If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your securities in APAC Resources Limited, you should at once hand this circular, together with the accompanying election form (where appropriate), to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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APAC RESOURCES

APAC RESOURCES LIMITED
亞太資源有限公司

(Incorporated in Bermuda and re-domiciled to Hong Kong with limited liability)

(Stock Code: 1104)

(Warrant Code: 2478)

Executive Director:
Andrew Ferguson *(Chief Executive Officer)*

Non-Executive Directors:
Arthur George Dew *(Chairman)*
(Wong Tai Chun, Mark as his alternate)
Lee Seng Hui
Wang Dongming

Independent Non-Executive Directors:
Kelvin Chau Kwok Wing
Li Chak Hung
Lisa Yang Lai Sum

Registered office:
Room 2304, 23rd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai, Hong Kong

10 November 2026

To the shareholders and, for information only,
the warrantholders of APAC Resources Limited

Dear Sir or Madam,

SCRIP DIVIDEND SCHEME IN RELATION TO THE INTERIM DIVIDEND AND THE SPECIAL INTERIM DIVIDEND FOR THE YEAR ENDED 30 JUNE 2026

INTRODUCTION

On 23 September 2026, the board (the "**Board**") of directors of APAC Resources Limited (the "**Company**") declared (i) an interim dividend (the "**Interim Dividend**") of HK12 cents per share of the Company (the "**Share(s)**"); and (ii) a special interim dividend (the "**Special Interim Dividend**", together with the Interim Dividend, the "**2025/26 Dividends**") of HK8 cents per Share (in lieu of a final dividend) for the year ended 30 June 2026, with an option to receive the 2025/26 Dividends wholly or partly in the form of new fully paid Shares in lieu of cash (the "**Scrip Dividend Scheme**"), payable on or around Friday, 11 December 2026 to the shareholders of the Company (the "**Shareholder(s)**") whose names appear on the register of members of the Company at the close of business on Tuesday, 13 October 2026 (the "**Record Date**").

For determining the entitlement to the 2025/26 Dividends, the register of members of the Company was closed from Friday, 9 October 2026 to Tuesday, 13 October 2026, both days inclusive, during which period no transfer of Shares was effected. In order for a Shareholder to qualify for the 2025/26 Dividends (with an option to participate in the Scrip Dividend Scheme), all transfers of share ownership, accompanied by the relevant share certificates, must be lodged with the Company's share registrar not later than 4:30 p.m. on Thursday, 8 October 2026.

For holders of the warrant(s) of the Company who wish to exercise the subscription rights attaching to the warrants and be entitled to the 2025/26 Dividends (with an option to participate in the Scrip Dividend Scheme), the subscription forms accompanied by the relevant warrant certificates and exercise money must be lodged with the Company's share registrar for determining their entitlement not later than 4:30 p.m. on Thursday, 8 October 2026.

The purpose of this circular is to set out the procedures and conditions which apply in relation to the Scrip Dividend Scheme and the action which should be taken by the eligible Shareholders if they wish to participate in the Scrip Dividend Scheme.

DETAILS OF THE SCRIP DIVIDEND SCHEME

Eligible Shareholders may elect to receive the 2025/26 Dividends in one of the following forms:

(a) wholly in cash at HK20 cents per Share, comprising the Interim Dividend of HK12 cents per Share and the Special Interim Dividend of HK8 cents per Share;

(b) an allotment and issue of such number of new Share(s) credited as fully paid under the Scrip Dividend Scheme (the "**Scrip Share(s)**") having an aggregate market value (as determined below), save for adjustment for fractions, equal to the total amount of the 2025/26 Dividends which such Shareholder would otherwise be entitled to receive in cash; or

(c) partly by payment in cash and partly by allotment and issue of Scrip Shares.

For the purpose of calculating the number of the Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme, the market value of the Scrip Shares has been fixed at HK$1.7900 per Share (the "**Market Value**"), which is 94.31% of the average closing price per Share as quoted on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for the five consecutive trading days up to and including the Record Date, rounding down to four decimal places. Accordingly, the number of Scrip Shares which the Shareholders will receive in respect of the Shares registered in their names as at the Record Date under the Scrip Dividend Scheme will be calculated as follows:

$$\text{Number of Scrip Shares to be received} = \text{Number of registered Shares held on the Record Date and elected for Scrip Shares} \times \frac{\text{HK\$0.20 (2025/26 Dividends per Share)}}{\text{HK\$1.7900 (Market Value per Scrip Share)}}$$

The number of Scrip Shares to be allotted to each eligible Shareholder will be rounded down to the nearest whole number. No cash in lieu of fractional entitlements to Scrip Shares will be paid to the Shareholders as the Company considers that it is not cost effective to do so after taking into account the amounts of fractional entitlements in cash and the administrative expenses that will be incurred. As such, fractional entitlements to the Scrip Shares in respect of alternatives (b) and (c) above will not be allotted and issued and benefit thereof will accrue to the Company. The Scrip Shares to be issued will rank pari passu in all respects with the existing issued Shares, and will rank in full for all future dividends and distributions which may be declared, made or paid (except for the 2025/26 Dividends). The Scrip Shares will be allotted by way of capitalisation of the Company's reserves or profits and are not renounceable. The right to receive Scrip Shares instead of whole or part of the cash dividend is non-transferable.

EFFECT OF THE SCRIP DIVIDEND SCHEME

As at the Record Date, (i) there were 1,507,493,783 Shares in issue; and (ii) save for 120,470,571 outstanding warrants issued by the Company exercisable into 120,470,571 Shares, there were no other outstanding warrants or securities which are convertible into Shares issued by the Company.

As the outstanding warrants have not been converted into Shares as at the Record Date, only the 1,507,493,783 Shares in issue as at the Record Date are entitled to participate in the Scrip Dividend Scheme.

Should the subscription price of the warrants be adjusted upon distribution of dividends, which shall be determined in November 2026 subsequent to the date of this circular in accordance with the terms of the instrument of the warrants, further announcement relating to the subscription price adjustment will be made by the Company as and when appropriate.

If all the eligible Shareholders elect to receive their entitlements to the 2025/26 Dividends wholly in the form of Scrip Shares in lieu of cash and based on the Market Value, a maximum of 168,435,059 Scrip Shares will be issued by the Company pursuant to the Scrip Dividend Scheme, representing approximately 11.2% of the total number of issued Shares of the Company as at the Record Date and approximately 10.1% of the total number of issued Shares of the Company as enlarged by the issue of the Scrip Shares. If all the eligible Shareholders elect to receive the 2025/26 Dividends in cash, the total cash dividend payable by the Company would be approximately HK$301,499,000.

Shareholders should note that the Scrip Shares to be issued under the Scrip Dividend Scheme may give rise to disclosure requirements under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Shareholders who are in any doubt as to how these provisions may affect them as a result of the Scrip Shares are recommended to seek their own professional advice.

Shareholders who are in any doubt as to their taxation position are also recommended to seek their own professional advice.

ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme will give Shareholders an opportunity to increase their investment in the Company at the Market Value without incurring brokerage fees, stamp duty and related dealing costs. The Scrip Dividend Scheme will also benefit the Company to the extent that such cash which would otherwise have been paid to Shareholders who elect to receive the Scrip Shares, in whole or in part in lieu of a cash dividend, will be retained for use as working capital by the Company.

ELECTION FORM

A form of election (the "**Election Form**") in relation to the Scrip Dividend Scheme for eligible Shareholders to elect to receive their entitlements to the 2025/26 Dividends wholly or partly in the form of Scrip Shares in lieu of cash is enclosed with this circular.

If you wish to receive your entitlements to the 2025/26 Dividends wholly in cash, you need not take any action.

If you wish to receive your entitlements to the 2025/26 Dividends wholly or partly in the form of Scrip Shares in lieu of cash, you should complete the enclosed Election Form in accordance with the instructions printed thereon, sign and return to the Company's share registrar, 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, 26 November 2026. Failure to complete and return the Election Form in accordance with the instructions printed thereon will result in the relevant Shareholder's 2025/26 Dividends being paid wholly in the form of cash. No acknowledgement of receipt of the Election Form will be issued. No elections in respect of the 2025/26 Dividends may, after the relevant Election Forms are signed and returned to the Company's share registrar, be in any way withdrawn, revoked, superseded or altered. If you have signed the Election Form but do not specify the number of Shares in respect of which you elect to receive Scrip Shares, or if you elect to receive Scrip Shares in respect of a greater number of Shares than your registered holding on the Record Date, you will be deemed to have elected to receive Scrip Shares in respect of all the Shares registered under your name on the Record Date.

The closing time for returning the Election Form will be extended, as the case may be, in accordance with (a) or (b) below if there is a tropical cyclone warning signal number 8 or above, or "extreme conditions" as announced by the Hong Kong Government, or a "black" rainstorm warning signal:

(a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Thursday, 26 November 2026, the closing time for returning the Election Form will be extended to 5:00 p.m. on the same business day; or

(b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m. on Thursday, 26 November 2026, the closing time for returning the Election Form will be extended to 4:30 p.m. on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m.

OVERSEAS SHAREHOLDERS

This circular will not be registered or filed under the securities laws or equivalent legislation of any jurisdiction. If you are a resident outside Hong Kong, you should consult your professional advisers as to whether or not you are permitted to participate in the Scrip Dividend Scheme or whether any government or other consents are required or other formalities need to be observed. No Shareholders receiving a copy of this circular and/or an Election Form in any territory outside Hong Kong may treat the same as an invitation to elect for Scrip Shares unless in the relevant territory such invitation could lawfully be made to them without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. Shareholders residing in a jurisdiction where it would be illegal for the Company to make such an invitation will be deemed to have received this circular for information only.

As at the Record Date, there were five Shareholders with registered addresses outside Hong Kong (the "**Overseas Shareholders**") as follows.

Jurisdiction	Number of Overseas Shareholder(s)	Aggregated number of Shares held by the Overseas Shareholder(s)	Approx. % of number of issued Shares of the Company
Australia	1	379	0.000025%
Germany	2	256	0.000017%
Switzerland	1	23	0.000002%
United Kingdom	1	1,500	0.000100%
	5	2,158	0.000144%

Note: The percentage figures have been subject to rounding adjustment. Any discrepancies between totals and sums of amount listed herein are due to rounding adjustment.

The Company has made enquiries in respect of the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges in those jurisdictions for the Company to extend the Scrip Dividend Scheme to the Overseas Shareholders. Based on the advice of legal advisers where such Overseas Shareholders are based, the Overseas Shareholders are allowed to participate in the arrangements to receive the 2025/26 Dividends in the form of Scrip Shares.

It is the responsibility of any Overseas Shareholder who wishes to receive Scrip Shares under the Scrip Dividend Scheme to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities. Persons who will receive Scrip Shares in lieu of the cash dividend must also comply with any restrictions on the resale of the Shares which may apply outside Hong Kong.

This circular and the Election Form do not constitute or form part of an offer or solicitation of any offer to buy securities of the Company, and the Election Form is non-transferable.

LISTING AND DEALINGS

The Scrip Dividend Scheme is conditional upon listing approval being granted by the Stock Exchange in respect of the Scrip Shares to be issued pursuant thereto. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares.

It is expected that the dividend warrants and/or share certificates for Scrip Shares will be sent to the Shareholders by ordinary post at the risk of those entitled thereto on or around Friday, 11 December 2026 and the dealings in the Scrip Shares are expected to commence on Monday, 14 December 2026. One share certificate will be issued for all the Scrip Shares a Shareholder is entitled to. All definitive certificates for the Scrip Shares are non-renounceable. In the unlikely event that the Scrip Shares are not admitted to listing by the Stock Exchange before Friday, 11 December 2026, the Election Form will be disregarded and the full cash dividend will be paid to the entitled Shareholders according to their registered shareholdings.

The Shares are only listed on the Stock Exchange. No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list its Shares on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme on the Stock Exchange, such Scrip Shares will be accepted as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in the Central Clearing and Settlement System ("**CCASS**"). All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Dealings in the Shares may be settled through CCASS and you should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

TIMETABLE

Set out below is a summary of the events in relation to the Scrip Dividend Scheme:

Record Date	Tuesday, 13 October 2026
Last date for return of the Election Form *(Note 2)*	4:30 p.m. on Thursday, 26 November 2026
Despatch of dividend warrants and/or share certificates to the Shareholders	Friday, 11 December 2026
Commencement of dealings in the Scrip Shares on the Stock Exchange	9:00 a.m. on Monday, 14 December 2026

Notes:

1. References to time and dates in this circular are to Hong Kong time and dates.

2. If there is a tropical cyclone warning signal number 8 or above, or ''extreme conditions'' as announced by the Hong Kong Government, or a ''black'' rainstorm warning signal is in force in Hong Kong at any time prior to 4:30 p.m. on Thursday, 26 November 2026, the deadline for return of the Form of Election will be extended. Further information is set out in the section headed ''Election Form'' in this circular.

The timetable of the Scrip Dividend Scheme, which was in compliance with the articles of association of the Company and applicable regulatory guidelines, was planned so as to allow sufficient time for (i) the Shareholders (including the Overseas Shareholders in multiple jurisdictions) to decide whether to receive the 2025/26 Dividends in the form of Scrip Shares in lieu of cash; and (ii) the professional parties (including the Company's share registrar) to make such necessary arrangements to despatch this circular, Election Form, dividend warrants and/or share certificates to the Shareholders respectively.

RECOMMENDATION AND ADVICE

Whether or not it is to your advantage to receive cash or the Scrip Shares, in whole or in part, depends upon your own individual circumstances, and the decision in this regard and all effects resulting therefrom are the sole responsibility of each Shareholder. If you are in any doubt as to what to do, you should consult your professional advisers.

Shareholders who are trustees are recommended to take professional advice as to whether the choice of electing to receive Scrip Shares is within their powers and as to its effect having regard to the terms of the relevant trust instrument.

DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL

The Scrip Shares to be issued to the eligible Shareholders pursuant to an election to receive the 2025/26 Dividends wholly or partly in the form of Scrip Shares may be allocated in odd lots (of fewer than a board lot of 20,000 Shares). No special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of the Scrip Shares to be issued in odd lots. Eligible Shareholders should be aware that odd lots are usually traded at a discount to the price of board lots.

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