新礦資源有限公司
NEWTON RESOURCES LTD
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1231

ANNUAL REPORT 2024

Content

Chairman's Statement

Dear Shareholders,

I hereby present the annual report of Newton Resources Ltd for the year ended 31 December 2024.

2024 continued to be a difficult year for the Group as the Group was affected by, among others, weak downstream steel demand, tough business environment, macroeconomic pressures, continuing high interest rate, slowing growth and other challenges. Nevertheless, attributed to the effort of the Group's management and the Business Development Team, the Group has successfully secured swift sales of its iron ores during the Reporting Period. The Group reported revenue of approximately US$309.9 million (2023: approximately US$526.1 million) and gross profit of approximately US$5.2 million (2023: approximately US$9.9 million) for the Reporting Period. Therefore, the Group recorded a net loss of approximately US$0.3 million for the Reporting Period (2023: a net profit of approximately US$2.4 million).

Looking ahead, the economic outlook remains uncertain. The trade policies, the potentially escalating global trade frictions and supply chain disruptions are expected to exert additional pressure on iron ore prices in 2025. The iron ore and steel demand is expected to remain sensitive to Chinese policies and dependent on the recovery of the Chinese economy. The iron ore market prices are therefore likely to remain volatile. The Group shall continue to observe the macroeconomic developments and the impact of fiscal policies alongside any significant changes in supply and demand fundamentals in the iron ore and steel markets. The Group will also continue to identify and explore new sources of supply of iron ores and other commodities to further diversify the Group's product offerings and explore and capture mergers and acquisitions or investment opportunities and other collaboration for its sustainable development.

On behalf of the Board, I would like to express my sincere thanks to the Shareholders, customers, suppliers, banks and business partners for their continuous support. I would also like to express my heartfelt gratitude to my fellow Board members, our management, the business development team and all the staff members for their contributions and commitment made for the Group.

Chong Tin Lung, Benny
Chairman

Hong Kong, 25 March 2025

Management Discussion and Analysis

Financial Highlights

	2024 US$'000	2023 US$'000
Revenue	**309,937**	526,119
Gross profit	**5,190**	9,946
(Loss)/profit for the year	**(329)**	2,368
Basic (loss)/earnings per share (US cents)	**(0.01)**	0.06
Total assets	**71,414**	109,173
Total equity	**29,982**	30,339
Net cash[1]	**15,494**	N/A
Net debt[2]	**N/A**	2,890

	2024	2023
Liquidity ratio[3]	**1.6**	1.3
Net gearing ratio[4]	**N/A**	10%

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

2 Net debt is defined as interest-bearing bank and other borrowings less cash and cash equivalents

3 Liquidity ratio is computed as total current assets divided by total current liabilities

4 Net gearing ratio is computed as the net debt divided by total equity

Management Discussion and Analysis

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 (the "Resources Business") 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

In 2024, China's economy demonstrated resilience and the effectiveness of its overall reform process. Attributed to the effort of the Group's management and the Business Development Team, the Group has successfully secured the swift sales of its iron ores during the Reporting Period.

With the supply of medium to high-grade Hematite Ores from Koolan, the Group's iron ores were 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 were priced with reference to market indices under different price quotation periods.

The combination of weak domestic steel demand in China, the increase in iron ore imports with a pile-up in China's portside stocks, and the strong supply from Brazilian and Australian mines drove down the seabound iron ore market prices in 2024. The average Platts IODEX Price was approximately US$109 per tonne and the average 65 IO Price was approximately US$123 per tonne during the Reporting Period. Both indices trended downwards to approximately US$104 per tonne for the average Platts IODEX Price and approximately US$118 per tonne for the average 65 IO Price in December 2024, as compared to the average of approximately US$136 per tonne and approximately US$147 per tonne in December 2023, respectively. The seaborne iron ore market experienced a downward trend in the second half of 2024, closing the year lower due to weak demand fundamentals and macroeconomic pressures.

Business and Financial Review *(Continued)*

The Group's revenue for the Reporting Period amounted to approximately US$309.9 million (2023: approximately US$526.1 million), representing a drop of about 41% year-over-year. There was also an overall decrease in the Group's gross profit to approximately US$5.2 million (2023: approximately US$9.9 million). The decline in the Group's business performance and financial results for the Reporting Period as compared to FY 2023 was multifaceted, key factors included (a) the significant decrease in the supply of high-quality Hematite Ores during FY 2024; (b) the sales of medium-grade Hematite Ores during the third quarter of 2024 with a higher degree of variance in quality leading to additional costs to the Group which could not be passed onto the Group's customers; (c) the poor iron ore demand by our customers as affected by weak demand fundamentals; (d) the lower iron ore market indices prevailing throughout FY 2024 as compared to FY 2023; and (e) thinner profit differential that can be captured from different price quotation periods. As a result, the Group recorded a net loss of approximately US$0.3 million for the Reporting Period (2023: a net profit of approximately US$2.4 million).

The Group purchased and sold about 2.9 Mt of iron ores (2023: about 4.3 Mt), comprising about 2.2 Mt of Hematite Ores sourced from Koolan and about 0.7 Mt of iron ores sourced from other mines during the Reporting Period (2023: about 3.3 Mt and 1.0 Mt respectively), representing a drop by about 33% year-over-year.

During the Reporting Period, the average iron grade of the Group's Hematite Ores was about 65% Fe, which remained steady as compared to that for the Corresponding Prior Period. As mentioned in the Company's interim report 2024, there had been a transition in the operation and mining locations of Koolan in the third quarter of 2024 (the "Transition"). During the Transition, there had been a temporary reduction in shipment rates from Koolan with iron grade lowered to an average of about 63% Fe. After the Transition, the iron grade of the Hematite Ores had improved and Koolan had provided high-grade Hematite Ores with an average of about 65% Fe in the fourth quarter of 2024.

The iron ore and steel markets were complicated and fast-changing. The seaborne iron ore market prices continued to be volatile and hedging tools and derivatives were executed to mitigate the Group's exposures 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 gains of approximately US$5.8 million (2023: net losses of approximately US$16.6 million) and net losses of approximately US$10.8 million (2023: net gains of approximately US$29.5 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$26.6 million for the Reporting Period (2023: approximately US$41.7 million), representing a decrease of about 36% year-over-year. Such decrease was largely in line with the overall decrease in the quantity of iron ores sold by the Group during the Reporting Period as compared to the Corresponding Prior Period.

Business and Financial Review *(Continued)*

The Group had a healthy financial position as at 31 December 2024 with total assets of approximately US$71.4 million (2023: approximately US$109.2 million). Attributed to the decrease in iron ore shipments before 31 December 2024, the Group's trade and bills receivables and other current financial assets as at 31 December 2024 decreased by approximately US$25.3 million and approximately US$10.8 million, respectively, leading to the overall decrease in the Group's total assets as at 31 December 2024.

The Group had total liabilities of approximately US$41.4 million as at 31 December 2024 (2023: approximately US$78.8 million), representing a decrease of approximately US$37.4 million. The overall decrease in the Group's total liabilities as at 31 December 2024 was attributable to the decrease in the trade and bills payables by approximately US$22.3 million as the Group's iron ore shipments decreased before the year end and the decrease in the Group's interest-bearing bank and other borrowings by approximately US$14.2 million with repayment and settlement made during FY 2024.

Dividend

The Board does not recommend the payment of a final dividend in respect of FY 2024 (2023: 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 Mainland China 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 4 to the consolidated financial statements, 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 2024, the Group's total equity amounted to approximately US$30.0 million (2023: approximately US$30.3 million). In line with the loss recorded for the Reporting Period, the Group's total equity decreased by approximately US$0.3 million.

Financial Resources, Capital Structure and Liquidity *(Continued)*

The cash and cash equivalents of the Group amounted to approximately US$16.0 million as at 31 December 2024 (2023: approximately US$11.8 million), representing about 22% (2023: about 11%) of the total assets of the Group. The Group's cash and cash equivalents were mainly denominated as to about 97% in USD as at 31 December 2024 (2023: about 96% in USD). In addition, the Group had approximately US$6.2 million restricted bank deposits denominated in USD to secure the issuance of letters of credit by banks to the suppliers as at 31 December 2024 (2023: approximately US$10.7 million).

As at 31 December 2024, the Group had interest-bearing bank and other borrowings of approximately US$0.5 million, all of which bore fixed interest rates, were unsecured and denominated in HKD. About 33% of such interest-bearing bank and other borrowings will mature within one year or on demand. As at 31 December 2023, the Group had interest-bearing bank and other borrowings of approximately US$14.7 million, all of which will mature within one year or on demand and bore fixed interest rates, with about 70% denominated in USD and about 30% denominated in HKD. Apart from the bank borrowings of approximately US$10.3 million secured by bills receivable, the remaining interest-bearing bank and other borrowings of the Group of approximately US$4.4 million as at 31 December 2023 were unsecured. Attributed to the decrease in iron ore shipments before 31 December 2024, the Group did not have any bank borrowings secured by bills receivable as at 31 December 2024.

The Group's recorded net cash was approximately US$15.5 million as at 31 December 2024 (2023: net debt of approximately US$2.9 million) and it is therefore not considered to have any net gearing (2023: net gearing ratio (computed as net debt divided by total equity) about 10%). The Group's liquidity ratio was about 1.6 as at 31 December 2024 (2023: about 1.3). The Group's liquidity remained stable and healthy as at 31 December 2024.

The Group had in aggregate unutilised committed borrowing facilities and trade finance banking facilities of approximately US$288.0 million for the Resources Business as at 31 December 2024 (2023: approximately US$287.0 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 2024 and 2023, 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 2024 were secured by restricted bank deposits in an aggregate amount of approximately US$6.2 million (2023: approximately US$10.7 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 2024 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 or swap 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 2024, the Group had an aggregate open position of iron ore futures or swap contracts of 596,000 tonnes expiring by the end of February 2025 (2023: 1,245,000 tonnes expired by the end of March 2024) with a positive carrying value of approximately US$0.8 million (2023: approximately US$7.7 million) which had been recognised as financial assets at fair value through profit or loss and included in the other current financial assets in the consolidated statement of financial position of the Group.

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 annual report. 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.

Management Discussion and Analysis

Employees and Remuneration Policies

As at 31 December 2024, the Group had a total of 33 (2023: 23) employees in Hong Kong and Mainland China. During FY 2024, the Group's staff costs (inclusive of Directors' emoluments) were approximately US$3.1 million (2023: approximately US$4.6 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 an 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 2024, the Group did not have any material contingent liabilities.

Event after the Reporting Period

From 31 December 2024 to the date of this annual report, there was no important event affecting the Group.

Management Discussion and Analysis

Outlook and Future Plans

The Group's business will continue to face lots of challenges in 2025.

The combination of weak domestic steel demand in China, the increase in iron ore imports with a pile-up in China's portside stocks, and the strong supply from Brazilian and Australian mines drove down the seabound iron ore market prices in 2024. The trade policies that may be introduced by the government of the United States of America, along with the potentially escalating trade tensions between China and the United States of America, are expected to exert additional pressure on the iron ore prices in 2025, and any further constraints or tariffs on the export of Chinese manufactured goods may suppress the iron ore demand. Downside risks are expected to prevail in 2025.

On the other hand, the increase in imports of iron ores to China driven by traders rebuilding the port stockpiles at low prices could demonstrate the optimism of the iron ore market participants in the outlook for China's iron ore and steel sectors with staunch support from the stimulus measures adopted by the Chinese government aiming to revive the Chinese economy. Iron ore and steel demand is expected to remain resilient in China as supported by strong steel exports and manufacturing activities. It is believed that the iron ore and steel demand will remain dependent on the recovery of the Chinese economy. With the recovery path for China still bumpy, the iron ore market is expected to remain sensitive to Chinese policies and the iron ore demand and market prices are likely to remain volatile. Nevertheless, the Chinese steel mills could always find new customers and markets and it could be anticipated that any negative impact on iron ore demand would not be too severe at least in the short term.

Looking ahead, the Group shall continue to observe the macroeconomic developments and the impact of fiscal policies alongside any significant changes in supply and demand fundamentals in the iron ore and steel markets. The Group will also continue to identify and explore new supplies of iron ores and other commodities to further diversify the Group's product offerings and explore and capture mergers and acquisitions or investment opportunities and other collaboration for its sustainable development.

Corporate Governance Report

The Board is pleased to present this Corporate Governance Report for FY 2024.

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 2024, 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.

Corporate Culture

The Company recognises that a good corporate culture is essential for enhancing its corporate governance efforts and corporate image. Over the years, the Company has cultivated a culture that prioritises legal, ethical and responsible business practices, which is evident in its overall strategy, operations and management. This approach has been adhered to ensure the sustainable development of the Group in the long run. To promote open communications and high ethical standards among employees and management of the Group, the Group has implemented, among others, anti-corruption and whistleblowing policies, providing guidance to employees on identifying violations or misconduct, the reporting procedures and the consequences of violations. For further information on these policies of the Group, please refer to the paragraphs captioned Whistleblowing Policy and Anti-corruption Policy under the paragraph headed "Accountability and Audit" in this Corporate Governance Report.

Corporate Governance Report

The Board

Responsibilities

The Board is responsible for the strategic leadership and control of the Group, and oversees the Group's businesses, strategic decisions and performance. The Board also monitors the operations of the Group and satisfies itself that the Group's corporate culture is aligned with its purpose, values and strategy. All Directors act with integrity, lead by example, and promote such culture, to instill and continually reinforce across the Group the values of acting lawfully, ethically and be socially-responsible. The Board has delegated to the management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

Board Composition

The Board currently comprises seven Directors, consisting of two executive Directors, one non-executive Director and four independent non-executive Directors. All Directors possess the skills, experience and expertise either in the same industry or relevant to the management or the business of the Group. Each executive Director is suitably qualified for his position, and has sufficient experience to hold the position so as to carry out his duties effectively and efficiently. All Directors have given sufficient time and attention to the affairs of the Group.

Biographies of the Directors are set out in pages 34 to 39 of this annual report under the section headed "Directors' and Senior Management's Profile" and posted on the Company's website. The list of Directors (by category) is also set out under the section headed "Corporate Information" on page 127 of this annual report and disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified as such in all corporate communications of the Company.

Save as disclosed herein, none of the members of the Board has any relationship (including financial, business, family or other material/relevant relationship(s)) between each other.

Board Independence

As at the date of this annual report, the Company met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

Pursuant to rule 3.13 of the Listing Rules, the Company has received written confirmations from all the independent non-executive Directors confirming that they are independent, and considers all of the independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

The Board *(Continued)*

Board Independence *(Continued)*

The non-executive Director and independent non-executive Directors bring a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation and sharing of valuable impartial view on matters discussed at Board meetings, taking lead in managing issues involving potential conflict of interests and serving on Board committees, the non-executive Director and the independent non-executive Directors have made contributions to the effective direction of the Company.

The Board understands that independent views and input are vital elements to good corporate governance. The Company has mechanisms in place to ensure independent views and input are available to the Board, among others, (i) each individual Director can access to the advice from the senior management of and external independent professionals engaged by the Company directly, when necessary; and (ii) dedicated meetings between independent non-executive Directors and chairman of the Board or external auditors had been arranged for the independent non-executive Directors to express their views and raise any matters or irregularities which may have impact on the Company and provide constructive advice accordingly. The Board reviews the implementation and effectiveness of these mechanisms on an annual basis.

Chairman and Chief Executive Officer

The Company fully supports the division of responsibility between the chairman of the Board and the chief executive officer to ensure a balance of power and authority. Their respective responsibilities are clearly defined and set out in writing. During FY 2024, the role of chairman was held by Mr. Chong Tin Lung, Benny and the Company did not appoint a chief executive officer.

The chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice. With the support of the company secretary and the senior executives, the chairman is responsible for ensuring that the Directors receive adequate, accurate, clear, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings, and that all key and appropriate issues are discussed by the Board in a timely manner.

The role of chief executive officer focuses on achieving the Company's objectives and implementing policies and strategies approved and delegated by the Board. He/she is in charge of the Company's day-to-day management and operations and is also responsible for developing strategic plans and formulating the organisational structure, control systems and internal procedures and processes for the Board's approval. During FY 2024, the function of the chief executive officer is performed by the executive Director other than the chairman of the Board. The Board continually reviews the effectiveness of the Group's corporate governance structure to assess whether any change, including the appointment of a chief executive officer, is necessary.

The Board *(Continued)*

Appointment, Re-election and Removal of Directors

Each of the Directors is engaged on service contracts for a specific term of three years from their respective effective dates of appointment. All appointment may be terminated by not less than three months' prior written notice.

In accordance with the Articles, all the Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office until the first annual general meeting of the Company after his/her appointment, and shall then be eligible to offer himself/herself for re-election. Any further appointment of an independent non-executive Director, who has served the Board for more than nine years, shall be subject to a separate resolution to be approved by the Shareholders.

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles. The Nomination Committee is responsible for reviewing the Board's composition, structure and size, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors.

None of the Directors has a service contract which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

Nomination Committee

The Nomination Committee was established on 8 June 2011 and comprised five members, including Mr. Lee Kwan Hung, Eddie (Chairman of the committee), Mr. Tsui King Fai, Mr. Shin Yick, Fabian and Ms. Hang Qingli, all being independent non-executive Directors, and Mr. Chong Tin Lung, Benny, being an executive Director.

The specific written terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

Pursuant to the terms of reference, the principal duties of the Nomination Committee include the following:

- To review the structure, size, composition and diversity of the Board and to make recommendations on any proposed changes to the Board composition to complement the Group's corporate strategy;
- To identify candidates suitably qualified for appointment as the Directors;
- To make recommendations to the Board on appointment or re-appointment of the Directors and succession planning for the Directors;
- To review the board diversity policy, as appropriate, the measurable objectives adopted for implementing the policy and the progress on achieving the objectives; and
- To assess the independence of independent non-executive Directors.

The Board *(Continued)*

Nomination Committee *(Continued)*

The Nomination Committee has adopted written nomination policy which includes the nomination criteria, procedure and process for providing a formal, considered and transparent procedure to the Board for evaluating and selecting candidates for directorships. Where vacancy(ies) on the Board exists, the Nomination Committee will carry out the selection process by making reference to the expertise, skills, experience, professional knowledge, personal character, personal integrity and time commitments of the proposed candidate(s), the Company's needs and other relevant statutory requirements and regulations. The human resources department of the Company will assist and an external recruitment agency may be engaged to carry out the recruitment and selection process where necessary. The nomination policy for Directors can be viewed from the website of the Company.

A summary of the works performed by the Nomination Committee during FY 2024 is set out as follows:

– Reviewed the existing structure, size, composition and diversity of the Board to ensure that it has a balance of expertise, skills and experience appropriate for the business of the Group and that it is in compliance with the requirements of the Listing Rules;

– Reviewed the nomination policy for Directors and the board diversity policy;

– Assessed the independence of the independent non-executive Directors;

– Considered and recommended the re-appointment of the retiring Directors at the 2024 AGM; and

– Considered and recommended the appointment of a female independent non-executive Director.

In accordance with articles 106(1) and 106(2) of the Articles, Messrs. Chong Tin Lung, Benny and Tsui King Fai and Shin Yick, Fabian will retire from their office by rotation at the forthcoming AGM (the "2025 AGM"). In addition, pursuant to article 101(3) of the Articles, Ms. Hang Qingli, who has been appointed by the Board as an independent non-executive Director with effect from 1 July 2024 for a term of three years, shall hold office until the 2025 AGM. All the four Directors as mentioned above, being eligible, shall offer themselves for re-election as Directors at the 2025 AGM.

Mr. Tsui King Fai and Mr. Shin Yick, Fabian were appointed as independent non-executive Directors on 15 December 2010 and 14 August 2015 respectively and have served as independent non-executive Directors for more than nine years. Their re-election will therefore be subject to a separate resolution to be approved by the Shareholders at the 2025 AGM pursuant to code provision B.2.3 of part 2 of the CG Code.

The Board *(Continued)*

Nomination Committee *(Continued)*

The Nomination Committee recommended the re-appointment of Mr. Chong Tin Lung, Benny, Mr. Tsui King Fai, Mr. Shin Yick, Fabian and Ms. Hang Qingli at the 2025 AGM. The Company's circular, published together with this annual report, contains detailed information of the four Directors offering themselves for re-election as well as the considerations of the Nomination Committee in relation to its recommendation for the re-appointment pursuant to the requirements of the Listing Rules.

The Nomination Committee held two meetings during FY 2024 and the attendance records of the Nomination Committee members are as follows:

Name of Nomination Committee Member	Attendance/Number of Meeting(s) held
Mr. Lee Kwan Hung, Eddie *(Chairman)*	2/2
Mr. Chong Tin Lung, Benny	2/2
Mr. Tsui King Fai	2/2
Mr. Shin Yick, Fabian	2/2
Ms. Hang Qingli (Note)	0/0

Note: Ms. Hang Qingli was appointed with effect from 1 July 2024

Board Diversity

The Board adopted a board diversity policy setting out the approach to achieve diversity in the Board composition. As set out in the policy, a truly diverse Board will include and make good use of differences in the background, knowledge, skills, expertise, regional and industry experience, age, gender and other qualities of the members of the Board. These characteristics and objectives have been taken into account in determining the optimum composition of the Board. Board diversity has been considered and practised by the Company from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, skills, experience, knowledge, expertise and independence. The current Board is considered well-balanced in terms of the aforesaid characteristics and of a diverse mix appropriate for the business of the Group.

The Nomination Committee is responsible for the annual review of the measurable objectives, such as the length of services and professional knowledge of the Directors, adopted for implementing the board diversity policy in terms of nomination of potential candidates and re-appointment of existing Director(s) and the progress on achieving the objectives. The Nomination Committee will also review the board diversity policy, as appropriate, to ensure its effectiveness and recommend any proposed revisions to the Board for approval. Other than the Nomination Committee, as part of the annual review, the Board has also reviewed the implementation and effectiveness of the board diversity policy during FY 2024.

The Board *(Continued)*

Board Diversity *(Continued)*

In order to achieve gender diversity in the Board, Ms. Hang Qingli was appointed as an independent non-executive Director with effect from 1 July 2024. She had obtained the legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 25 June 2024 pursuant to rule 3.09D of the Listing Rules, and she had confirmed that she understood her obligations as a Director. The Company would continue to take note of gender balance and gender equality in future Board member recruitments.

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- To develop and review the Company's policies and practices on corporate governance;
- To review and monitor the training and continuous professional development of the Directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
- To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Induction and Continuing Development

All Directors have been given a Director's manual with relevant guideline materials regarding, among others, the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, the duty of disclosure of interests and the business of the Group.

Each newly appointed Director receives a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure that he/she has an appropriate understanding of the business and operations of the Group and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant statutory requirements. Such induction is normally supplemented with visits to the Group's premises and/or meetings with other Directors and the senior management of the Company.

The Board *(Continued)*

Induction and Continuing Development *(Continued)*

All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. In addition, they are also continually updated with the business and market changes to facilitate the discharge of their responsibilities.

The Directors confirmed that they have complied with code provision C.1.4 in part 2 of the CG Code about the requirement for the Directors' training. During FY 2024, all the Directors participated in continuous professional development by attending seminars, webinars, conferences, workshops, in-house briefings or reading materials and updates as summarised below to develop and refresh their knowledge and skills on the topics of corporate governance, regulatory development, business or management and other relevant topics, and provided confirmations on their records of training to the Company.

	Type of Continuous Professional Development	
Name of Director	**Attending Seminars/ Webinars/Conferences/ Workshops/In-house Briefings**	**Reading Materials and Updates**
Executive Directors		
Mr. Chong Tin Lung, Benny *(Chairman)*	√	
Mr. Luk Yue Kan	√	√
Non-executive Director		
Mr. Chen Hongyuan	√	
Independent Non-executive Directors		
Mr. Tsui King Fai	√	
Mr. Lee Kwan Hung, Eddie	√	
Mr. Shin Yick, Fabian	√	
Ms. Hang Qingli (Note)	√	√

Note: Ms. Hang Qingli was appointed with effect from 1 July 2024

Besides, continuous briefings and professional development for the Directors are arranged by the Company where necessary.

The Board *(Continued)*

Board Meetings

Board Practices and Conduct of Meetings

Regular Board meetings are held at least four times a year and additional Board meetings are held when the Board considers appropriate. Schedules for regular Board meetings are normally agreed with the Directors in advance in order to facilitate them to attend. Draft agenda of each Board meeting is sent to the Directors in order to give them an opportunity to include any other matters in the agenda for discussion in the meeting. Notices of regular Board meetings are served to all the Directors at least 14 days before the meetings. For other Board meetings and committee meetings, reasonable notice is generally given.

In respect of regular Board meetings or committee meetings and so far as practicable in all other cases, meeting papers are sent to the Directors or respective committee members in a timely manner and at least 3 days before the intended date of the respective meetings to keep the Directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management where necessary.

The chief financial officer and other relevant management normally attend regular Board meetings and where necessary, other Board meetings and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Group.

The company secretary is responsible for taking and keeping the minutes of all Board meetings and committee meetings. Draft minutes are circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

The Articles contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest. According to current Board practices, any material transaction, which involves a material conflict of interest for a Substantial Shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting.

The Board *(Continued)*

Board Meetings *(Continued)*

Directors' Attendance Records and Time Commitment

During FY 2024, five Board meetings and one general meeting were held for reviewing and approving the financial and operating performance and other matters accordingly.

The attendance records of individual Directors at the following meetings during FY 2024 are as follows:

	Attendance/Number of Meeting(s) held during the respective term of services	
Name of Director	**Board Meeting(s)**	**AGM**
Executive Directors		
Mr. Chong Tin Lung, Benny *(Chairman)*	5/5	1/1
Mr. Luk Yue Kan	5/5	1/1
Non-executive Director		
Mr. Chen Hongyuan	5/5	1/1
Independent Non-executive Directors		
Mr. Tsui King Fai	5/5	1/1
Mr. Lee Kwan Hung, Eddie	5/5	1/1
Mr. Shin Yick, Fabian	5/5	1/1
Ms. Hang Qingli (Note)	2/2	0/0
Total number of meetings held during FY 2024	**5**	**1**

Note: Ms. Hang Qingli was appointed with effect from 1 July 2024

Apart from the above Board meetings, a meeting between the chairman and the independent non-executive Directors without the presence of other Directors was also held during FY 2024.

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 to all the Directors and all of them have confirmed that they have complied with the required standards as set out in the Model Code throughout FY 2024.

The Board *(Continued)*

Model Code for Securities Transactions *(Continued)*

The Company has also established written guidelines (the "Code for Securities Transactions by Relevant Employees") on terms no less exacting than the required standards as set out in the Model Code for securities transactions in relation to the securities of the Company by employees of the Group who are likely to be in possession of unpublished inside information. Each of the relevant employees has been given a copy of the Code for Securities Transactions by Relevant Employees.

The Company was not aware of any incident of non-compliance with the Model Code by the Directors or the Code for Securities Transactions by Relevant Employees by the relevant employees throughout FY 2024.

Formal notifications were sent by the Company to its Directors and relevant employees reminding them that they should not deal in the securities of the Company during the "black-out period" in accordance with requirements under the Model Code.

Delegation of Management Functions

The overall management and control of the Company's business are vested in its Board. The Board is responsible for establishing policies, strategies and plans, providing leadership in the attainment of the objective of creating value to Shareholders, and, on behalf of Shareholders, overseeing the Company's financial performance. All Directors carry out their duties in good faith and in compliance with the standards of applicable laws and regulations, take decisions objectively and act in the interests of the Company and its Shareholders at all times.

The Board reserves its decision for all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of the Directors and other significant financial and operational matters.

All the Directors have full and timely access to all relevant information as well as the advice and services of the company secretary and senior management, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expenses, upon making reasonable request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the senior management, which include the implementation of decisions of the Board, the co-ordination and direction of day-to-day operation and management of the Company in accordance with the management strategies and plans approved by the Board, formulating and monitoring the operating plans and budgets, and supervising and monitoring the control systems. The Board has the full support of the senior management for the discharge of its responsibilities.

Delegation of Management Functions *(Continued)*

The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the senior management.

The Board has established four committees, namely, the Nomination Committee, the Investment Committee, the Remuneration Committee and the Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company were established with defined written terms of reference which (except for the terms of reference of the Investment Committee) can be viewed from the websites of the Company and the Stock Exchange and are also available to the Shareholders upon request.

The majority of the members of each Board committee (except for the Investment Committee) are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under the section headed "Corporate Information" on page 127 of this annual report.

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expenses.

Investment Committee

The Investment Committee was established on 7 October 2016 and comprised three members, including Mr. Chong Tin Lung, Benny (Chairman of the committee) and Mr. Luk Yue Kan, both being executive Directors, and Mr. Chen Hongyuan, being a non-executive Director.

The specific written terms of reference of the Investment Committee were approved and adopted by the Board.

Pursuant to the terms of reference, the duties of the Investment Committee include the following:

- To consider, review, evaluate and approve investment proposals, including but not limited to trading of listed and unlisted debt or equity securities, structured products, and treasury products, for consideration at or below 5% of the total assets of the Group (as published in its latest interim or annual financial statements where applicable) or the market capitalisation of the Company, whichever is the lower (collectively the "Allowable Threshold"). All Directors shall report any investment proposal they have formulated or any reasonable investment opportunity that has come to their attention to the Committee as soon as possible. For investment proposals with consideration exceeding the Allowable Threshold, the Committee shall review and make recommendations to the Board;

- To review and make recommendations to the Board for appropriate securities dealing, investment and treasury strategies; and

- To consider such other topics and matters as may be delegated by the Board from time to time.

Delegation of Management Functions *(Continued)*

Investment Committee *(Continued)*

A summary of the work performed by the Investment Committee during FY 2024 is set out as follows:

– Reviewed its terms of reference.

The Investment Committee held one meeting during FY 2024 and the attendance records of the Investment Committee members are as follows:

Name of Investment Committee Member	Attendance/Number of Meeting(s) held
Mr. Chong Tin Lung, Benny *(Chairman)*	1/1
Mr. Luk Yue Kan	1/1
Mr. Chen Hongyuan	1/1

Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of the Directors and the senior management. The remuneration packages and benefits of the Directors and senior management are determined in accordance with their duties and responsibilities with the Company, time commitment and contributions to the Company, performance and current market conditions. The Remuneration Committee will assess, review and make recommendations to the Board on the remuneration packages and benefits of the Directors and senior management at least once a year or as and when required. Details of the remuneration of each of the Directors and the senior management for FY 2024 are set out in Note 6 to the consolidated financial statements.

Remuneration Committee

The Remuneration Committee was established on 8 June 2011 and comprised five members, including Mr. Lee Kwan Hung, Eddie (Chairman of the committee), Mr. Tsui King Fai, Mr. Shin Yick, Fabian and Ms. Hang Qingli, all being independent non-executive Directors, and Mr. Chong Tin Lung, Benny, being an executive Director.

The specific written terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange. Pursuant to the terms of reference, the primary duties of the Remuneration Committee include (i) making recommendations to the Board on (a) the Company's policies and structure of the remuneration of the Directors and senior management; and (b) the remuneration packages of the Directors and the senior management, including benefits in kind, pension rights and compensation payments and; (ii) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules. 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 should be involved in deciding his/her own remuneration.

Remuneration of Directors and Senior Management *(Continued)*

Remuneration Committee *(Continued)*

The human resources department of the Company is responsible for collection and administration of the human resources data and making proposals to the Remuneration Committee for consideration. The Remuneration Committee would further consult with the chairman of the Board about these proposals on remuneration policy and structure and remuneration packages.

The Remuneration Committee held three meetings during FY 2024 and the attendance records of the Remuneration Committee members are as follows:

Name of Remuneration Committee Member	Attendance/Number of Meeting(s) held
Mr. Lee Kwan Hung, Eddie *(Chairman)*	3/3
Mr. Chong Tin Lung, Benny	3/3
Mr. Tsui King Fai	3/3
Mr. Shin Yick, Fabian	3/3
Ms. Hang Qingli (Note)	0/0

Note: Ms. Hang Qingli was appointed with effect from 1 July 2024

A summary of the work performed by the Remuneration Committee during FY 2024 is set out as follows:

– Reviewed the remuneration policy and structure of the Company;

– Reviewed and recommended to the Board on the remuneration packages for FY 2024 and the discretionary bonus for FY 2023 of Directors and senior management of the Company;

– Reviewed the renewal of service agreement with two executive Directors and recommended to the Board for approval; and

– Reviewed the letter of appointment in respect of the appointment of a female independent non-executive Director and recommended to the Board for approval.

Accountability and Audit

Directors’ Responsibilities for Financial Reporting in respect of Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group and other financial disclosures required under the Listing Rules. The management has provided the Board with such explanation and information to enable it to carry out an informed assessment of the financial position of the Company and the Group which are put to the Board for approval.

The Board is responsible for presenting a balanced, clear and understandable assessment of the annual report and overseeing the preparation of the financial statements of the Company and the Group with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and that relevant statutory and regulatory requirements and applicable accounting standards are complied with.

During FY 2024, the management has provided the Board with monthly updates so as to give the Directors a balanced and understandable assessment of the Company’s performance, financial position and prospects.

Accountability and Audit *(Continued)*

Risk Management and Internal Control

The Board acknowledges its responsibility for the risk management and internal control systems of the Group and reviewing their effectiveness; in particular, it is responsible for evaluating and determining the nature and extent of the risks (including ESG risks) that the Group is willing to take in maintaining the appropriate and effective risk management and internal control systems for the Group to safeguard the investments of the Shareholders and the assets of the Company. Such systems of the Group are designed to facilitate effective and efficient operations, to ensure the reliability of financial reporting and the compliance with applicable laws and regulations, to identify and manage the potential risks, and to safeguard the assets of the Group. The systems have been established to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risks of failure to achieve business objectives.

During FY 2024, the Board, through the Audit Committee, conducted a review of the effectiveness of the risk management and internal control systems of the Group covering all material controls in areas such as finance, operations, ESG and compliance. The Board concluded that in general, the Group's risk management and internal control systems, processes for financial reporting and Listing Rules compliance as well as ESG performance and reporting (details of which are set out in the 2024 ESG Report of the Company) are effective and adequate.

The Risk Management Department, the Company's internal audit function, conducts evaluation of the Group's internal controls on an on-going basis. The Risk Management Department takes a risk-based approach to review the effectiveness of the Group's material internal controls and risk management so as to provide assurance that key business, ESG and operational risks are identified, evaluated and managed. The work carried out by the Risk Management Department will ensure the internal controls are in place and functioning as intended. The Risk Management Department reports to the Audit Committee with its findings and makes recommendations to improve the internal control of the Group.

To strengthen the Group's corporate governance, the Company engaged a professional firm during FY 2024 to provide support on the risk management and execution of the internal audit plan. The Risk Management Department liaises with such professional firm on the preparation of internal audit reports and submits the same annually to the Audit Committee to report the internal audit findings and status update to enable the Audit Committee to make assessment on the effectiveness of risk management and internal control systems of the Group. Management is responsible for ensuring appropriate actions are taken to rectify any control weaknesses highlighted in the internal audit reports within a reasonable period. During FY 2024, the Group has not identified any significant control deficiencies or weaknesses, and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Group's financial performance or condition.

The Company has in place an integrated framework of risk management and internal control which is consistent with the principles outlined in the "Internal Control and Risk Management – A Basic Framework" issued by the Hong Kong Institute of Certified Public Accountants. The key control measures are summarised below:

Accountability and Audit *(Continued)*

Risk Management and Internal Control *(Continued)*

Monitoring

- Ongoing assessment of control systems' performance.
- Internal audits performed periodically by Risk Management Department.
- Review the effectiveness of the internal control procedures in place to ensure business operation of the Group are conducted in compliance with the Listing Rules, and report the findings to the Board.

Information and Communication

- Information in sufficient details is provided to the right person timely.
- Channels of communication developed within the Group and with external parties to ensure information are documented and communicated in a timely manner.
- Channels of communication for people to report any suspected improprieties.
- To ensure compliance with the continuous disclosure obligation of inside information, the Group has adopted a policy for handling and dissemination of inside information. The policy provides guidance to officers on whether the information shall be considered as inside information, and if so, officers shall report to the Board for disclosure. The Group has communicated to the officers regarding the policy in place and has reminded the officers of their reporting obligation from time to time.

Control Activities

- Policies and procedures set to ensure management directives are carried out.
- Control points implanted to safeguard the Group from those identified risks.

Risk Assessment

- Identification, evaluation and assessment of the key risk factors affecting the achievement of the Company's objectives are performed regularly.
- Undertake proper actions to manage the risks so identified.

Control Environment

- Channels to communicate the Company's commitment to integrity and high ethical standards to the staff are established.
- Proper delegation and clear line of reporting, responsibility and accountability within the Group.

Risk management is an essential part of corporate governance. Effective risk management facilitates the Group's business development and operation by setting the appropriate risk appetite, maintaining an optimal risk level and most importantly, proactively managing risks (including ESG risks). The Group's risk management is the responsibility of every management and embedded in daily operation of every business unit and staff.

Accountability and Audit *(Continued)*

Whistleblowing Policy

Whistleblowing plays an important role in effective risk management and internal control systems of a company. The Group has adopted a whistleblowing policy and system since March 2012 and had the policy revised in December 2015 which provide guidance and channels for its employees and those who deal with the Group to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matter related to the Group and details of how the reported cases will be handled by the Group.

Anti-Corruption Policy

Guiding principles on the standards of behaviour to which an employee should adhere and the kinds of behaviour that may constitute potential bribery and corruption have been incorporated into the "Code of Conduct" provided to the staff members when they join the Group. Meanwhile, training were provided to the Directors and training materials were provided to the staff members from senior to operational levels to upkeep the awareness and importance of anti-corruption within the Group during FY 2024.

Audit Committee

The Audit Committee was established on 8 June 2011 and comprised four 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, Mr. Shin Yick, Fabian 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 and the Stock Exchange.

Pursuant to the terms of reference, the main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the staff responsible for accounting and financial reporting function, internal auditor or external auditor before submission to the Board;

- To ensure co-ordination between internal and external auditors of the Group, and to ensure that the internal audit function of the Group is adequately resourced and has appropriate standing within the Group, and to review and monitor its effectiveness;

- To govern the relationship with the external auditor by reference to the work performed by it, its fees and the terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditor;

- To review the adequacy and effectiveness of the Group's financial reporting system, risk management and internal control systems and associated procedures; and

- To oversee the risk management and internal control systems of the Group and to report to the Board on any material issues, and make recommendations to the Board.

Accountability and Audit *(Continued)*

Audit Committee *(Continued)*

A summary of work performed by the Audit Committee during FY 2024 is set out as follows:

– Reviewed the accounting principles and practices adopted by the Group, the annual financial statements of the Group for FY 2023 and the interim financial report of the Group for the six-month ended 30 June 2024;

– Met with the external auditor and reviewed its work and findings relating to the annual audit for FY 2023 and the effectiveness of the audit procedures;

– Reviewed and confirmed its satisfaction with the effectiveness of the risk management and internal control systems of the Group, including effectiveness of the Risk Management Department, the Company's internal audit function;

– Met with the internal auditor and reviewed and approved the internal audit report for FY 2023;

– Reviewed and approved the internal audit plan for the three years ending 31 December 2025;

– Reviewed the external auditor's independence and the audit plan, approved the engagement of external auditor and recommended to the Board on the re-appointment of external auditor;

– Reviewed the financial reporting and compliance procedures and the report from the management on the Company's risk management and internal control systems; and

– Noted the impact on the Group's financial reporting in respect of new and amendments to accounting standards.

The Audit Committee held two meetings during FY 2024 and the attendance records of the Audit Committee members are as follows:

Name of Audit Committee Member	Attendance/Number of Meeting(s) held
Mr. Tsui King Fai *(Chairman)*	2/2
Mr. Lee Kwan Hung, Eddie	2/2
Mr. Shin Yick, Fabian	2/2
Ms. Hang Qingli (Note)	1/1

Note: Ms. Hang Qingli was appointed with effect from 1 July 2024.

Accountability and Audit *(Continued)*

Audit Committee *(Continued)*

The external auditor was invited to attend the meetings with the Audit Committee without the presence of the executive Directors and senior management to discuss any issues arising from the audit and financial reporting matters. After each meeting, the chairman of the Audit Committee provided the Board with a briefing on the significant issues discussed, if any. An Audit Committee meeting was also held in March 2025 to review and consider, among others, the Group's annual results and annual report for FY 2024.

External Auditor's Independence and Remuneration

The Audit Committee is mandated to review and monitor the independence of the external auditor to ensure the objectivity and the effectiveness of the audit of the financial statements in accordance with applicable auditing standards. Members of the Audit Committee were of the view that the Company's external auditor, Messrs. Ernst & Young, is independent and has recommended the Board to re-appoint it as the Company's auditor at the 2025 AGM. During FY 2024, the external auditor has rendered audit and non-audit services to the Company. The statement about its reporting responsibilities for the Company's financial statements is set out in the section headed "Independent Auditor's Report" on pages 50 to 54 of this annual report.

A summary of audit and non-audit services provided by the external auditor for FY 2024 and its corresponding remuneration is set out below:

Category of Services	**Fees Paid/ Payable** US$'000
Audit/review services	
– Interim review services	71
– Annual audit services	190
Non-audit services	
– Tax advisory services	12
Total	**273**

Company Secretary

Mr. Luk Yue Kan, the company secretary of the Company (the "Company Secretary") who is also an executive Director, the chief financial officer and a member of the Investment Committee of the Company, is a full time employee of the Company and has knowledge of the Company's day-to-day affairs. The Company Secretary reports to the chairman of the Board and is responsible for advising the Board on governance matters. During FY 2024, the Company Secretary undertook no less than 15 hours of relevant professional training. His biography is set out on page 34 of this annual report under the section headed "Directors' and Senior Management's Profile".

Diversity Across Workforce

The Group is considered to have a balanced workforce in respect of gender. As at 31 December 2024, the Group has about 48% female representation in its total workforce (excluding the Directors) as there is no specific gender prerequisite for candidates engaging in the Resources Business. The Group is not aware of any mitigating factor or circumstance which would make achieving gender diversity across the workforce more challenging or less relevant.

Amendments to the Constitutional Documents

During FY 2024, amendments had been made to the Articles with the approval from Shareholders in the 2024 AGM in order to conform to the requirement of electronic dissemination of corporate communications to Shareholders as required by the Listing Rules with effect from 31 December 2023, to bring the Articles in line with the applicable laws of the Cayman Islands as well as for house-keeping purposes. Details of the amendments are set out in the circular of the Company dated 29 April 2024.

The latest version of the memorandum and articles of association of the Company are available on the websites of the Company and the Stock Exchange.

Communications with the Shareholders and Investor Relations

The Company is committed to upholding the highest standards of corporate governance and maintaining effective communication with the Shareholders and investors. A shareholders' communication policy, which contains the channels for Shareholders to communicate their views on various matters affecting the Company as well as the steps taken to solicit and understand the views of the Shareholders, is available on the website of the Company. A summary of the Company's Shareholders' communication policy is set out below:

– The Board shall maintain on-going dialogue with the Shareholders and the investment community;

– Communications strategies between the Company and the Shareholders include (i) the raising of enquiries by Shareholders to the Company through designated contacts provided by the Company; (ii) the dissemination of bilingual corporate communications by the Company; (iii) the publication of information and materials in relation to the Company on the websites of the Company and the Stock Exchange; (iv) the holding of Shareholders' meetings; and (v) any other activities conducted in order to facilitate the communications between the Company, the Shareholders and the investment community.

Communications with the Shareholders and Investor Relations *(Continued)*

The Board has reviewed the Shareholders' communication policy and considered that it was effectively implemented during the FY 2024 on the basis that:

- All announcements, circulars, annual and interim reports are available on the website of the Company in a timely manner after publishing the same on the website of the Stock Exchange so that the Shareholders and the investment community at large are provided with ready, equal and timely access to the latest information and the current development about the Company;

- A physical AGM was held to reach out to individual Shareholders and the stakeholders within the investment community to encourage their participation and raise questions. Electronic voting was conducted at the meeting to shorten the time spent, as well as ensuring the privacy and accuracy, on vote counting;

- Requisite requirements for convening general meetings of the Company are set out in the section headed "Shareholders' Rights" below. Details can also be found in the Company's memorandum and articles of association which can be viewed on the websites of the Company and the Stock Exchange; and

- Shareholders' requests, as received directly or through the Company's branch share registrar in Hong Kong, were attended to by the Company promptly.

General meetings of the Company also provide a forum for communications between the Board and the Shareholders. The chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee, Audit Committee and Investment Committee or, in their absence, other members of the respective committees are available to answer questions at general meetings.

The 2025 AGM is scheduled to be held on 12 June 2025. The notice of AGM will be sent to the Shareholders not less than 21 days (and at least 20 clear business days) before the AGM.

The Company has investor relations team, led by an executive Director, to meet existing Shareholders and potential investors, research analysts and investment managers from time to time.

To promote effective communication, the Company maintains a website at www.newton-resources.com, where up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. Investors may also write directly to the Company at its principal place of business in Hong Kong or via email to ir@newton-resources.com for any enquiries.

Shareholders' Rights

In accordance with article 68 of the Articles, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the voting rights, on a one vote per share basis, of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board and to put forward resolutions specified in such requisition by the procedures below:

The Shareholder shall deposit a requisition in writing at the Company's principal place of business in Hong Kong at Units 4204-05, 42/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong (marked for the attention of the Company Secretarial Department) or 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, to require an extraordinary general meeting to be convened.

The requisition must specify the objects of the meeting and the resolutions to be added to and be passed at the required extraordinary general meeting and must be signed by the Shareholder concerned. If the requisition is confirmed as proper and valid, an extraordinary general meeting shall be convened within 21 days from the date of deposit of such requisition subject to the requirements of the relevant Articles and the Listing Rules. In case an extraordinary general meeting could not be convened upon the request, the Company will inform the Shareholder accordingly.

If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene the extraordinary general meeting in the same manner provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

For enquiries to the Board, the Shareholder shall contact the Investor Relations Department at the Company's principal place of business in Hong Kong at Units 4204-05, 42/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong or by e-mail to ir@newton-resources.com. The Company will endeavour to respond to their queries in a timely manner.

As one of the measures to safeguard the Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at the Shareholders' meetings, including the election of individual Directors, for the Shareholders' consideration and voting.

All resolutions put forward at the Shareholders' meetings will be voted by poll pursuant to the Listing Rules and the Articles, and the poll voting results will be published on the websites of the Company and the Stock Exchange after the relevant general meeting in accordance with the requirements of the Listing Rules.

Shareholders may at any time change their choice of language (English or Chinese or both) or means of receipt (printed form or through electronic means on the Company's website) of corporate communications by writing or email to the Company or its branch share registrar in Hong Kong.

Dividend Policy

The Company has adopted a dividend policy, pursuant to which the Shareholders will be entitled to receive any dividend the Company declares. The payment and amount of any dividend will be at the discretion of the Board and will depend on the Group's general business condition and strategies, cash flows, financial results, capital requirements and taxation conditions, interests of respective Shareholders, statutory restrictions, and other factors that the Board deems relevant.

The payment of any dividend will also be subject to the laws of the Cayman Islands as amended from time to time and the Company's constitutional documents, which indicate that payment of dividends out of the Company's share premium account is possible on the condition that the Company is able to pay its debts when they fall due in the ordinary course of business at the time the proposed dividend is to be paid.

In general, the Company does not expect to declare dividends in a year where it does not have any distributable earnings.

The Company currently intends to retain certain, if not all, of its available funds and future earnings to operate and expand its business and/or acquisitions.

Cash dividends on the Shares, if any, will be paid in HKD.

The Board reviews the dividend policy on an annual basis.

Going Concern

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

Directors' and Senior Management's Profile

Board of Directors

Mr. Chong Tin Lung, Benny
Chairman/Executive Director

Mr. Chong, aged 52, was appointed as an executive Director, the chairman of the Board and the Investment Committee and a member of each of the Nomination Committee and the Remuneration Committee with effect from 9 April 2018. He is also a director of subsidiaries of the Company.

Mr. Chong is currently an executive director, the executive chairman and the chief executive officer of Auto Italia Holdings Limited (stock code: 720), a company listed on the mainboard ("Main Board") of the Stock Exchange.

Mr. Chong is the founder and a director of VMS Investment Group Limited, which is a Substantial Shareholder of the Company and has served as its chairman since its establishment in 2006. He also founded VMS Holdings Limited and is its director. Mr. Chong has accumulated over 30 years of experience in the financial and investments industry. VMS Holdings Limited is principally engaged in proprietary investments, private equity, asset management, securities brokerage and corporate finance advisory services.

Mr. Chong is a Chartered Financial Analyst. He obtained a Bachelor of Commerce from the University of Toronto in 1994 and a Master of Science in Investment Management from the Hong Kong University of Science and Technology in 2000.

Mr. Chong is the son of Ms. Mak Siu Hang, Viola, who was a Substantial Shareholder of the Company as at 31 December 2024.

Mr. Chong was subject to a reprimand by the SFC in 2003. No prosecution had been brought against him as a result. For details, please refer to the Company's announcement dated 27 March 2018.

Mr. Luk Yue Kan
Executive Director/Chief Financial Officer/Company Secretary

Mr. Luk, aged 49, was appointed as an executive Director and the chief financial officer of the Company on 1 April 2015 and is a member of the Investment Committee. He joined the Company in March 2011 as the financial controller. In November 2011, he assumed the additional role of company secretary of the Company. He oversees the business, treasury management, financial reporting, company secretarial, human resources, risk management, mergers and acquisitions and investor relations matters of the Company. He is also a senior management of the Company and a director and company secretary of subsidiaries of the Company.

Mr. Luk holds an Executive MBA degree from Richard Ivey School of Business at The Western University in Canada and a Bachelor's degree in Accountancy from the Hong Kong Polytechnic University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, and a fellow member and a Chartered Tax Advisor of the Taxation Institute of Hong Kong. Mr. Luk has over 20 years' experience in auditing, accounting and financial management.

Board of Directors *(Continued)*

Mr. Chen Hongyuan
Non-Executive Director

Mr. Chen, aged 45, was appointed as a non-executive Director of the Company on 27 October 2023 and was also appointed as a member of the Investment Committee on 22 November 2023. He is currently the general manager of the corporate finance department of Shougang Holding (Hong Kong) Limited ("Shougang Hong Kong").

From July 2016 to March 2022, Mr. Chen served as a senior vice president and a deputy general manager of the corporate finance department in Beijing Shougang Fund Co., Ltd. ("Shougang Fund"). Concurrently, he had also been designated as the financial controller of each of Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd. (now known as Shoucheng Rongshi (Beijing) Fund Management Co., Ltd.) and Beijing Vstartup Investment Development Co., Ltd. (now known as Beijing Vstartup Co., Ltd.). Both Shougang Fund and Shougang Hong Kong are wholly-owned subsidiaries of Shougang Group Co., Ltd., which is a Substantial Shareholder of the Company.

Mr. Chen graduated from the University of Science and Technology Beijing with a bachelor's degree in Accounting. He has extensive experience and knowledge in the field of financial management and capital market.

Directors' and Senior Management's Profile

Board of Directors *(Continued)*

Mr. Tsui King Fai
Independent Non-executive Director

Mr. Tsui, aged 75, was appointed as an independent non-executive Director on 15 December 2010 and is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee.

Mr. Tsui currently holds positions in the following companies listed on the Main Board of the Stock Exchange:

Name of Company	Title
Lippo Limited (stock code: 226)	Independent non-executive director
Hongkong Chinese Limited (stock code: 655)	Independent non-executive director

Mr. Tsui was a director and senior consultant of WAG Worldsec Corporate Finance Limited up to his resignation on 30 June 2016. Moreover, he was an independent non-executive Director of Lippo China Resources Limited (stock code: 156) and China Aoyuan Group Limited (stock code: 3883), companies listed on the Main Board of the Stock Exchange, up to his resignation on 30 December 2022 and 20 January 2023 respectively. Mr. Tsui was no longer an independent non-executive director of Vinda International Holdings Limited (stock code: 3331) with effect from 16 August 2024, the date on which its shares were withdrawn from listing on the Main Board of the Stock Exchange.

Mr. Tsui graduated from the University of Houston with a Master of Science in Accountancy degree and a Bachelor of Business Administration degree with first class honors awarded in 1974 and 1973 respectively.

Mr. Tsui is a fellow member of the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and a member of each of the Chartered Accountants Australia and New Zealand, and the American Institute of Certified Public Accountants. He has extensive experience in accounting, finance and investment management, particularly in investments in China. Mr. Tsui had worked for two of the "Big Four" audit firms in Hong Kong and the United States of America.

Board of Directors *(Continued)*

Mr. Lee Kwan Hung, Eddie
Independent Non-executive Director

Mr. Lee, aged 59, was appointed as an independent non-executive Director on 15 December 2010 and is the chairman of each of the Remuneration Committee and the Nomination Committee and a member of the Audit Committee. Currently, he is a consultant of Howse Williams.

Mr. Lee currently also holds positions in the following companies listed on the Main Board of the Stock Exchange:

Name of company	Title
Embry Holdings Limited (stock code: 1388)	Independent non-executive director
NetDragon Websoft Holdings Limited (stock code: 777)	Independent non-executive director
Tenfu (Cayman) Holdings Company Limited (stock code: 6868)	Independent non-executive director
FSE Lifestyle Services Limited (stock Code: 331)	Independent non-executive director
Ten Pao Group Holdings Limited (stock Code: 1979)	Independent non-executive director

Moreover, Mr. Lee was an independent non-executive director of Renze Harvest International Limited (formerly known as Glory Sun Financial Group Limited) (stock code:1282) and Red Star Macalline Group Corporation Ltd. (stock code:1528), up to his resignation on 17 July 2022 and 15 August 2023 respectively.

Mr. Lee holds a Bachelor of Laws (Honours) degree and Postgraduate Certificate in Laws from the University of Hong Kong. He was admitted as a solicitor in Hong Kong and the United Kingdom and is a practising lawyer. Between 1993 and 1994, Mr. Lee was a senior manager in the Listing Division of the Stock Exchange. Mr. Lee was a partner of Woo Kwan Lee & Lo between 2001 and 2011.

Board of Directors *(Continued)*

Mr. Shin Yick, Fabian
Independent Non-executive Director

Mr. Shin, aged 56, was appointed as an independent non-executive Director on 14 August 2015 and is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Shin currently holds positions in the following companies listed on the Main Board of the Stock Exchange:

Name of Company	Title
Lisi Group (Holdings) Limited (stock code: 526)	Independent non-executive director
Zhengye International Holdings Company Limited (stock code: 3363)	Independent non-executive director

Mr. Shin was a senior consultant of a China-based securities company from June 2018 to January 2019, the chief executive officer of a private corporate finance company from August 2015 to May 2018 and the deputy chief executive officer of CMB International Capital Limited from February 2010 to July 2015. Mr. Shin has over 30 years of experience in investment banking and financial management. Prior to joining CMB International Capital Limited, he worked in several investment banks in Hong Kong.

Mr. Shin was a non-executive director of Pak Tak International Limited (stock code: 2668), a company listed on the Main Board of the Stock Exchange, up to his resignation on 3 February 2023. He was no longer an independent director of Olympic Circuit Technology Co., Ltd., a company listed on The Shanghai Stock Exchange (stock code: 603920), with effect from 13 January 2025.

Mr. Shin graduated from the University of Birmingham in England with a Bachelor's degree in commerce. After graduation, he worked in the audit department of Deloitte Touche Tohmatsu. He had also worked in a listed company in Hong Kong as group financial controller. He is a fellow member of The Association of Chartered Certified Accountants. Mr. Shin resigned from his membership with the HKICPA and was no longer its fellow member with effect from 31 August 2021. Mr. Shin also resigned from his membership with The Chartered Governance Institute and The Hong Kong Chartered Governance Institute respectively and was no longer a fellow member of these two Institutes with effect from 27 August 2024.

Mr. Shin was subject to a public sanction imposed by the SFC in September 2020 and, for the same incident, he was also reprimanded by the HKICPA in August 2021. Further details of these incidents were set out in the Company's announcements dated 16 September 2020 and 25 August 2021, respectively.

Board of Directors *(Continued)*

Ms. Hang Qingli
Independent Non-Executive Director

Ms. Hang, aged 50, was appointed as an independent non-executive Director with effect from 1 July 2024 and is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee.

She was also appointed as a non-executive director of Auto Italia Holdings Limited (stock code: 720) on 26 November 2024.

From 2019 to 2023, Ms. Hang worked at McKinsey & Company, a reputable international consultancy firm, in the last capacity of a manager. She has extensive experience and knowledge in business consulting, planning and implementation, especially in the areas of business growth and strategic development, environmental, social and governance initiatives, transformation of operation model, succession planning and business sustainability with clientele mainly in the steel and mining sectors. Before that, she worked in the group companies of Shougang Group Co., Ltd. as an assistant general manager from 2010 to 2018 and as a senior manager from 2018 to 2019. She acquired vast experience in strategic planning, investment and acquisition and operation optimisation during her tenure of services with Shougang group of companies. She was a manager or a senior manager in multi-national corporations from 1995 to 2010.

Ms. Hang graduated from the Shanghai Jiao Tong University with a bachelor's degree in Applied Mathematics in 1995 and obtained a Master degree in Business Administration in University of Pennsylvania in 2006.

Report of the Directors

The Directors present their report and the audited consolidated financial statements of the Group for FY 2024.

Principal Activities and Business Review

The principal activity of the Company is investment holding. The principal activities and other particulars of its principal subsidiaries are set out in Note 1 to the consolidated financial statements. Further discussion and analysis of the activities as required by Schedule 5 to the Companies Ordinance, including a fair review of the Group's business, a description of the principal risks and uncertainties facing the Group, an indication of likely future development in the Group's business, and a review of the financial performance of the Group can be found in the Management Discussion and Analysis set out on pages 3 to 10 of this annual report. Discussions on the Group's environmental policies and performance, compliance with the relevant laws and regulations that have a significant impact on the Group, and key relationships with its employees, customers and suppliers and others that have a significant impact on the Group and on which the Group's success depends are set forth in the sections headed "Environmental Policies and Performance", "Compliance with Relevant Laws and Regulations" and "Relationships with Stakeholders" in this report of the Directors. The abovementioned discussions form parts of the business review as contained in this report of the Directors.

Results and Appropriations

The results of the Group for FY 2024 and the Group's financial position as at 31 December 2024 are set out in the consolidated financial statements on pages 55 to 123 of this annual report.

The Directors do not recommend the payment of a final dividend for FY 2024 (2023: Nil).

Share Capital

There were no movements in the Company's share capital during the year.

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to the existing Shareholders.

Equity-linked Agreements

Save for the 2020 Share Option Scheme (as defined below) set out in the section headed "Share Option Scheme" in this report of the Directors and Note 19 to the consolidated financial statements, no equity-linked agreements were entered into during FY 2024 or subsisted at the end of FY 2024.

Distributable Reserves

As at 31 December 2024, the Company did not have any reserves available for distribution, calculated in accordance with the Companies Act (As Revised) of the Cayman Islands. The share premium account of the Company is available for distribution or payment of dividends to the Shareholders subject to the provisions of the Articles and provided that immediately following the distribution or the payment of dividends, the Company is able to pay its debts immediately as they fall due in the ordinary course of business.

Financial Summary

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 124 of this annual report.

Loans and Borrowings

Particulars of the loans and borrowings of the Group as at 31 December 2024 are set out in Note 16 to the consolidated financial statements.

Permitted Indemnity Provision

Under the Articles, the Company had a permitted indemnity provision (as defined in section 469 of the Companies Ordinance) in force for the benefit of the Directors throughout the Reporting Period and as at the date of approval of this report of the Directors, pursuant to which the Company shall indemnify any Director against any liability or loss suffered or expenses reasonably incurred by the Director in connection with any action, suit or proceeding in which he is involved by reason of being a Director, and in which judgement is given in his favour or in which he is acquitted. The Company has maintained insurance cover for Directors' and officers' liabilities in respect of legal actions against the Directors arising out of corporate activities.

Important Past Year End Events

Since 31 December 2024, being the end of the financial year under review, and up to the date of this annual report, there was no important event materially affecting the Group.

Purchase, Sale or Redemption of the Company's Listed Securities

During FY 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

Environmental Policies and Performance

The Group actively fulfils its social responsibility of enhancing environmental protection. The Group engages suppliers and service providers that place high priority on and show recognition of environmentally-friendly practices. In addition, the Group strives to raise its employees' environmental awareness and competence on environmental conservation through green office guidelines. Information about the Group's environmental policies and performance for FY 2024 is disclosed in the 2024 ESG Report of the Company.

Compliance with Relevant Laws and Regulations

The Company is a limited liability company incorporated in the Cayman Islands with its shares listed on the Main Board of the Stock Exchange. The Group's businesses are mainly conducted through its subsidiaries incorporated in Hong Kong with its customers, suppliers and business partners mainly located in Mainland China, Australia, South Africa and Hong Kong. During FY 2024, the Group was not aware of any material non-compliance or breach of the applicable laws and regulations of the relevant jurisdictions by any member of the Group.

Relationship with Stakeholders

The Group recognises that employees, customers, suppliers and business partners are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality products and services to its customers and enhancing cooperation with its suppliers and business partners.

The Company provides a fair and safe workplace, promotes diversity to its staff, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions.

The Group understands that it is important to maintain good relationships with customers and provide the products in a way that satisfies needs and requirements of the customers. The Group enhances such relationships by continual interactions with customers to gain insights into the changing market demand for the products so that the Group can respond proactively.

The Group is also dedicated to developing good relationship with suppliers as long-term business partners to enhance the stability of the Group's businesses. The Group reinforces the business partnership with suppliers by ongoing communication in a proactive manner.

During the Reporting Period, the Group had reliance on several major suppliers and customers of the Resources Business. Going forward, the Group will continue to identify and explore new supplies of iron ores and other commodities and evaluate and secure possible long-term business relationships with suitable suppliers to further diversify the Group's product offerings.

Further disclosures about the Group's trade and bills receivables and payables as at 31 December 2024 are set out in Notes 12 and 15 to the consolidated financial statements respectively.

Major Customers and Suppliers

The aggregate sales to the Group's five largest customers accounted for about 96% of the Group's total revenue for FY 2024 and the Group's sales to the largest customer accounted for about 48% of the Group's total revenue for the same financial year.

The aggregate purchases from the Group's five largest suppliers accounted for about 98% of the Group's total purchases in FY 2024 and the Group's purchases from the largest supplier accounted for about 66% of the Group's total purchases for the same financial year.

Except for MGI and Koolan (being suppliers of the Group), in which Shougang Group Co., Ltd., a Substantial Shareholder of the Company, had indirect interests, none of the Directors, their close associates (as defined under the Listing Rules), or any Shareholder (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) has any interest in the Group's five largest suppliers or five largest customers for FY 2024.

Management Contracts

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during FY 2024.

Directors

The Directors during FY 2024 and up to the date of this annual report are:

Executive Directors
Mr. Chong Tin Lung, Benny *(Chairman)*
Mr. Luk Yue Kan

Non-executive Director
Mr. Chen Hongyuan

Independent Non-executive Directors
Mr. Tsui King Fai
Mr. Lee Kwan Hung, Eddie
Mr. Shin Yick, Fabian
Ms. Hang Qingli *(Appointed on 1 July 2024)*

In accordance with articles 106(1) and 106(2) of the Articles, Messrs. Chong Tin Lung, Benny, Tsui King Fai and Shin Yick, Fabian will retire from their office by rotation at the 2025 AGM. In addition, pursuant to article 101(3) of the Articles, Ms. Hang Qingli, who has been appointed by the Board as an independent non-executive Director with effect from 1 July 2024, shall only hold office until at the 2025 AGM. All the above Directors, being eligible, shall offer themselves for re-election as Directors at the 2025 AGM.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to rule 3.13 of the Listing Rules and considers all of its independent non-executive Directors to be independent in accordance with the guidelines as set out under the Listing Rules.

Changes in Director's Information

The changes in the Director's information since the disclosure made in the Company's interim report 2024 are set out below:

Name of Director	Details of Changes
Mr. Tsui King Fai	He was no longer an independent non-executive director of Vinda International Holdings Limited (stock code: 3331) with effect from 16 August 2024, the date on which its shares were withdrawn from listing on the Main Board of the Stock Exchange.
Mr. Shin Yick, Fabian	He was no longer an independent director of Olympic Circuit Technology Co., Ltd. (stock code: 603920), a company listed on the Shanghai Stock Exchange, with effect from 13 January 2025. He resigned from the membership of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute respectively with effect from 27 August 2024.
Ms. Hang Qingli	She was appointed as a non-executive director of Auto Italia Holdings Limited (stock code: 720) on 26 November 2024.

Save for the information disclosed above, there is no other information required to be disclosed in this annual report pursuant to rule 13.51B (1) of the Listing Rules.

Biographical Information of Directors and Senior Management

Brief biographical information of the Directors and senior management of the Company are set out in the section headed "Directors' and Senior Management's Profile" on pages 34 to 39 of this annual report.

Directors' Service Contracts

None of the Directors proposed for re-election at the 2025 AGM has entered into any service agreement with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Transactions, Arrangements or Contracts

Save as disclosed in the paragraph headed "Connected Transactions" in this report of the Directors and "Related Party Transactions" in Note 21 to the consolidated financial statements, no Director or an entity connected with a Director, had a material interest, whether directly or indirectly, in any transaction, arrangement or contract of significance to the Group's business, to which the Company or any of its subsidiaries was a party during or at the end of FY 2024.

Directors' Interests in Competing Business

During FY 2024 and up to the date of this annual report, none of the Directors or their close associates (as defined under the Listing Rules) have any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures

As at 31 December 2024, none of the Directors and chief executive of the Company has any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (the "Associated Corporations"), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Share Option Scheme

The Company adopted a share option scheme (the "2020 Share Option Scheme") on 12 June 2020. No share option had been granted under the 2020 Share Option Scheme during FY 2024. Details of the 2020 Share Option Scheme are set out in Note 19 to the consolidated financial statements.

Rights to Purchase Shares or Debentures of Directors and Chief Executive

Other than the aforesaid 2020 Share Option Scheme of the Company, at no time during FY 2024 had the Company or any of its subsidiaries entered into any arrangement which enables the Directors or chief executive of the Company to have the right to subscribe for securities of the Company or any of its Associated Corporations or to acquire benefits by means of acquisition of Shares in or debentures of the Company or any of its Associated Corporations.

Substantial Shareholders' and Other Parties' Interests in Shares and Underlying Shares

Long Position in Shares

As at 31 December 2024, so far as known to any Director or chief executive of the Company, the following parties (other than Directors or chief executive of the Company) had interests in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholder	Nature of interest	Total number of Shares held	Approximate percentage of total issued Shares
Mak Siu Hang, Viola[(1)]	Interest of controlled corporation	1,149,744,000	28.74%
VMS Investment Group Limited ("VMSIG")[(1)]	Beneficial interest, interest of controlled corporation	1,149,744,000	28.74%
Fast Fortune Holdings Limited ("Fast Fortune")[(1)]	Beneficial interest	360,000,000	9.00%
Shougang Group Co., Ltd.[(2)]	Interest of controlled corporation	1,098,570,000	27.46%
Shougang Holding (Hong Kong) Limited ("Shougang Hong Kong")[(2)]	Interest of controlled corporation	1,098,570,000	27.46%
Lord Fortune Enterprises Limited ("Lord Fortune")[(2)]	Beneficial interest	370,000,000	9.25%
Plus All Holdings Limited ("Plus All")[(2)]	Beneficial interest	728,570,000	18.21%
Cheng Yu Tung Family (Holdings) Limited[(3)]	Interest of controlled corporation	620,000,000	15.50%
Cheng Yu Tung Family (Holdings II) Limited[(4)]	Interest of controlled corporation	620,000,000	15.50%
Chow Tai Fook Capital Limited ("CTF Capital")[(5)]	Interest of controlled corporation	620,000,000	15.50%
Chow Tai Fook (Holding) Limited ("CTF Holding")[(6)]	Interest of controlled corporation	620,000,000	15.50%
Chow Tai Fook Enterprises Limited ("CTF Enterprises")[(7)]	Interest of controlled corporation	620,000,000	15.50%
Century Acquisition Limited ("Century Acquisition")[(8)]	Interest of controlled corporation	620,000,000	15.50%
CTF Services Limited ("CTF Services")[(9)]	Interest of controlled corporation	620,000,000	15.50%
NWS Resources Limited ("NWS Resources")[(9)]	Interest of controlled corporation	620,000,000	15.50%
NWS Mining Limited ("NWS Mining")[(9)]	Interest of controlled corporation	620,000,000	15.50%
Modern Global Holdings Limited ("Modern Global")[(9)]	Interest of controlled corporation	620,000,000	15.50%
Perfect Move Limited ("Perfect Move")[(9)]	Interest of controlled corporation	620,000,000	15.50%
Faithful Boom Investments Limited ("Faithful Boom")[(9)]	Beneficial interest	620,000,000	15.50%

Substantial Shareholders' and Other Parties' Interests in Shares and Underlying Shares *(Continued)*

Long Position in Shares *(Continued)*

Notes:

(1) Fast Fortune and VMSIG held 360,000,000 Shares and 789,744,000 Shares as beneficial owners, respectively. Ms. Mak Siu Hang, Viola held a 100% direct interest in VMSIG. Fast Fortune was a wholly-owned subsidiary of VMSIG. Therefore, Ms. Mak Siu Hang, Viola was deemed to be interested in all the Shares held by each of VMSIG and Fast Fortune, and VMSIG was deemed to be interested in all the Shares held by Fast Fortune.

(2) Shougang Group Co., Ltd. held a 100% direct interest in Shougang Hong Kong. Lord Fortune and Plus All were wholly-owned subsidiaries of Shougang Hong Kong. Therefore, Shougang Group Co., Ltd. and Shougang Hong Kong were both deemed to be interested in all the Shares held by Lord Fortune and Plus All.

(3) Cheng Yu Tung Family (Holdings) Limited held approximately 48.98% direct interest in CTF Capital and was accordingly deemed to have an interest in the Shares deemed to be interested by CTF Capital.

(4) Cheng Yu Tung Family (Holdings II) Limited held approximately 46.65% direct interest in CTF Capital and was accordingly deemed to have an interest in the Shares deemed to be interested by CTF Capital.

(5) CTF Capital held approximately 81.03% direct interest in CTF Holding and was accordingly deemed to have an interest in the Shares deemed to be interested by CTF Holding.

(6) CTF Holding held 100% direct interest in CTF Enterprises and was accordingly deemed to have an interest in the Shares interested by or deemed to be interested by CTF Enterprises.

(7) CTF Enterprises held 100% direct interest in Century Acquisition and was accordingly deemed to have an interest in the Shares interested by or deemed to be interested by Century Acquisition.

(8) Century Acquisition held more than 70% direct interest in CTF Services and was accordingly deemed to have an interest in the Shares interested by or deemed to be interested by CTF Services.

(9) CTF Services held a 100% direct interest in NWS Resources, which held a 100% direct interest in NWS Mining. NWS Mining held a 100% interest in Modern Global, which held a 100% direct interest in Perfect Move. Faithful Boom was a wholly-owned subsidiary of Perfect Move. Therefore, CTF Services, NWS Resources, NWS Mining, Modern Global and Perfect Move were all deemed to be interested in all the Shares held by Faithful Boom.

Save as disclosed above, the Directors are not aware of any persons who, as at 31 December 2024, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO.

Sufficiency of Public Float

According to information that is publicly available to the Company and within the knowledge of the Directors, the percentage of the Shares which are in the hands of the public (as defined in the Listing Rules) exceeds 25% of the Company's total number of issued Shares during FY 2024 and up to the date of this annual report.

Corporate Governance

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 11 to 33 of this annual report.

Connected Transactions

During FY 2024, the Group had not conducted any connected transactions or continuing connected transactions that were not exempt from the annual reporting requirement under Chapter 14A of the Listing Rules.

A summary of significant related party transactions is disclosed in Note 21 to the consolidated financial statements. These transactions conducted in FY 2024 constitute continuing connected transactions of the Company (as defined in Chapter 14A of the Listing Rules) that are fully exempt from any announcement, reporting, annual review, or independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Tax Relief and Exemption

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares of the Company.

Donation

During the Reporting Period, the Group made a donation of approximately US$8,000 (2023: approximately US$13,000) for charitable causes.

Annual General Meeting

The 2025 AGM of the Company is scheduled to be held on Thursday, 12 June 2025. A notice convening the 2025 AGM will be issued and disseminated to the Shareholders in due course.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 9 June 2025 to Thursday, 12 June 2025 (both days inclusive), during which no transfer of the Shares will be registered. In order to be eligible to attend and vote at the 2025 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 Friday, 6 June 2025.

Auditor

The financial statements for FY 2024 have been audited by Messrs. Ernst & Young, who will retire at the 2025 AGM and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Messrs. Ernst & Young as auditor of the Company will be proposed at the 2025 AGM.

On behalf of the Board

Chong Tin Lung, Benny
Chairman

Hong Kong, 25 March 2025

Independent Auditor's Report

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

To the shareholders of Newton Resources Ltd
(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Newton Resources Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 55 to 123, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standard ("IFRS") accounting standards issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters *(Continued)*

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
Revenue for the year from the Group's sourcing and supply of iron ores and other commodities (the "Resources Business") amounted to US$309.9 million in the Group's consolidated financial statements and was recorded on a gross basis. The Group recognises revenue from contracts with customers on a gross basis when control of goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. We identified revenue recognition in respect of the Resources Business as our audit focus area because the terms of sales arrangements, including the timing of transfer of the products, delivery specifications including incoterms and nature of the promises to the customers, involve complexity and judgement in determining sales revenues on a gross or net basis and revenue recognition in the appropriate accounting period. The Group disclosed the accounting policies and details of revenue recognition in Note 2.4 Material accounting policies, Note 3 Significant accounting judgements and estimates and Note 4 Revenue and segment information to the consolidated financial statements.	We obtained an understanding on the business model and management's design of controls over the revenue cycle of the Resources Business. We reviewed the revenue recognition policy applied by the Group and the terms of the sales arrangements which were considered within the revenue recognition process, including the discretion in determining the pricing, the responsibility for the risk of price fluctuation, the quality of goods, inventory risk, customers' complaints and requests, the timing of transfer of the products and delivery specifications, etc. In addition to the trend analysis as compared to prior period performed to obtain an understanding of how the revenue has trended over the year, we performed a test of details on transactions around the year-end to check whether revenues were recognised in the correct accounting period. We also tested journal entries focusing on unusual or irregular transactions regarding revenue recognition. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

Other information included in the Annual Report

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Auditor's responsibilities for the audit of the consolidated financial statements

(Continued)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: *(Continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yee Chung Man.

Ernst & Young
Certified Public Accountants
Hong Kong

25 March 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2024

	Notes	**2024 US$'000**	2023 US$'000
Revenue	4	**309,937**	526,119
Cost of sales		**(304,747)**	(516,173)
Gross profit		**5,190**	9,946
Other income and gains, net		**749**	458
Selling and distribution costs		**(2,706)**	(3,919)
Administrative expenses		**(2,443)**	(2,867)
Finance expenses, net		**(1,058)**	(989)
Share of loss of an associate		**(6)**	(10)
(Loss)/profit before tax	5	**(274)**	2,619
Income tax expenses	7	**(55)**	(251)
(Loss)/profit for the year		**(329)**	2,368
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(28)**	(7)
Other comprehensive income for the year, net of tax		**(28)**	(7)
Total comprehensive income for the year		**(357)**	2,361

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2024

	Notes	2024 US$'000	2023 US$'000
(Loss)/profit attributable to:			
Owners of the Company		**(287)**	2,373
Non-controlling interests		**(42)**	(5)
		(329)	2,368
Total comprehensive income attributable to:			
Owners of the Company		**(307)**	2,366
Non-controlling interests		**(50)**	(5)
		(357)	2,361
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	9		
Basic and diluted *(US cents)*		**(0.01)**	0.06

Consolidated Statement of Financial Position

31 December 2024

	Notes	2024 US$'000	2023 US$'000
Non-current assets			
Property, plant and equipment		**46**	81
Right-of-use assets	10(a)	**478**	156
Other long-term asset	11	**6,640**	9,457
Investment in an associate		**183**	192
Total non-current assets		**7,347**	9,886
Current assets			
Trade and bills receivables	12	**36,317**	61,611
Other current financial assets	13	**4,307**	15,089
Prepayments and other receivables		**1,242**	163
Income tax recoverable		**23**	–
Restricted bank deposits	14	**6,199**	10,655
Cash and cash equivalents	14	**15,979**	11,769
Total current assets		**64,067**	99,287
Current liabilities			
Trade and bills payables	15	**36,779**	59,107
Other current financial liabilities		**748**	1,830
Contract liabilities		**634**	960
Other payables and accruals		**2,786**	2,056
Interest-bearing bank and other borrowings	16	**161**	14,659
Income tax payables		**–**	222
Total current liabilities		**41,108**	78,834
Net current assets		**22,959**	20,453
Total assets less current liabilities		**30,306**	30,339
Non-current liabilities			
Interest-bearing bank and other borrowings	16	**324**	–
Total non-current liabilities		**324**	–
Net assets		**29,982**	30,339

Consolidated Statement of Financial Position

31 December 2024

	Notes	2024 US$'000	2023 US$'000
Equity			
Equity attributable to owners of the Company			
Share capital	17	**46,890**	46,890
Reserves	18	**(17,758)**	(17,451)
		29,132	29,439
Non-controlling interests		**850**	900
Total equity		**29,982**	30,339

Chong Tin Lung, Benny
Director

Luk Yue Kan
Director

Consolidated Statement of Changes in Equity

Year ended 31 December 2024

	Attributable to owners of the Company							
	Share capital US$'000 Note 17	**Share premium account US$'000**	**Capital reserves US$'000**	**Exchange fluctuation reserve US$'000**	**Accu-mulated losses US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
At 1 January 2023	46,890	101,684	11,466	(133)	(132,834)	27,073	905	27,978
Profit/(loss) for the year	–	–	–	–	2,373	2,373	(5)	2,368
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	–	–	–	(7)	–	(7)	–	(7)
Total comprehensive income for the year	–	–	–	(7)	2,373	2,366	(5)	2,361
At 31 December 2023 and 1 January 2024	**46,890**	**101,684**	**11,466**	**(140)**	**(130,461)**	**29,439**	**900**	**30,339**
Loss for the year	**–**	**–**	**–**	**–**	**(287)**	**(287)**	**(42)**	**(329)**
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**(20)**	**–**	**(20)**	**(8)**	**(28)**
Total comprehensive income for the year	**–**	**–**	**–**	**(20)**	**(287)**	**(307)**	**(50)**	**(357)**
At 31 December 2024	**46,890**	**101,684***	**11,466***	**(160)***	**(130,748)***	**29,132**	**850**	**29,982**

* These reserve accounts comprise the deficiency in reserves of US$17,758,000 (2023: US$17,451,000) in the consolidated statement of financial position.

Consolidated Statement of Cash Flows

Year ended 31 December 2024

	Notes	2024 US$'000	2023 US$'000
Cash flows from operating activities			
(Loss)/profit before tax:		**(274)**	2,619
Adjustments for:			
Finance costs		**1,058**	989
Bank interest income	5	**(762)**	(462)
Share of loss of an associate		**6**	10
Depreciation of items of property, plant and equipment		**67**	95
Depreciation of right-of-use assets	10(c)	**183**	184
Amortisation of other long-term asset	11	**2,817**	3,965
Cash flows before working capital changes		**3,095**	7,400
Decrease/(increase) in trade and bills receivables		**15,035**	(38,455)
Decrease/(increase) in other current financial assets		**10,798**	(7,941)
Increase in prepayments and other receivables		**(1,079)**	(23)
Decrease/(increase) in restricted bank deposits		**4,456**	(6,256)
(Decrease)/increase in trade and bills payables		**(22,328)**	33,872
(Decrease)/increase in other current financial liabilities		**(1,077)**	63
(Decrease)/increase in contract liabilities		**(326)**	272
Increase in other payables and accruals		**711**	1,464
Cash generated from/(used in) operations		**9,285**	(9,604)
Interest received		**746**	468
Hong Kong profits tax (paid)/refunded		**(300)**	27
Net cash flows from/(used in) operating activities		**9,731**	(9,109)

Consolidated Statement of Cash Flows

Year ended 31 December 2024

	2024 US$'000	2023 US$'000
Cash flows from investing activities		
Purchase of items of property, plant and equipment	**(31)**	–
Net cash flows used in investing activities	**(31)**	–
Cash flows from financing activities		
New bank and other borrowings	**–**	10,259
Repayment of other borrowings	**(4,234)**	–
Interest and other finance expenses paid	**(1,053)**	(984)
Principal portion of lease payments	**(198)**	(205)
Capital injection of a subsidiary from non-controlling interests	**–**	300
Net cash flows (used in)/from financing activities	**(5,485)**	9,370
Net increase in cash and cash equivalents	**4,215**	261
Cash and cash equivalents at beginning of year	**11,769**	11,516
Effect of foreign exchange rate changes, net	**(5)**	(8)
Cash and cash equivalents at end of year	**15,979**	11,769
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**1,190**	1,749
Non-pledged time deposits with original maturity of less than three months when acquired	**14,789**	10,020
Cash and cash equivalents at end of year	**15,979**	11,769

1. Corporate and Group Information

Newton Resources Ltd (the "Company", and together with its subsidiaries, collectively referred to as the "Group") 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").

Information about subsidiaries

Particulars of the Company's principal subsidiaries as at 31 December 2024 are as follows:

Name	Place of incorporation/ registration and operations	Issued ordinary/ registered share capital	Percentage of equity interests attributable to the Company (%)		Principal activities
			Direct	Indirect	
Ace Profit Investment Limited ("Ace Profit")	Hong Kong	Hong Kong Dollars ("HK$") 1	–	100	Sourcing and supply of iron ores
Forever Brave Limited	Hong Kong	HK$1	100	–	Provision of management services
Shou Ji Holdings Limited	British Virgin Islands ("BVI")	United States Dollars ("US$") 4,000,000	–	75	Investment holding
Shou Ji International Trade Limited	Hong Kong	HK$1	–	100	Sourcing and supply of iron ores
Shou Ji International Transport Limited	BVI	US$1	–	100	Provision of management services
Shou Ji Services Limited	Hong Kong	HK$2	–	75	Provision of management services
Shou Ji Trading Limited	Hong Kong	HK$1	–	75	Sourcing and supply of iron ores

The above table lists the subsidiaries of the Company, which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. Accounting Policies

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 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/swap 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.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. Accounting Policies *(Continued)*

2.1 Basis of Preparation *(Continued)*

Basis of consolidation *(Continued)*

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or accumulated losses, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes in Accounting Policies and Disclosures

The Group has adopted the following revised IFRS accounting standards for the first time for the current year's financial statements.

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*
Amendments to IAS 1	*Non-current Liabilities with Covenants*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The adoption of the above revised IFRS accounting standards has had no material impact on the Group's financial performance and position for the reporting period.

2. Accounting Policies *(Continued)*

2.3 Issued but not yet Effective IFRS accounting standards

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

IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to IAS 21	*Lack of Exchangeability*[1]
Annual Improvements to IFRS accounting standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[2]

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual/reporting periods beginning on or after 1 January 2027
4 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*. 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, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and the notes.

2. Accounting Policies *(Continued)*

2.3 Issued but not yet Effective IFRS accounting standards *(Continued)*

In addition, amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are minor consequential amendments to other standards.

IFRS 18, and the consequential amendments to the other standards, are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospectively 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.

2.4 Material Accounting Policies

Investment in an associate

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and other comprehensive income of an associate is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investments in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for non-financial asset is required (other than inventories), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit (the "CGU")'s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of impaired assets.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;
(ii) has significant influence over the Group; or
(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;
(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
(iii) the entity and the Group are joint ventures of the same third party;
(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
(vi) the entity is controlled or jointly controlled by a person identified in (a);
(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity; and
(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the shorter of the lease terms and 25%
Furniture, fixtures and equipment	20% to 25%
Motor vehicles	20% to 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Long-term asset relating to a commodity supply contract with forward purchases of future outputs at discount (the "Contract")

The Group entered into the Contract, pursuant to which there is an expectation in the quantity of commodities to be received under the Contract at the date of inception based on the estimated reserves and resources of the underlying mine and the contractual entitlements to future outputs. In view of the future outputs that will be physically delivered by the supplier and the purchases at discount by the Group that will not be net settled in cash under the Contract, the Group made an upfront payment to acquire the contractual rights and obligations under the Contract which would be considered as a deposit in exchange for the entitlements to the pre-sold commodities with purchase discounts offered by the supplier for the estimated quantities of commodities to be received at future dates under the Contract.

The upfront payment of the Group is recorded as a non-current asset, which is stated at cost less accumulated amortisation and any impairment losses. Amortisation is recognised on the unit-of-production basis by matching the physical delivery of commodities over the estimated total output of commodities entitled by the Group.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Leases *(Continued)*

Group as a lessee *(Continued)*

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office premises	3 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Group has a significant proportion of trade and bills receivables with embedded derivatives for provisional pricing. These receivables are generally held to collect contract cash flows but do not meet the SPPI criteria and as a result must be held at fair value through profit or loss. Subsequent fair value gains or losses are taken to profit or loss.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Investments and other financial assets *(Continued)*

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments which the Group had not irrevocably elected to classify at fair value through other comprehensive income.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Impairment of financial assets *(Continued)*

General approach *(Continued)*

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Impairment of financial assets *(Continued)*

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, interest-bearing bank and other borrowings and other current financial liabilities.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Financial liabilities *(Continued)*

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost

After initial recognition, the Group's trade and other payables, other current financial liabilities and interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as futures/swaps, to hedge its commodity price risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IFRS 9 is recognised in profit or loss as cost of sales, or revenue from other sources. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Income tax *(Continued)*

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Income tax *(Continued)*

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

(a) *Sale of iron ores*

Revenue from the sale of iron ores is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of these products.

Certain of the Group's products are provisionally priced at the date when revenue is recognised; however, substantially all iron ore sales are reflected at final prices in the results for the year. The final selling price for all provisionally priced products is based on the price for the quotation period (the "QP") stipulated in the contract. Final prices for iron ores are normally determined within three months after delivery to the customer. The change in value of the provisionally priced receivable is based on the relevant forward market prices and is recognised in revenue from other sources.

(b) *Shipping services*

For Cost and Freight ("CFR") arrangements, the Group is responsible for providing shipping services (as principal) after the date that the Group transfers control of the iron ore to its customers. The Group, therefore, has a separate performance obligation for shipping services which are provided solely to facilitate the sale of the commodities. The transaction price is allocated to the iron ore and shipping services using the relative stand-alone selling price method. The output method is used for measuring progress of the shipping services because there is a direct relationship between the Group's effort and the transfer of service to the customer. The Group recognises revenue on the basis of the time elapsed relative to the total expected time to complete the service.

Revenue from providing shipping services is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Revenue recognition *(Continued)*

Revenue from other sources

(a) *Quotation period price adjustments*

A proportion of the Group's sales are provisionally priced, where the final price is referenced to a future market-based index price. Adjustment to the sales price occurs based on movements in the index price up to the end of the QP. These are referred to as provisional pricing arrangements and that the final price for the iron ore is determined on a specified future date or future QP after shipment to the customer. Adjustments to the sales price therefore occur up until the end of the QP and any future changes that occur over the QP are embedded within trade receivables. Given the exposure to the commodity price, these provisionally priced trade receivables are measured at fair value through profit or loss (Note 12 to the consolidated financial statements). Subsequent changes in the fair value of provisionally priced trade receivables are recognised in revenue but are presented separately from revenue from contracts with customers. Final price is normally determined within three months after delivery to the customer.

(b) *Gain or loss on iron ore futures/swap contracts*

The Group's designated hedging executives are responsible for managing the Group's exposure over iron ore price fluctuation by entering into iron ore futures and swaps contracts. Net gain or loss from those hedging tools to manage the operational risks that may arise from the selling of iron ore is recognised as revenue from other sources.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or provides services to the customer).

Employee benefits

The Group's employer contributions vest fully with the employees when contributed into the Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") in accordance with the rules of the MPF Scheme. Where employees leave the scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions cannot be used to reduce the contributions payable by the Group.

Borrowing costs

Borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

2. Accounting Policies *(Continued)*

2.4 Material Accounting Policies *(Continued)*

Foreign currencies

These financial statements are presented in US$, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item.

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain subsidiaries and an associate are currencies other than US$. As at the end of the reporting period, the assets and liabilities of these entities are translated into US$ at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into US$ at the relevant average exchange rates for the year, unless exchange rates fluctuated significantly during the year, in which case the exchange rates prevailing on the dates of transactions are used.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, cash flows of foreign operating subsidiaries are translated into US$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of these subsidiaries which arise throughout the year are translated into US$ at the weighted average exchange rates for the year.

3. Significant Accounting Judgements and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets and liabilities affected in the future.

3.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Determining revenue from contracts with customers on the gross basis

Determining whether revenue of the Group should be reported on a gross or net basis is a continuing assessment of various factors. The Group concludes that it controls the specified goods or services before they are delivered to its customers. The Group obtains control of specified goods from the third party which are then transferred to the customers or obtains a right to direct the specified services to be performed by the third party which then provides the services to the customer at the Group's discretion. In addition, the Group concludes that the following indicators provide further evidence that the Group controls the specified goods or services before they are provided to its customer. The Group has sole discretion in determining the product pricing, takes full responsibility for the goods sold or services provided to the customers, and is also responsible for the risk associated with the goods or services before the change of control over the specified goods or services and handling and resolving the customers' complaints and requests. Thus, the Group considers that it is a principal in these transactions and recognises revenue on the gross basis. Otherwise, the Group records the net amount earned as commission income for products sold or services provided.

3. Significant Accounting Judgements and Estimates *(Continued)*

3.1 Judgements *(Continued)*

(b) Identifying performance obligation and determining the timing of satisfaction of shipping services

For the Group's sales of iron ores to customers under CFR sales arrangements, the Group is responsible for providing shipping services which is a separate performance obligation, other than the transfer of goods. While the Group does not directly operate the vessels, the Group determines that it is a principal in these delivery arrangements because it controls and directs the specified services before they are provided to the customers. The terms of the Group's contracts with the service providers give the Group the ability to direct the service providers to provide the specified shipping services at the Group's discretion. Consequently, the Group has allocated a portion of the transaction price to the delivery services based on the relevant standalone shipping costs to the Group.

The Group also considers that revenue for shipping services to be recognised over time because the customers receive and simultaneously consume the benefits from the services provided by the Group. The fact that another entity would not be needed to re-perform the shipping services that the Group has provided demonstrates that the customers receive and simultaneously consume the benefits from the services provided by the Group. The Group determines that the output method is the most reasonable method for measuring progress of the shipping services because there is a direct relationship between the Group's effort (i.e. time elapsed) and the progress of transfer of shipping services to the customer. The Group recognises revenue on the basis of the time elapsed relative to the total expected time to complete the shipping services.

3.2 Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Impairment of other long-term asset

The Group assesses whether there are any indicators of impairment for other long-term asset at the end of each reporting period. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the value in use and its fair value less costs of disposal of the CGU. The carrying values of the other long-term asset are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

3. Significant Accounting Judgements and Estimates *(Continued)*

3.2 Estimation uncertainty *(Continued)*

(a) Impairment of other long-term asset *(Continued)*

Impairment assessments (the value in use calculations) require the use of estimates and assumptions such as mine reserves of the Hematite Mine (as defined in Note 11 to the consolidated financial statements), long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, and the Group's operating performance (which includes sales volumes of the Group derived from the Hematite Mine). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these inputs and projections, which may then impact the recoverable amount of the CGU. In such circumstances, some or all of the carrying amounts of the CGU may be impaired with the impact recognised in profit or loss.

(b) Provision for expected credit losses on other current financial assets at amortised cost

For other current financial assets at amortised cost, the ECLs are recognised in two stages, the 12-month ECL and lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

4. Revenue and Segment Information

The Resources Business was the only reportable business segment of the Group during the years ended 31 December 2024 and 2023.

An analysis of revenue is as follows:

	2024 US$'000	2023 US$'000
Revenue from contracts with customers	**319,561**	529,386
Revenue from other sources:		
Quotation period price adjustments (Note)		
– relating to prior year shipments	**(3,779)**	888
– relating to current year shipments	**(11,602)**	12,467
Net gains/(losses) on iron ore futures or swap contracts	**5,757**	(16,622)
Total	**309,937**	526,119

Note: The Group has continued to adopt the provisional pricing arrangements for the sales of certain iron ore products and those sales to the customers are subject to future QPs that differ from the periods that the inventories are delivered and finalising the iron ore selling prices based on the agreed market pricing formulae taking into account the relevant benchmark prices and indices of future QPs. As a result, certain of the Group's iron ore products are provisionally priced at the date when revenue is recognised. In this regard, such revenue from contracts with customers is measured at the estimated forward commodity prices of the relevant QPs prevailing at the date or for the period when the inventories are sold, being the amount to which the Group is expected to be entitled at the end of future QPs. Any future price movements that occur up till the end of the QP are embedded within the Group's trade receivables. Subsequent changes in value of the provisionally priced receivables are based on the estimated forward commodity prices under the relevant QPs and are recognised as "revenue from other sources" and included in "quotation period price adjustments" above. As at 31 December 2024 and 2023, certain of the Group's revenue, that was recognised subject to provisional pricing adjustments, has yet to be finalised. Such revenue would usually be finalised within three months after the inventories were delivered.

4. Revenue and Segment Information *(Continued)*

(a) Revenue from contracts with customers

(i) Disaggregated revenue information

	2024 US$'000	2023 US$'000
Types of goods/services		
Sale of iron ores	**293,005**	487,721
Shipping services	**26,556**	41,665
Total revenue from contracts with customers	**319,561**	529,386
Geographical markets (Note)		
Mainland China	**319,561**	529,386
Timing of revenue recognition		
Goods transferred at a point in time	**293,005**	487,721
Services transferred over time	**26,556**	41,665
Total revenue from contracts with customers	**319,561**	529,386

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:

	2024 US$'000	2023 US$'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Shipping services	**960**	688

4. Revenue and Segment Information *(Continued)*

(a) Revenue from contracts with customers *(Continued)*

(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 are 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 Group's iron ores that are sold on a CFR incoterms basis, the Group is also responsible for providing shipping services, which represents a separate performance obligation in these situations. 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.

4. Revenue and Segment Information *(Continued)*

(b) Geographical Segment Information

(i) Revenue from external customers

	2024 US$'000	2023 US$'000
Mainland China	**309,937**	526,119

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 other long-term asset relating to the Contract which is operated and based 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 or swap contracts), which contributed 10% or more to the Group's revenue, is as follows:

	2024 US$'000	2023 US$'000
Customer A	**149,452**	358,879
Customer B	**83,827**	N/A[1]

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

5. (Loss)/profit Before Tax

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

	Notes	2024 US$'000	2023 US$'000
Cost of inventories sold		**264,957**	500,519
Shipping costs		**26,214**	41,216
Net losses/(gains) on iron ore futures or swap contracts included in cost of sales		**10,759**	(29,527)
Amortisation of other long-term asset included in cost of sales	11	**2,817**	3,965
Depreciation of items of property, plant and equipment		**67**	95
Depreciation of right-of-use assets	10(c)	**183**	184
Auditors' remuneration (including out-of-pocket expenses)		**261**	284
Employee benefit expenses (excluding directors' remuneration (Note 6)):			
– Wages, salaries and allowances		**2,362**	3,752
– Pension scheme contributions (defined contribution scheme)*		**68**	65
Bank interest income		**(762)**	(462)
Interest on bank and other borrowings		**400**	533
Guarantee fee		**641**	447
Interest on lease liabilities	10(c)	**7**	9
Net foreign exchange losses		**17**	12

* There were no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. Emoluments of Directors and Senior Management

Details of the remuneration of directors, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation for the years ended 31 December 2024 and 2023 were as follows:

	2024 **US$'000**	2023 US$'000
Fees	**133**	108
Other emoluments:		
Salaries, allowances and benefits in kind	**508**	506
Discretionary bonuses	**–**	126
Pension scheme contributions	**4**	4
Subtotal	**512**	636
Total	**645**	744

During the year, no director of the Company has waived or agreed to waive any emoluments.

6. Emoluments of Directors and Senior Management *(Continued)*

(a) Executive directors and non-executive directors

The remuneration paid to executive and non-executive directors during the years ended 31 December 2024 and 2023 were as follows:

	Fees US$'000	Salaries, allowances and benefits in kind US$'000	Discretionary bonuses US$'000	Pension scheme contributions US$'000	Total US$'000
2024					
Executive directors:					
Mr. Chong Tin Lung, Benny	**–**	**246**	**–**	**2**	**248**
Mr. Luk Yue Kan	**–**	**262**	**–**	**2**	**264**
Subtotal	**–**	**508**	**–**	**4**	**512**
Non-executive director:					
Mr. Chen Hongyuan	**–**	**–**	**–**	**–**	**–**
Total	**–**	**508**	**–**	**4**	**512**
2023					
Executive directors:					
Mr. Chong Tin Lung, Benny	–	245	61	2	308
Mr. Luk Yue Kan	–	261	65	2	328
Subtotal	–	506	126	4	636
Non-executive director:					
Mr. Chen Hongyuan[1]	–	–	–	–	–
Total	–	506	126	4	636

[1] Appointed on 27 October 2023

6. Emoluments of Directors and Senior Management *(Continued)*

(b) Independent non-executive directors

The director fees paid to independent non-executive directors during the years ended 31 December 2024 and 2023 were as follows:

	2024	2023
	US$'000	US$'000
Mr. Tsui King Fai	**38**	36
Mr. Lee Kwan Hung, Eddie	**38**	36
Mr. Shin Yick, Fabian	**38**	36
Ms. Hang Qingli[1]	**19**	–
Total	**133**	108

(1) Appointed on 1 July 2024

The independent non-executive directors did not receive any bonuses, allowances or benefits in kind for holding their office as independent non-executive directors of the Company.

(c) Five highest paid individuals

The five highest paid individuals during the year included two (2023: two) directors, details of whose remuneration are set out in Note 6(a) above. Details of the remuneration for the year of the remaining three (2023: three) highest paid employees who are neither a director nor chief executive of the Company were as follows:

	2024	2023
	US$'000	US$'000
Salaries, allowances and benefits in kind	**453**	453
Discretionary bonuses	**906**	2,170
Pension scheme contributions	**7**	7
Total	**1,366**	2,630

6. Emoluments of Directors and Senior Management *(Continued)*

(c) Five highest paid individuals *(Continued)*

The number of non-director and non-chief executive, highest paid individuals whose remuneration fell within the following bands is as follows:

	Number of Individuals	
	2024	2023
HK$1,000,001 to HK$1,500,000	**1**	–
HK$1,500,001 to HK$2,000,000	**–**	1
HK$4,000,001 to HK$4,500,000	**1**	–
HK$5,000,001 to HK$5,500,000	**1**	–
HK$8,000,001 to HK$8,500,000	**–**	1
HK$10,500,001 to HK$11,000,000	**–**	1
Total	**3**	3

During the year ended 31 December 2024, no emoluments were paid by the Group to any of the persons who are or were directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office, as a director of any member of the Group or of any other office in connection with the management of affairs of any member of the Group.

(d) Emoluments of senior management

The emoluments of senior management whose profiles are included in the section headed "Directors' and Senior Management's Profile" on pages 34 to 39 of this annual report are already disclosed as the emoluments of directors in Note 6(a) above.

7. Income Tax Expenses

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, 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 (2023: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%).

	2024 US$'000	2023 US$'000
Current – Hong Kong		
Charge for the year	**55**	252
Overprovision in prior years	**–**	(1)
Total tax charge for the year	**55**	251

A reconciliation of the tax expense applicable to (loss)/profit before tax at the statutory income tax rate in Hong Kong where the main operating entities of the Group are domiciled to the tax expense at the effective tax rate is as follows:

	2024 US$'000	2023 US$'000
(Loss)/profit before tax	**(274)**	2,619
Tax at the statutory income tax rate (16.5%)	**(45)**	432
Effect of different tax rates	**(26)**	(28)
Income not subject to tax	**(124)**	(76)
Expenses not deductible for tax	**121**	90
Overprovision in prior years	**–**	(1)
Tax losses utilised from previous periods	**(1)**	(193)
Tax effect of unrecognised tax losses and deductible temporary differences	**130**	27
Tax charge at the Group's effective rate (2024: -20.1%; 2023: 9.6%)	**55**	251

7. Income Tax Expenses *(Continued)*

At the end of the reporting period, the Group has unrecognised tax losses arising from entities operating in Hong Kong of US$2,518,000 (2023: US$1,777,000) that are available indefinitely for offsetting against future taxable profits of the entities in which the losses arose. The Group also has unrecognised temporary difference arising from an entity operating in Mainland China of US$2,711,000 (2023: US$2,750,000) related to the impairment losses on other current financial assets. Deferred tax assets have not been recognised in respect of these estimated tax losses and deductible temporary differences as it is considered not probable that sufficient taxable profits will be available against which the unused tax losses and deductible temporary differences can be utilised by the Group.

8. Dividend

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2024 (2023: Nil).

9. (Loss)/earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic (loss)/earnings per share amounts is based on the (loss)/profit 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 2024 and 2023.

The calculation of basic (loss)/earnings per share is based on:

	2024	2023
(Loss)/earnings		
(Loss)/profit attributable to ordinary equity holders of the Company, used in the basic (loss)/earnings per share calculation *(US$'000)*	**(287)**	2,373
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic (loss)/earnings per share calculation *(thousands of shares)*	**4,000,000**	4,000,000

Diluted (loss)/earnings per share amounts were the same as the basic (loss)/earnings per share amounts as the Company had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2024 and 2023.

10. Leases

The Group as a lessee

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Office premises	
	2024	2023
	US$'000	US$'000
At 1 January	**156**	340
Additions	**505**	–
Depreciation charge	**(183)**	(184)
At 31 December	**478**	156

The Group has lease contracts for office premises. The leases of office premises generally have lease terms of 3 years, and the Group is restricted from assigning and subleasing the leased assets outside the Group.

10. Leases *(Continued)*

The Group as a lessee *(Continued)*

(b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the year are as follows:

	2024 US$'000	2023 US$'000
Carrying amount at 1 January	**176**	382
New leases	**505**	–
Accretion of interest recognised during the year	**7**	9
Payments	**(205)**	(214)
Exchange realignments	**2**	(1)
Carrying amount at 31 December	**485**	176
Analysed into:		
Current portion	**161**	176
Non-current portion	**324**	–

The maturity analysis of lease liabilities is disclosed in Note 16 to the consolidated financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Note	**2024 US$'000**	2023 US$'000
Interest on lease liabilities	5	**7**	9
Depreciation charge of right-of-use assets	5	**183**	184
Total amount recognised in profit or loss		**190**	193

10. Leases *(Continued)*

The Group as a lessee *(Continued)*

(d) Extension option

The Group has a lease contract that include an extension option. This option is negotiated by management to provide flexibility in managing the leased-asset portfolio and it is aligned with the Group's business needs. Set out below are the estimated undiscounted potential future rental payments relating to periods following the exercise date of the extension option that is not included in the lease terms:

	Payable within five years	
	2024	2023
	US$'000	US$'000
Extension option expected not to be exercised	**213**	264

(e) The total cash outflow for leases is disclosed in Note 20(c) to the consolidated financial statements.

11. Other Long-Term Asset

	2024	2023
	US$'000	US$'000
At 1 January	**9,457**	13,422
Amortisation provided	**(2,817)**	(3,965)
At 31 December	**6,640**	9,457

The Group recognised the contractual rights and obligations to purchase hematite ores from the hematite mine (the "Hematite Mine") under the Contract as the other long-term asset as at 31 December 2024 and 2023. The Contract entitled the Group to purchase the hematite ores from the Hematite Mine in an annual quantity that equals 80% of total available production of the Hematite Mine during each contract year to the date of permanent cessation of the mining operations at the Hematite Mine.

Based on the business circumstances, the Group has accounted for the Contract as a contract for own use. In view of the future outputs that will be physically delivered by the supplier and purchased by the Group at discount that the obligations under the Contract will not be net settled in cash, the Contract is treated as a non-current asset which is stated at cost less accumulated amortisation and any impairment loss and is amortised to match with the physical delivery of commodities (i.e. the utilisation by the Group) under the Contract.

12. Trade and Bills Receivables

	2024 US$'000	2023 US$'000
Trade receivables	**2,422**	27,525
Bills receivable	**33,895**	34,086
Total	**36,317**	61,611

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 did not have any bills receivable transferred to a bank as at 31 December 2024 (2023: US$10,259,000). The proceeds from transferring such bills receivable as at 31 December 2023 were accounted for as collateralised bank advances and included in interest-bearing bank and other borrowings (Note 16).

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 2024 and 2023, the Group's trade and bills receivables were non-interest-bearing.

12. Trade and Bills Receivables *(Continued)*

Set out below is the measurement of trade and bills receivables of the Group as at 31 December 2024 and 2023.

	2024 US$'000	2023 US$'000
Trade and bills receivables		
– at amortised cost	**33,895**	–
– at fair value through profit or loss (Note)	**2,422**	61,611
Total	**36,317**	61,611

Note: The Group's trade and bills receivables include provisionally priced receivables relating to sales of iron ores where the selling prices of iron ores are determined based on the agreed market pricing formulae, taking into account the relevant benchmark prices and indices subject to future QPs that differ from the periods that the inventories are delivered. Under IFRS 9, these provisionally priced receivables, amounting to US$2,422,000, were measured at the estimated forward commodity prices of the relevant QPs at 31 December 2024 (2023: US$61,611,000) 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:

	2024 US$'000	2023 US$'000
Within 3 months	**36,317**	61,611

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 2024, the Group's trade receivables were not yet past due (2023: Nil), and therefore the credit risk related to the receivables measured at amortised cost was considered to be immaterial.

13. Other Current Financial Assets

Set out below is an overview of other current financial assets of the Group as at 31 December 2024 and 2023.

	Notes	2024 US$'000	2023 US$'000
Other current financial assets at fair value through profit or loss			
– Iron ore futures or swap contracts	(a)	**817**	7,709
Other current financial assets at amortised cost			
– Coal deposit		**2,711**	2,750
– Other deposits and receivables	(b)	**3,490**	7,380
		7,018	17,839
Impairment allowance		**(2,711)**	(2,750)
Total		**4,307**	15,089

The movements in impairment allowance of other current financial assets at amortised cost for the year are as follows:

	2024 US$'000	2023 US$'000
At 1 January	**2,750**	2,808
Exchange realignment	**(39)**	(58)
At 31 December	**2,711**	2,750

Notes:

(a) As at 31 December 2024, the Group had an aggregate open position of iron ore futures or swap contracts of 596,000 tonnes expiring by the end of February 2025 with a positive contract value of US$817,000 (2023: US$7,709,000) which has been recognised as financial assets at fair value through profit or loss.

(b) As at 31 December 2024, the balance mainly represented a deposit of US$2,840,000 held by a securities firm for iron ore futures or swap transactions (2023: US$6,241,000).

14. Cash and Cash Equivalents and Restricted Bank Deposits

	Notes	**2024 US$'000**	2023 US$'000
Cash and bank balances		**7,389**	12,404
Time deposits		**14,789**	10,020
Subtotal		**22,178**	22,424
Less: Restricted bank deposits	(a)	**(6,199)**	(10,655)
Cash and cash equivalents	(b)	**15,979**	11,769

Notes:

(a) As at 31 December 2024, the balance represented bank deposits restricted by banks to secure the issuance of letters of credit. The Group's restricted bank deposits will be utilised or released upon the settlement of the letters of credit, which will be within twelve months from the end of the reporting period and are therefore classified as current assets at 31 December 2024 and 2023. The restricted bank deposits were denominated in US$.

(b) At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to US$356,000 (2023: US$394,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

15. 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 2024, the Group's bills payables amounted to US$31,093,000 (2023: US$31,558,000). 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:

	2024 **US$'000**	2023 US$'000
Within 3 months	**36,779**	59,107

The Group's trade and bills payables were non-interest-bearing as at 31 December 2024 and 2023.

Set out below is the measurement of trade and bills payables of the Group as at 31 December 2024 and 2023.

	2024 **US$'000**	2023 US$'000
Trade and bills payables		
– at amortised cost	**31,373**	660
– at fair value through profit or loss (Note)	**5,406**	58,447
Total	**36,779**	59,107

Note: The Group's trade and bills payables include provisionally priced payables relating to purchase of iron ores where the purchasing prices of iron ores are determined based on the agreed market pricing formulae, taking into account the relevant benchmark prices and indices subject to future QPs that differ from the periods that the inventories are delivered. Under IFRS 9, these provisionally priced payables, amounting to US$5,406,000, were measured at the estimated forward commodity prices of the relevant QPs at 31 December 2024 (2023: US$58,447,000) and were stated at the fair value.

16. Interest-Bearing Bank and Other Borrowings

	Notes	**2024** Effective interest rate (%)	**2024** US$'000	2023 Effective interest rate (%)	2023 US$'000
Current					
Bank borrowings secured by bills receivable	12	**–**	**–**	6.4	10,259
Other borrowing – unsecured		**–**	**–**	6.0-8.5	4,224
Lease liabilities	10(b)	**4.5**	**161**	3.0	176
Subtotal			**161**		14,659
Non-current					
Lease liabilities	10(b)	**4.5**	**324**	–	–
Total			**485**		14,659

	2024 **US$'000**	2023 US$'000
Analysed into:		
Bank borrowings repayable within one year or on demand	**–**	10,259
Other borrowings repayable:		
Within one year	**161**	4,400
In the second year	**172**	–
In the third to fifth years, inclusive	**152**	–
	485	4,400
Total	**485**	14,659

As at 31 December 2024, all the borrowings were denominated in HK$. As at 31 December 2023, all the borrowings were denominated in HK$, except for the bank borrowings secured by bills receivable which were denominated in US$.

17. Share Capital

Shares

	2024	2023
	HK$'000	HK$'000
Authorised:		
10,000,000,000 ordinary shares of HK$0.1 each	**1,000,000**	1,000,000
	US$'000	US$'000
Issued and fully paid:		
4,000,000,000 ordinary shares of HK$0.1 each, totally HK$400,000,000	**46,890**	46,890

18. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 59 of the consolidated financial statements.

19. Share Option Scheme

The Company adopted a share option scheme (the "2020 Share Option Scheme") at the annual general meeting held on 12 June 2020 to enable it to grant share options ("2020 Scheme Options") as incentives or rewards to eligible participants for their contribution to the Group. Pursuant to rule 17.03A of the Listing Rules, participants of share schemes shall only comprise employee participants, related entity participants and service providers (as defined in the Listing Rules). The Company will only grant the 2020 Scheme Options to eligible participants in compliance with rule 17.03A pursuant to the transitional arrangements for share schemes existing as at 1 January 2023 as specified by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Unless otherwise terminated or amended, the 2020 Share Option Scheme will remain in force for a period of 10 years commencing from 12 June 2020 and ending on 11 June 2030 and therefore with a remaining life of approximately 5 years.

Pursuant to the 2020 Share Option Scheme, the total number of shares which may be issued upon exercise of all 2020 Scheme Options to be granted under the 2020 Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 10% of the Company's shares in issue as at the date of approval of the 2020 Share Option Scheme, which is equivalent to a maximum of 400,000,000 shares based on the number of the Company's shares in issue as at 12 June 2020 of 4,000,000,000 shares, unless otherwise approved by the shareholders of the Company in a general meeting for refreshing the scheme mandate limit. Options lapsed in accordance with the terms of the 2020 Share Option Scheme will not be counted for the purpose of calculating the 10% limit.

19. Share Option Scheme *(Continued)*

The maximum number of shares issuable under 2020 Scheme Options to each eligible participant in the 2020 Share Option Scheme within any 12-month period up to and including the date of such grant shall not exceed 1% of the shares of the Company in issue. Any further grant of 2020 Scheme Options in excess of this limit is subject to shareholders' approval in a general meeting.

2020 Scheme Options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, are subject to approval by the independent non-executive directors. In addition, any shares issuable under 2020 Scheme Options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of offer) in excess of HK$5 million, within any 12-month period up to and including the date of such grant, are subject to shareholders' approval in advance in a general meeting.

The vesting period of the 2020 Scheme Options to be granted is determinable by the directors and to be stated in the offer to the grantee. The exercise period of the 2020 Scheme Options to be granted is also determinable by the directors, save that such period must not exceed 10 years from the date of offer of 2020 Scheme Options. The offer of a grant of 2020 Scheme Options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK$1 in total by the grantee.

The exercise price of 2020 Scheme Options is determined by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the 2020 Scheme Options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares. The 2020 Scheme Options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No option has been granted, exercised, cancelled or lapsed under the 2020 Share Option Scheme during the year ended 31 December 2024 and up to the date of this annual report and therefore no option was outstanding as at the date of this annual report. As at the beginning and the end of the reporting period and the date of approval of these financial statements, the total number of share options that were available for grant under the 2020 Share Option Scheme was 400,000,000. Accordingly, as at the date of this annual report, the total number of the Company's shares available for issue upon exercise of the options that may be granted under the 2020 Share Option Scheme and any other share option scheme(s) of the Company is 400,000,000 shares, representing 10% of the Company's shares in issue as at the date of this annual report.

20. Notes to the Consolidated Statement of Cash Flows

(a) Major non-cash transactions

During the year ended 31 December 2024, the Group made non-cash settlement of interest-bearing bank and other borrowings amounting to US$10,259,000 by a transfer of bills receivable that matured during the year. The Group had non-cash additions to right-of-use assets and lease liabilities of US$505,000 and US$505,000, respectively, in respect of lease arrangements for office premises.

During the year ended 31 December 2023, the Group did not have any major non-cash transaction.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	
	2024 US$'000	2023 US$'000
At 1 January	**14,659**	4,606
Changes from financing cash flows	**(4,432)**	10,054
Settlement by a transfer of bills receivable	**(10,259)**	–
New leases	**505**	–
Foreign exchange movement	**12**	(1)
At 31 December	**485**	14,659

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

	2024 US$'000	2023 US$'000
Within financing activities	**(205)**	(214)

21. Related Party Transactions

(a) The Group had the following transactions with related parties during the year:

	2024 **US$'000**	2023 US$'000
Guarantee fee paid and payable to a substantial shareholder of the Company (Note)	**641**	447

Note: A substantial shareholder (as defined in the Listing Rules) of the Company (the "Guarantor") has guaranteed and indemnified the obligations of Ace Profit under the Contract mentioned in Note 11 to the consolidated financial statements with a maximum liability of US$75,000,000. The Group shall pay a capped sum of HK$5,000,000 to the Guarantor in respect of each calendar year from the date of the guarantee becoming unconditional until none of the obligations and undertakings of the Guarantor remains in full force and effect.

As a form of financial assistance (as defined in the Listing Rules) received by the Group from a connected person of the Company, the provision of the above guarantee and indemnity (together with the above maximum annual fee) by the Guarantor was conducted on normal commercial terms and not secured by the assets of the Group. Accordingly, such financial assistance is fully exempt from the announcement, reporting, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(b) Compensation of key management personnel of the Group

Other than the emoluments paid to the directors and the chief executive of the Company (being the key management personnel of the Company) as disclosed in Note 6 to the consolidated financial statements, there was no significant compensation arrangement during the year.

22. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	2024 US$'000	2023 US$'000
Financial assets		
Financial assets at fair value through profit or loss		
Trade and bills receivables	**2,422**	61,611
Other current financial assets	**817**	7,709
Financial assets included in other receivables	**995**	–
Subtotal	**4,234**	69,320
Financial assets at amortised cost		
Trade and bills receivables	**33,895**	–
Other current financial assets	**3,490**	7,380
Financial assets included in other receivables	**101**	–
Restricted bank deposits	**6,199**	10,655
Cash and cash equivalents	**15,979**	11,769
Subtotal	**59,664**	29,804
Total	**63,898**	99,124
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Trade and bills payables	**5,406**	58,447
Financial liabilities included in other payables	**2,190**	–
Subtotal	**7,596**	58,447
Financial liabilities at amortised cost		
Trade and bills payables	**31,373**	660
Other current financial liabilities	**748**	1,830
Interest-bearing bank and other borrowings	**485**	14,659
Subtotal	**32,606**	17,149
Total	**40,202**	75,596

23. Fair Value and Fair Value Hierarchy of Financial Instruments

Fair value

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Financial assets				
Trade and bills receivables at fair value through profit or loss	**2,422**	61,611	**2,422**	61,611
Other current financial assets at fair value through profit or loss	**817**	7,709	**817**	7,709
Other receivables at fair value through profit or loss	**995**	–	**995**	–
Total	**4,234**	69,320	**4,234**	69,320
Financial liabilities				
Trade and bills payables at fair value through profit or loss	**5,406**	58,447	**5,406**	58,447
Other payables at fair value through profit or loss	**2,190**	–	**2,190**	–
Total	**7,596**	58,447	**7,596**	58,447

Management has assessed that the fair values of trade and bills receivables at amortised cost, other current financial assets and other receivables at amortised cost, restricted bank deposits, cash and cash equivalents, trade and bills payables at amortised cost, other current financial liabilities and the current portion of interest-bearing bank and other borrowings (other than lease liabilities) approximate to their carrying amounts largely due to the short-term maturities of these instruments.

23. Fair Value and Fair Value Hierarchy of Financial Instruments *(Continued)*

Fair value *(Continued)*

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of trade and bills receivables, trade and bills payables, other receivables from the suppliers and other payables to the customers classified as financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss are determined by incorporating market observable inputs sourced from applicable iron ore indices, which are a source of benchmark assessment of the spot price of the physical iron ores, published daily or regularly and quoted on a US$ per dry metric tonne basis.

- The Group enters into iron ore futures or swap contracts with various counterparties which are measured with reference to the commodity's quoted market prices.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets and liabilities measured at fair value

	Fair value measurement using			
	Quoted prices in active markets (Level 1) US$'000	Significant observable inputs (Level 2) US$'000	Significant unobservable inputs (Level 3) US$'000	Total US$'000
2024				
Financial assets:				
Trade and bills receivables	–	2,422	–	2,422
Other current financial assets at fair value through profit or loss	817	–	–	817
Other receivables at fair value through profit or loss	–	995	–	995
Total	817	3,417	–	4,234
Financial liabilities:				
Trade and bills payables	–	5,406	–	5,406
Other payables at fair value through profit or loss	–	2,190	–	2,190
Total	–	7,596	–	7,596

23. Fair Value and Fair Value Hierarchy of Financial Instruments *(Continued)*

Fair value hierarchy *(Continued)*

Assets and liabilities measured at fair value *(Continued)*

	Fair value measurement using			
	Quoted prices in active markets (Level 1) US$'000	Significant observable inputs (Level 2) US$'000	Significant unobservable inputs (Level 3) US$'000	Total US$'000
2023				
Financial assets:				
Trade and bills receivables	–	61,611	–	61,611
Other current financial assets at fair value through profit or loss	7,709	–	–	7,709
Total	7,709	61,611	–	69,320
Financial liabilities:				
Trade and bills payables	–	58,447	–	58,447

24. Financial Risk Management Objectives and Policies

The financial assets of the Group mainly include trade and bills receivables, other current financial assets, restricted bank deposits and cash and cash equivalents, which arise directly from its operations. Financial liabilities of the Group mainly include trade and bills payables, other current financial liabilities and interest-bearing bank and other borrowings.

The Group also enters into iron ore futures or swap contracts in order to manage the commodity price risk arising from the Group's operations. The Group's accounting policies in relation to iron ore futures or swap contracts are set out in Note 2.4 to the consolidated financial statements.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk, liquidity risk and commodity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group's business activities were principally carried out in Hong Kong and most of the transactions are denominated in US$, the Group's functional currency. Since HK$ is pegged to US$, the Group's exposure to foreign currency risk mainly arose from the interest-bearing borrowings as at 31 December 2024 denominated in HK$, which is considered to be minimal. Therefore, the Group had no material exposure to exchange rate fluctuation during the year ended 31 December 2024. Currently, the Group does not have any foreign currency hedging policy.

Credit risk

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. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. The Group has not held any collateral or other credit enhancements over its receivable balances.

24. Financial Risk Management Objectives and Policies *(Continued)*

Credit risk *(Continued)*

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2024 and 2023. The amounts presented are gross carrying amounts for financial assets.

2024

	12-month ECLs	Lifetime ECLs		
	Stage 1 US$'000	Stage 3 US$'000	Simplified approach US$'000	Total US$'000
Trade and bills receivables at amortised cost	–	–	33,895	33,895
Other current financial assets at amortised cost				
– Normal*	3,490	–	–	3,490
– Doubtful*	–	2,711	–	2,711
Financial assets included in prepayments and other receivables	101	–	–	101
Restricted bank deposits – Not yet past due	6,199	–	–	6,199
Cash and cash equivalents – Not yet past due	15,979	–	–	15,979
Total	25,769	2,711	33,895	62,375

24. Financial Risk Management Objectives and Policies *(Continued)*

Credit risk *(Continued)*

Maximum exposure and year-end staging *(Continued)*

2023

	12-month ECLs	Lifetime ECLs	
	Stage 1 US$'000	Stage 3 US$'000	Total US$'000
Other current financial assets at amortised cost			
– Normal*	7,380	–	7,380
– Doubtful*	–	2,750	2,750
Restricted bank deposits – Not yet past due	10,655	–	10,655
Cash and cash equivalents – Not yet past due	11,769	–	11,769
Total	29,804	2,750	32,554

* The credit quality of the other current financial assets at amortised cost is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

The Group is expanding its customer bases to minimise concentrations of credit risk in relation to trade receivables by undertaking transactions with a number of customers.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 12 to the consolidated financial statements.

Liquidity risk

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. The Group's objective is to maintain a balance between continuity of funds and flexibility through the effective use of its internal financial resources, bank and other borrowings and trade finance banking facilities.

24. Financial Risk Management Objectives and Policies *(Continued)*

Liquidity risk *(Continued)*

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	On demand US$'000	Less than 1 year US$'000	1 to 5 years US$'000	Total US$'000
2024				
Trade and bills payables	**36,779**	**–**	**–**	**36,779**
Other current financial liabilities	**–**	**748**	**–**	**748**
Financial liabilities included in other payables	**2,190**	**–**	**–**	**2,190**
Lease liabilities	**–**	**179**	**336**	**515**
Total	**38,969**	**927**	**336**	**40,232**
2023				
Trade and bills payables	59,107	–	–	59,107
Other current financial liabilities	–	1,830	–	1,830
Lease liabilities	–	178	–	178
Interest-bearing bank and other borrowings (excluding lease liabilities)	–	14,513	–	14,513
Total	59,107	16,521	–	75,628

Commodity price risk

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 or swap 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 that were mostly adopted by the Group during the year ended 31 December 2024 were the Platts 62% Fe CFR North China index or the Platts 65% Fe CFR North China index.

24. Financial Risk Management Objectives and Policies *(Continued)*

Commodity price risk *(Continued)*

During the reporting period, the Group made net gains of US$5,757,000 (2023: net losses of US$16,622,000) and net losses of US$10,759,000 (2023: net gains of US$29,527,000) from the hedging transactions which were recognised as part of the Group's revenue and cost of sales, respectively.

According to the Group's provisionally priced iron ore sales and purchase contracts, the final price of certain contracts is fixed with reference to the applicable Platts Index or relevant market indices for specified future dates or periods. The future movements in the iron ore price under provisionally priced sales and purchase of iron ore products that were not yet finalised at the end of the reporting period and such accounting impact (excluding the financial impact of the hedging instruments) for 31 December 2024 are set out below:

	2024 US$'000
On revenue	
– 10% increase in iron ore prices	**3,835**
– 10% decrease in iron ore prices	**(3,835)**
On cost of sales	
– 10% increase in iron ore prices	**(6,080)**
– 10% decrease in iron ore prices	**6,080**

The sensitivity analysis has illustrated the impact of a 10% increase or decrease in reference index prices on the monetary values of revenue and cost of sales that were subject to provisional pricing at each reporting date, while holding all other variables, including foreign exchange rates, constant. The above sensitivity analysis should therefore be considered as for illustration purpose only.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or raise new capital from its investors. No changes were made in the objectives, policies or processes for managing financial risk during the years ended 31 December 2024 and 2023.

25. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2024 US$'000	2023 US$'000
Non-current assets		
Property, plant and equipment	**19**	23
Current assets		
Due from subsidiaries	**24,955**	25,852
Other current financial assets	**–**	1
Prepayments and other receivables	**112**	109
Cash and cash equivalents	**264**	1,837
Total current assets	**25,331**	27,799
Current liabilities		
Other current financial liabilities	**53**	41
Other payables and accruals	**378**	1,678
Total current liabilities	**431**	1,719
Net current assets	**24,900**	26,080
Total assets less current liabilities	**24,919**	26,103
Net assets	**24,919**	26,103
Equity		
Share capital	**46,890**	46,890
Reserves	**(21,971)**	(20,787)
Total equity	**24,919**	26,103

Chong Tin Lung, Benny
Director

Luk Yue Kan
Director

25. Statement of Financial Position of the Company *(Continued)*

A summary of the Company's reserves is as follows:

	Share premium account US$'000	Capital reserve US$'000	Accumulated losses US$'000	Total US$'000
At 1 January 2023	101,684	10,900	(132,975)	(20,391)
Loss for the year	–	–	(396)	(396)
Total comprehensive income for the year	–	–	(396)	(396)
At 31 December 2023 and 1 January 2024	**101,684**	**10,900**	**(133,371)**	**(20,787)**
Loss for the year	**–**	**–**	**(1,184)**	**(1,184)**
Total comprehensive income for the year	**–**	**–**	**(1,184)**	**(1,184)**
At 31 December 2024	**101,684**	**10,900**	**(134,555)**	**(21,971)**

In accordance with the articles of association of the Company and the Companies Act (As Revised) of the Cayman Islands, the Company's share premium account is distributable in certain circumstances.

The capital reserve of the Company represented (i) capital injections that were treated as contributions from the equity holders of the Company as part of the group reorganisation for listing; and (ii) the unpaid amount that was waived by the then immediate holding company upon listing.

26. Approval of the Financial Statements

The consolidated financial statements were approved and authorised for issue by the board of directors on 25 March 2025.

Five-Year Financial Summary

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below:

Results

	For the year ended 31 December				
	2024	2023	2022	2021	2020
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue	**309,937**	526,119	201,487	292,873	467,495
(Loss)/profit before tax	**(274)**	2,619	(2,224)	(1,737)	1,057
Income tax (expenses)/credit	**(55)**	(251)	2	(44)	(213)
(Loss)/profit for the year	**(329)**	2,368	(2,222)	(1,781)	844

Assets, Liabilities and Non-controlling Interests

	As at 31 December				
	2024	2023	2022	2021	2020
	US$'000	US$'000	US$'000	US$'000	US$'000
Non-current assets	**7,347**	9,886	14,145	15,999	16,811
Current assets	**64,067**	99,287	46,726	21,752	118,870
Current liabilities	**(41,108)**	(78,834)	(32,717)	(7,363)	(103,531)
Non-current liabilities	**(324)**	–	(176)	(158)	(101)
Net assets	**29,982**	30,339	27,978	30,230	32,049
Equity attributable to owners of the Company	**29,132**	29,439	27,073	29,236	31,066
Non-controlling interests	**850**	900	905	994	983
Total equity	**29,982**	30,339	27,978	30,230	32,049

Glossary of Terms

In this annual report, 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
"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
"Companies Ordinance"	Companies Ordinance, Chapter 622 of the Laws of Hong Kong
"Director(s)"	the director(s) of the Company
"FY 2023" or "Corresponding Prior Period"	the financial year ended 31 December 2023
"FY 2024" or "Reporting Period"	the financial year ended 31 December 2024
"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
"Investment Committee"	the investment committee of the Company
"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 MGI

Glossary of Terms

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MGI"	Mount Gibson Iron Limited, a company incorporated in Australia, the shares of which are listed on the Australian Securities Exchange (ASX: MGX)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Mt"	million tonnes
"Nomination Committee"	the nomination committee of the Company
"Remuneration Committee"	the remuneration committee of the Company
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Share(s)"	existing ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"tonne(s)"	equal to 1,000 kilograms
"US$" or "USD"	the United States dollar

Corporate Information

Board of Directors

Executive Directors

Mr. Chong Tin Lung, Benny *(Chairman)*
Mr. Luk Yue Kan

Non-executive Director

Mr. Chen Hongyuan

Independent Non-executive Directors

Mr. Tsui King Fai
Mr. Lee Kwan Hung, Eddie
Mr. Shin Yick, Fabian
Ms. Hang Qingli*

Board Committees

Audit Committee

Mr. Tsui King Fai *(Chairman)*
Mr. Lee Kwan Hung, Eddie
Mr. Shin Yick, Fabian
Ms. Hang Qingli*

Remuneration Committee

Mr. Lee Kwan Hung, Eddie *(Chairman)*
Mr. Chong Tin Lung, Benny
Mr. Tsui King Fai
Mr. Shin Yick, Fabian
Ms. Hang Qingli*

Nomination Committee

Mr. Lee Kwan Hung, Eddie *(Chairman)*
Mr. Chong Tin Lung, Benny
Mr. Tsui King Fai
Mr. Shin Yick, Fabian
Ms. Hang Qingli*

Investment Committee

Mr. Chong Tin Lung, Benny *(Chairman)*
Mr. Luk Yue Kan
Mr. Chen Hongyuan

Company Secretary

Mr. Luk Yue Kan

Auditor

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

Solicitors

Chiu & Partners

Principal Bankers

Agricultural Bank of China Limited, Hong Kong Branch
Bank of China (Hong Kong) Limited

* Appointed on 1 July 2024

Corporate Information

Registered Office

P.O. Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong

Units 4204-05, 42/F
Dah Sing Financial Centre
248 Queen's Road East
Wan Chai, Hong Kong

Principal Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Investor Information

For more information about the Group, please contact the Investor Relations Department at:

Newton Resources Ltd
Units 4204-05, 42/F
Dah Sing Financial Centre
248 Queen's Road East
Wan Chai, Hong Kong
Tel : (852) 2521 8168
Fax : (852) 2521 8117
Email : ir@newton-resources.com

Website

www.newton-resources.com

新礦資源有限公司
NEWTON RESOURCES LTD

Units 4204-05, 42/F, Dah Sing Financial Centre,
248 Queen's Road East, Wan Chai, Hong Kong
Tel: (852) 2521 8168
Fax: (852) 2521 8117

www.newton-resources.com

MIX
Paper | Supporting responsible forestry
FSC™ C176382
FSC www.fsc.org

PRINTED WITH SOY INK™