新礦資源有限公司
NEWTON RESOURCES LTD

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

INTERIM RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

The Board wishes to announce the unaudited consolidated interim results of the Group for the Reporting Period together with the comparative figures for the Corresponding Prior Period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Six-month period ended 30 June 2026

		Six-month period ended 30 June	
		2026	2025
	Notes	***US$'000***	*US$'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**20,810**	108,681
Cost of sales		**(20,590)**	(106,497)
Gross profit		**220**	2,184
Other income and gains, net		**357**	269
Selling and distribution costs		**(685)**	(1,175)
Administrative expenses		**(996)**	(1,322)
Finance expenses, net		**(17)**	(370)
Share of loss of an associate		**–**	(1)
Loss before tax	*4*	**(1,121)**	(415)
Income tax expenses	*5*	**–**	(22)
Loss for the period		**(1,121)**	(437)

	Notes	Six-month period ended 30 June **2026** ***US$'000*** **(Unaudited)**	2025 *US$'000* (Unaudited)
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**20**	50
Other comprehensive income for the period, net of tax		**20**	50
Total comprehensive income for the period		**(1,101)**	(387)
Loss attributable to:			
Owners of the Company		**(998)**	(350)
Non-controlling interests		**(123)**	(87)
		(1,121)	(437)
Total comprehensive income attributable to:			
Owners of the Company		**(992)**	(307)
Non-controlling interests		**(109)**	(80)
		(1,101)	(387)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*7*		
Basic and diluted *(US cents)*		**(0.02)**	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
Non-current assets			
Property, plant and equipment		**26**	33
Right-of-use assets		**225**	308
Other long-term asset	8	**–**	–
Investment in an associate		**190**	184
Total non-current assets		**441**	525
Current assets			
Trade and bills receivables	9	**2,012**	3,758
Other current financial assets		**224**	2,245
Prepayments and other receivables		**113**	498
Income tax recoverable		**58**	44
Restricted bank deposits		**–**	2,685
Cash and cash equivalents		**21,562**	18,630
Total current assets		**23,969**	27,860
Current liabilities			
Trade and bills payables	10	**1,990**	3,221
Other current financial liabilities		**115**	859
Contract liabilities		**–**	636
Other payables and accruals		**331**	508
Interest-bearing bank and other borrowings		**173**	170
Total current liabilities		**2,609**	5,394
Net current assets		**21,360**	22,466
Total assets less current liabilities		**21,801**	22,991
Non-current liabilities			
Interest-bearing bank and other borrowings		**61**	150
Total non-current liabilities		**61**	150
Net assets		**21,740**	22,841
Equity			
Equity attributable to owners of the Company			
Share capital		**46,890**	46,890
Reserves		**(25,739)**	(24,747)
		21,151	22,143
Non-controlling interests		**589**	698
Total equity		**21,740**	22,841

NOTES:

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six-month period ended 30 June 2026 (the "Interim Financial Information") has been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board and the disclosure requirements of the Listing Rules.

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards and annual improvements for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The adoption of the amended IFRS Accounting Standards and annual improvements apply for the first time in 2026 do not have an impact on the Interim Financial Information of the Group.

3. REVENUE AND SEGMENT INFORMATION

During the Reporting Period, the principal activities of the Group included sourcing and supply of iron ores and other commodities (the "Resources Business"). The Resources Business was the only reportable business segment of the Group during the six-month periods ended 30 June 2026 and 2025. Revenue from contracts with customers by geographical location is categorised based on the ports of discharge of the Group's iron ores, which were in Chinese Mainland during the six-month periods ended 30 June 2026 and 2025.

An analysis of revenue is as follows:

	Six-month period ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**20,810**	109,278
Revenue from other sources:		
Quotation period price adjustments		
– relating to prior period shipments	**–**	947
– relating to current period shipments	**–**	(1,602)
Net gains on iron ore futures contracts	**–**	58
Total	**20,810**	108,681

Revenue recognised under provisional pricing adjustments is usually finalised within three months after the delivery of inventories. As at 30 June 2025, certain of the Group's revenue, that was recognised subject to provisional pricing adjustments, had not been finalised.

Disaggregated revenue information for revenue from contracts with customers

	Six-month period ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Types of goods/services		
Sale of iron ores	**20,097**	101,956
Shipping services	**713**	7,322
Total	**20,810**	109,278
Timing of revenue recognition		
Goods transferred at a point in time	**20,097**	101,956
Services transferred over time	**713**	7,322
Total	**20,810**	109,278

4. LOSS BEFORE TAX

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

	Six-month period ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**19,890**	98,556
Shipping costs	**700**	7,492
Net gains on iron ore futures contracts included in cost of sales	**–**	(972)
Amortisation of other long-term asset included in cost of sales	**–**	1,421
Depreciation of items of property, plant and equipment	**7**	13
Depreciation of right-of-use assets	**83**	85
Interest on bank and other borrowings	**10**	69

5. INCOME TAX EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

	Six-month period ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Current – Hong Kong profits tax	**–**	22

6. DIVIDEND

The Directors do not recommend the payment of an interim dividend to Shareholders for the six-month period ended 30 June 2026 (six-month period ended 30 June 2025: 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 periods attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 4,000,000,000 outstanding during the six-month periods ended 30 June 2026 and 2025.

The calculation of basic loss per share is based on:

	Six-month period ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic loss per share calculation *(US$'000)*	**(998)**	(350)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation *(thousands of shares)*	**4,000,000**	4,000,000

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 six-month periods ended 30 June 2026 and 2025.

8. OTHER LONG-TERM ASSET

The Group recognised the contractual rights and obligations to purchase Hematite Ores from the hematite mine (the "Hematite Mine") under a long term hematite ore supply agreement (the "Contract") as the other long-term asset as at 30 June 2026 and 31 December 2025. 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 the Hematite Mine resulted in the closure of the pit and the suspension of mining operations. As at 31 December 2025, mining operations remained suspended. The recoverable amount of the other long-term asset was determined to be zero as at 31 December 2025.

With the remaining life of the Hematite Mine of less than one year, rehabilitation activities at the Hematite Mine are nearing completion. Given the current status of the Hematite Mine and the latest shipment schedule, the physical delivery of Hematite Ores from the supplier under the Contract over the remaining life of the 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 as at 30 June 2026 was determined to be zero.

9. TRADE AND BILLS RECEIVABLES

	30 June 2026 *US$'000* **(Unaudited)**	31 December 2025 *US$'000* (Audited)
Trade receivables	**–**	3,758
Bills receivables	**2,012**	–
Total	**2,012**	3,758

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 30 June 2026 and 31 December 2025, the Group's trade and bills receivables were non-interest-bearing.

Set out below is the measurement of trade and bills receivables of the Group as at 30 June 2026 and 31 December 2025.

	30 June 2026 *US$'000* **(Unaudited)**	31 December 2025 *US$'000* (Audited)
Trade and bills receivables		
– at amortised cost	**2,012**	74
– at fair value through profit or loss *(Note)*	**–**	3,684
Total	**2,012**	3,758

Note: The Group's trade and bills receivables included provisionally priced receivables relating to sales of iron ores where the selling prices were referenced to future market-based index prices applicable to future quotation periods (the "QPs"). Under IFRS 9, these provisionally priced receivables were measured at the estimated forward commodity prices of the relevant QPs as at the end of the reporting period and were stated at fair value.

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:

	30 June 2026 *US$'000* **(Unaudited)**	31 December 2025 *US$'000* (Audited)
Within 3 months	**2,012**	3,758

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 30 June 2026, the Group's bills payables amounted to US$1,990,000 (31 December 2025: Nil). 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:

	30 June 2026	31 December 2025
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Within 3 months	**1,990**	3,221

The Group's trade and bills payables were non-interest-bearing as at 30 June 2026 and 31 December 2025.

Set out below is the measurement of trade and bills payables of the Group as at 30 June 2026 and 31 December 2025.

	30 June 2026	31 December 2025
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Trade and bills payables		
– at amortised cost	**1,990**	3,006
– at fair value through profit or loss *(Note)*	**–**	215
Total	**1,990**	3,221

Note: The Group's trade and bills payables included provisionally priced payables relating to purchase of iron ores where the purchasing prices were referenced to future market-based index prices applicable to future QPs. Under IFRS 9, these provisionally priced payables were measured at the estimated forward commodity prices of the relevant QPs as at the end of the reporting period and were stated at fair value.

CHAIRMAN'S STATEMENT

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

During the Reporting Period, the Group navigated a challenging operating environment, including a reduction in both the quantity and quality of iron ores supplied by its key supplier and softer downstream steel demand, which together contributed to lower sales volume and unit gross profit for iron ores. Revenue decreased to approximately US$20.8 million, from approximately US$108.7 million for the Corresponding Prior Period, and gross profit declined to approximately US$0.2 million from approximately US$2.2 million for the Corresponding Prior Period. Notwithstanding these headwinds, the Group's cost control measures and performance management helped mitigate the impact, resulting in a net loss of approximately US$1.1 million, compared to a net loss of approximately US$0.4 million for the Corresponding Prior Period.

Looking ahead, the Group expects the business environment in the second half of 2026 to remain challenging for the Resources Business. With rehabilitation activities at our key supplier's hematite mine nearing completion and the delivery of the remaining stocks of low-grade iron ores gradually completed, we expect procurement from this source to further decrease during the second half of 2026.

The Group has been continuously evaluating and pursuing potential trading co-operation opportunities beyond iron ores and other commodities to diversify revenue streams. To further strengthen our supply and product mix, the Group will continue to identify and explore new sources of iron ores and other non-commodity products. The Group is contemplating to launch a technology platform to enable the distribution of technology products. 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

	Six-month period ended 30 June	
	2026	2025
	US$'000	*US$'000*
Revenue	**20,810**	108,681
Gross profit	**220**	2,184
Loss for the period	**(1,121)**	(437)
Basic loss per share *(US cents)*	**(0.02)**	(0.01)

	30 June 2026	31 December 2025
	US$'000	*US$'000*
Total assets	**24,410**	28,385
Total equity	**21,740**	22,841
Net cash[1]	**21,328**	18,310

	30 June 2026	31 December 2025
Liquidity ratio[2]	**9.2**	5.2

[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

BUSINESS AND FINANCIAL REVIEW

During the Reporting Period, the Group faced multiple challenges.

In the first half of 2026, iron ore producers in Australia and Brazil increased their production and shipments, contributing to an increase in iron ore imports into China. However, iron ore demand in China remained under pressure from weak real estate construction, softer manufacturing activity and reduced automobile consumption. Chinese steel mills experienced tighter profit margins and adopted a more cautious approach to procurement, showing limited appetite to restocking. As a result, the iron ore market became volatile, and iron ore prices generally trended downward.

As disclosed in the annual report for the year ended 31 December 2025, mining activities at the main pit of the hematite mine in Koolan Island were suspended following a major rockfall incident in October 2025. During the Reporting Period, Koolan shifted to supplying the Group with low-grade iron ores, averaging about 43% Fe, which had previously been retained for blending purposes, and paused deliveries of Hematite Ores.

Against this background, the Group purchased and sold about 0.7 Mt of low-grade iron ores during the Reporting Period (about 1.2 Mt of iron ores for the Corresponding Prior Period, comprising about 1.0 Mt of Hematite Ores and about 0.2 Mt of iron ores sourced from other mines), representing a drop by about 42% period-over-period.

Low-grade iron ores are inherently less mainstream and generally more challenging to sell and promote. Accordingly, the Group's business development team (the "Business Development Team") prioritised inventory risk reduction and improving sell-through velocity. These strategies supported continuity of the Group's commercial operations; however, gross profit was inevitably lower than that of the Corresponding Prior Period.

The Group's revenue for the Reporting Period amounted to approximately US$20.8 million (approximately US$108.7 million for the Corresponding Prior Period), representing a drop of about 81% period-over-period. There was also an overall decrease in the Group's gross profit to approximately US$0.2 million (approximately US$2.2 million for the Corresponding Prior Period). The decline in the Group's business performance and financial results for the Reporting Period 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 of iron ores supplied by Koolan during the Reporting Period, as compared to the Corresponding Prior Period; and (ii) weaker customer demand for the Group's lower-grade iron ores that resulted in a decline in gross profit margin, as the Group prioritised reducing inventory risk and accelerating sales during the Reporting Period. Consequently, the Group recorded a net loss of approximately US$1.1 million for the Reporting Period (a net loss of approximately US$0.4 million for the Corresponding Prior Period).

Given rapidly evolving iron ore pricing and the specific commercial characteristics of low-grade iron ores, the Business Development Team strengthened its pricing and contracting approach. Instead of pricing the iron ores with reference to market indices under different price quotation periods as adopted in previous years, the Group entered into fixed-price contracts benchmarked to prevailing market conditions. This approach helps mitigate price volatility and allows the Group to realise profits and generate cash flow at an earlier stage. Accordingly, the Group did not use hedging tools or enter into any hedging transactions during the Reporting Period. In contrast, in the Corresponding Prior Period, the Group recorded net gains of approximately US$0.1 million and net gains of approximately US$1.0 million from hedging transactions, which were recognised within revenue and cost of sales, respectively.

Meanwhile, the 2026 Middle East conflict increased freight costs across the logistics industry. To protect its margins, the Business Development Team successfully negotiated with customers to amend iron ore sales terms from Cost and Freight arrangements to a Free on Board basis, thereby transferring freight cost risk to customers. As a result, the Group did not generate any revenue from iron ore shipping services during the Reporting Period, apart from revenue of approximately US$0.7 million recognised in respect of shipment in the prior period (approximately US$7.3 million for the Corresponding Prior Period).

As at 30 June 2026, the Group maintained a healthy financial position, with total assets amounting to approximately US$24.4 million (approximately US$28.4 million as at 31 December 2025). The overall decrease in the Group's total assets as at 30 June 2026 was mainly attributable to the decrease in the trade and bills receivables by approximately US$1.7 million, resulting from a decline in the Group's iron ore shipments and shipment values before the end of the Reporting Period.

The Group had total liabilities of approximately US$2.7 million as at 30 June 2026 (approximately US$5.5 million as at 31 December 2025), representing a decrease of approximately US$2.8 million. The overall decrease in the Group's total liabilities as at 30 June 2026 was mainly attributable to the decrease in the trade and bills payables by approximately US$1.2 million as the Group's iron ore shipments and shipment values decreased before the end of the Reporting Period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Reporting Period (Nil for the Corresponding Prior Period).

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 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 30 June 2026, the Group's total equity amounted to approximately US$21.7 million (approximately US$22.8 million as at 31 December 2025). In line with the net loss recorded for the Reporting Period, the Group's total equity decreased by approximately US$1.1 million.

The cash and cash equivalents of the Group amounted to approximately US$21.6 million as at 30 June 2026 (approximately US$18.6 million as at 31 December 2025), representing about 89% (about 66% as at 31 December 2025) of the total assets of the Group. The Group's cash and cash equivalents were mainly denominated as to about 99% in USD as at 30 June 2026 (about 98% in USD as at 31 December 2025). The Group had no restricted bank deposits in place to secure the issuance of letters of credit by banks to the suppliers as at 30 June 2026 (approximately US$2.7 million restricted bank deposits denominated in USD as at 31 December 2025).

As at 30 June 2026, the Group had interest-bearing bank and other borrowings of approximately US$0.2 million (approximately US$0.3 million as at 31 December 2025). 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 30 June 2026 and 31 December 2025. About 74% (about 53% as at 31 December 2025) 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 30 June 2026, the Group did not have any bank borrowings secured by bills receivable as at 30 June 2026.

The Group's recorded net cash was approximately US$21.3 million as at 30 June 2026 (approximately US$18.3 million as at 31 December 2025) and it is therefore not considered to have any net gearing. The Group's liquidity ratio was about 9.2 as at 30 June 2026 (about 5.2 as at 31 December 2025). The Group's liquidity remained stable and healthy as at 30 June 2026.

The Group had in aggregate unutilised committed borrowing facilities and trade finance banking facilities of approximately US$303.8 million for the Resources Business as at 30 June 2026 (approximately US$310.3 million as at 31 December 2025). The Group will continue to negotiate for new trade finance facilities with banks to support its continual development.

PLEDGE OF ASSETS

As at 30 June 2026 and 31 December 2025, no property, plant and equipment or right-of-use assets were pledged for the Group's bank borrowing or banking facilities. As at 30 June 2026, the Group had no restricted bank deposits in place to secure its utilised banking facilities (approximately US$2.7 million as at 31 December 2025).

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 in respect of the bank balances and interest-bearing borrowings as at 30 June 2026 denominated in HKD, which are 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

Given rapidly evolving iron ore pricing and the specific commercial characteristics of low-grade iron ores, the Business Development Team strengthened its pricing and contracting approach. Instead of pricing the iron ores with reference to market indices under different price quotation periods as adopted in previous years, the Group entered into fixed-price contracts benchmarked to prevailing market conditions during the Reporting Period. This approach helps mitigate price volatility and allows the Group to realise profits and generate cash flow at an earlier stage. Accordingly, the Group did not use hedging tools or enter into any hedging transactions during the Reporting Period.

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 30 June 2026, the Group had a total of 28 (29 as at 31 December 2025) employees in Hong Kong and Chinese Mainland. During the Reporting Period, the Group's staff costs (inclusive of Directors' emoluments) were approximately US$1.1 million (approximately US$1.5 million for the Corresponding Prior Period).

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 30 June 2026, the Group did not have any material contingent liabilities.

EVENT AFTER THE REPORTING PERIOD

From 30 June 2026 to the date of this announcement, there was no important event affecting the Group.

OUTLOOK AND FUTURE PLANS

The Group expects the business environment in the second half of 2026 to remain demanding for the Resources Business. With rehabilitation activities at our key supplier's hematite mine nearing completion and the delivery of remaining stocks of low-grade iron ores gradually completed, the Group anticipates a reduced procurement of iron ores from this source in the second half of 2026.

The Group will keep assessing potential trading co-operation opportunities beyond Resources Business to further diversify revenue streams. To further strengthen our supply position and optimise our product mix, the Group will continue to identify and evaluate new sources and opportunities of iron ore and other non-commodity, and pursue them as appropriate. In addition, the Group is contemplating to launch a technology platform to enable the distribution of technology products.

Looking ahead, the Group will consider potential mergers and acquisitions, as well as other collaboration or investment opportunities, as part of our commitment to sustainable development.

CORPORATE GOVERNANCE PRACTICES

As part of the Company's unwavering commitment to high standards of corporate governance, it has adopted and complied with all applicable 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 applicable code provisions set out in part 2 of the CG Code during the Reporting Period.

During the Reporting Period, the Company did not have a chief executive officer and the function was discharged by the executive Director other than the chairman of the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry with all Directors, the Directors have confirmed their compliance with the required standard set out in the Model Code during the Reporting Period.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee has reviewed the unaudited interim results and interim report of the Company containing unaudited Interim Financial Information of the Group for the Reporting Period and has no disagreement with such accounting treatments adopted by the Group. In addition, the Company's auditor, Messrs. Ernst & Young, has reviewed the unaudited Interim Financial Information of the Group for the Reporting Period in accordance with 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.

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

During the Reporting Period, 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.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange and the Company. The interim report of the Company for the Reporting Period will be made available 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:

"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 Rule
"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
"Corresponding Prior Period"	the six-month period ended 30 June 2025
"Director(s)"	the director(s) of the Company
"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, 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
"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
"Reporting Period"	the six-month period ended 30 June 2026
"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, 25 August 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.