuneration Committee with reference to the Company's performance, the Director's duties and responsibilities with the Company, their time commitment and contributions to the Company and the prevailing market conditions. The Director's remuneration is subject to annual review by the Remuneration Committee and the Board with the authorisation granted by the Shareholders at the annual general meeting of the Company.

The human resources department of the Group is responsible for the collection and administration of the human resources data and for making recommendations to the Remuneration Committee for consideration. The Remuneration Committee consults with the chairman of the Board about these recommendations on remuneration policy and structure and remuneration packages. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

EVENT AFTER THE REPORTING PERIOD

From 31 December 2025 to the date of this announcement, there was no important event affecting the Group.

OUTLOOK AND FUTURE PLANS

The Group's business is expected to face a range of challenges in 2026.

Koolan will continue to supply lower grade iron ores in 2026, with an anticipated average iron ore grade of about 45% Fe. Meanwhile, the 2026 Middle East conflict has driven a sharp rise in oil prices, resulting in higher freight, shipping, and energy costs and disruptions to key maritime routes. These factors are expected to increase delivered ore and steelmaking costs, tighten iron ore supply availability, and support upward pressure on iron ore and finished steel prices over the short to medium term, with broader impacts across the mining value chain. The Business Development Team will keep abreast of the market trends and business development and will take appropriate actions in due course to support ongoing business development.

The Business Development Team will also engage with the iron ore and other commodities markets by participating in key exhibitions to gather insights into market trends and maintain strong relationships with existing clients while also exploring collaboration opportunities with potential suppliers and buyers. Furthermore, the Business Development Team will also pursue several mining project bids and regularly access the production progress of promising small and medium-sized mines. By employing these strategies, we aim to secure our market position and enhance our operational capabilities.

Looking ahead, the global iron ore market will present a mix of opportunities and challenges. The Group will remain informed about macroeconomic developments, fiscal policies, and any significant changes in supply and demand dynamics within the iron ore and steel markets. We will continue to explore new sources of iron ores and other commodities, and consider potential mergers, acquisitions, and collaborations as part of our commitment to sustainable development.

CORPORATE GOVERNANCE PRACTICES

The Board strongly believes that corporate governance is an integral part of the Company in our pursuit of growth, value creation and sustainability. The Board strives to attain and uphold a high standard of corporate governance and to maintain sound and well-established corporate governance practices for the interest of the Shareholders. In achieving its growth and sustainability, the Company's strategies in the business development and management as well as strategic priorities against material risks relating to Environmental, Social and Governance ("ESG") are embedded into the corporate governance practices. During FY 2025, we adopted corporate governance principles that emphasise a quality Board, effective risk management and internal control systems covering ESG risks, stringent disclosure practices, transparency and complete accountability towards all the stakeholders of the Company.

As part of its unwavering commitment to high standards of corporate governance, the Company has adopted and complied with all code provisions and, where appropriate, recommended best practices as set out in part 2 of the CG Code throughout the Reporting Period. So far as known to the Directors, there has been no material deviation from the CG Code during the Reporting Period.

The Company will continue enhancing its corporate governance practices which evolve with the conduct and growth of its business, and reviewing and improving such practices to ensure that business activities and decision-making processes are regulated in a proper, prudent and transparent manner in accordance with international best practices.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Specific enquiry has been made and all the Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout FY 2025.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee currently comprises three members, including Mr. Tsui King Fai (Chairman of the Committee), who possesses the appropriate professional qualification, accounting and related financial management expertise in accordance with the requirements under the Listing Rules, Mr. Lee Kwan Hung, Eddie and Ms. Hang Qingli, all being independent non-executive Directors. None of the members of the Audit Committee is a former partner of the Company's existing external auditor. The specific written terms of reference of the Audit Committee are available on the websites of the Company (www.newton-resources.com) and the Stock Exchange (www.hkexnews.hk). The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process, risk management and internal control systems. The Audit Committee has, in conjunction with the management, reviewed the accounting principles and practices adopted by the Group and has no disagreement with such accounting treatments adopted by the Group, and discussed the risk management and internal control systems and financial reporting matters including a review of the annual results and the consolidated financial statements of the Group for FY 2025.

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

During FY 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities (including sale of treasury shares, if any) of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 June 2026 to Wednesday, 10 June 2026 (both days inclusive), during which no transfer of the Shares will be registered. In order to be eligible to attend and vote at the 2026 AGM, all transfer of the Shares accompanied by the relevant properly completed transfer forms and the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 4 June 2026.

ANNUAL GENERAL MEETING

The 2026 AGM of the Company is scheduled to be held on Wednesday, 10 June 2026. A notice convening the 2026 AGM will be issued to the Shareholders in due course.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year then ended, as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for FY 2025. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

PROPOSED AMENDMENTS TO THE ARTICLES

Pursuant to the Consultation Conclusions on Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments published by the Stock Exchange in January 2025, which requires, among others, the listed issuers to ensure their constitutional documents enable them to hold hybrid meetings (i.e. general meeting that allows physical and virtual attendance by securities holders) and allow voting by securities holders at general meetings via electronic means. The Board proposes to take this opportunity to update the Articles in order to comply with the Listing Rules and the applicable laws of the Cayman Islands. The Board is of the view that the proposed amendments to the Articles are in the interests of the Company and the Shareholders as a whole.

The Board proposes to seek the approval of Shareholders by way of a special resolution at the 2026 AGM (the "Special Resolution") for the amendments and the adoption of a new set of Memorandum and Articles. Prior to the passing of the Special Resolution, the existing Memorandum and Articles shall remain valid.

After the proposed amendments to the Articles come into effect, the full text of the new set of Memorandum and Articles will be published on the websites of the Company and the Stock Exchange.

A circular containing, inter alia, full details of the proposed amendments to the Articles will be despatched to the Shareholders in due course.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the websites of the Company (www.newton-resources.com) and the Stock Exchange (www.hkexnews.hk). The annual report 2025 will be despatched to the Shareholders and published on the above websites in due course.

GLOSSARY OF TERMS

In this announcement, unless the context otherwise requires, the following expressions have the meanings as mentioned below:

“AGM”	an annual general meeting of the Company
“Articles”	the articles of association of the Company, as amended from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code contained in Appendix C1 to the Listing Rules, as applicable for the Reporting Period
“Company”	Newton Resources Ltd, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“FY 2024” or “Corresponding Prior Period”	the financial year ended 31 December 2024
“FY 2025” or “Reporting Period”	the financial year ended 31 December 2025
“Group”	the Company and its subsidiaries collectively
“Hematite Ore(s)”	the iron ore(s) of high-grade for direct shipping ore sales
“HK\$” or “HKD”	Hong Kong dollar
“Koolan”	Koolan Iron Ore Pty Limited, a company incorporated in Australia, the registered holder of the hematite mine and an indirect wholly-owned subsidiary of MGX Resources Limited (formerly known as Mount Gibson Iron Limited), a company incorporated in Australia, the shares of which are listed on the Australian Securities Exchange (ASX: MGX)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Memorandum and Articles”	the memorandum and articles of association of the Company, as amended from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Mt”	million tonnes
“Remuneration Committee”	the remuneration committee of the Company
“Share(s)”	existing ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“tonne(s)”	equal to 1,000 kilograms
“US\$” or “USD”	the United States dollar

By Order of the Board
Newton Resources Ltd
Chong Tin Lung, Benny
Chairman and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the executive Directors are Mr. Chong Tin Lung, Benny and Mr. Lam Chun Kit; the non-executive Director is Mr. Chen Hongyuan; and the independent non-executive Directors are Mr. Tsui King Fai, Mr. Lee Kwan Hung, Eddie and Ms. Hang Qingli.