



IRC Limited

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2025

INTERIM REPORT

中 期 報 告





ABOUT US

IRC is the largest iron ore mining operator in the Russian Far East. Our long-term relationships with customers in China and Russia, as well as our world-class operations, enable us to focus on producing high-quality iron ore concentrates.

WHY IRC

IRC stands out in the iron ore market due to its competitive advantages, namely superior geology and direct access to China, the world's largest iron ore market, through established world-class infrastructure.

2025 AND BEYOND

K&S mine, our flagship 3.2 million tonnes per annum project, produces high quality 65% iron ore concentrate and is operating at a high capacity. In the long term, we have the options to boost the Group's production capacity by adding processing equipment to K&S ("Phase II"), and also by developing other exploration projects of IRC.

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CHAIRMAN STATEMENT

Dear Shareholders,

It is my privilege to present the 2025 interim results of IRC Limited (“IRC” or the “Company”) for the six months ended 30 June 2025 (the “Period”). This half-year period has been both transformative and challenging. While we have made significant operational improvements, external market conditions have tested our resilience. I am pleased to report that, despite these challenges, IRC has emerged stronger with a solid foundation for future growth.

A YEAR OF STRATEGIC PROGRESS

For the past few years, our operation at K&S had been constrained by the shortcomings of the Kimkan site. K&S was facing challenging operating issues due to the lower grades of iron ore magnetic properties and the lack of mining fronts at Kimkan. As a result, beneficiation properties of the ore blend fed to the processing plant had resulted in a lower yield of commercial concentrate than designed. This had been affecting K&S’s ability to increase its production volume.

The successful mining operation at the Sutara mine site is a game-changer to IRC and marks a watershed moment, as this mine site delivers substantially higher-quality ore which allows K&S to increase its production volumes. This operational transformation has fundamentally strengthened IRC’s competitive position. The positive impact of Sutara has been instantly felt. The production volume in the first half of 2025 of 1,422,870 tonnes is 25.7% higher than the same period last year. In line with the strong production increase, sales volume also surged by 26.9% to 1,419,367 tonnes.

The commissioning of Sutara represents more than just an operational achievement – it demonstrates IRC’s ability to deliver on our strategic promises and execute complex mining projects. This milestone validates our long-term vision for the Company and reinforces our confidence in unlocking the full potential of our asset portfolio. The immediate production and sales improvements from Sutara confirm that we now have the right operational platform to drive sustainable growth. More importantly, it proves our technical capability to overcome the geological challenges that previously constrained our performance. With Sutara now operational, we have not only addressed our immediate production challenges but have also created a foundation for future expansion opportunities, including the commissioning of our own mining fleet in the second half of 2025.

FINANCIAL PERFORMANCE OVERVIEW

While we achieved significant operational progress with higher production and sales volumes, our financial results were adversely affected by challenging external market conditions:

- **Declining Iron Ore Prices:** In the first half of 2025, average Platts 65% iron ore price fell by 13.9% when comparing with the same period last year and the price premium of 65% iron ore over 62% iron ore also reduced, primarily due to weakening Chinese demand amid its ongoing property sector crisis; market oversupply with major iron ore producers maintaining strong output; and macroeconomic headwinds including global trade barriers and tariff policies.
- **Currency Appreciation Impact:** Fuelled by the stringent monetary policies implemented by the Russia Central Bank; geopolitical optimism in financial markets in the first half of 2025; and the international political instability affecting global currency flows, Russian Rouble has strengthened significantly, especially in the second quarter of 2025. With the majority of our operating costs denominated in Rouble, the currency appreciation has resulted in substantially higher US dollar-equivalent operating costs.

CHAIRMAN STATEMENT (CONTINUED...)

These external factors largely offset our volume gains, limiting revenue growth to 9.3%. Our EBITDA showed modest improvement to US\$6.7 million (six months ended 30 June 2024: negative US\$1.7 million).

It is important to note that these market conditions masked what would otherwise have been substantially stronger financial performance, as evidenced by our operational achievements. Our core business fundamentals remain robust, positioning us well for improved results when these external pressures ease.

NON-RECURRING ITEMS AND UNDERLYING PERFORMANCE

During the Period, the Group reported a net loss of US\$102.0 million. This result includes several significant non-recurring items that require separate consideration:

1. **EPC Contractor Settlement Gain** (US\$29.9 million):

We are pleased to report the successful resolution of the long-standing contractual dispute with our EPC contractor through mutually agreeable terms. This settlement resulted in the reversal of previously recognised liabilities.

2. **K&S Asset Impairment Provision** (US\$120.2 million):

We recorded a non-cash impairment charge against the carrying value of K&S, mainly resulted from the impact of Russian Rouble appreciation leading to higher forecasted operating costs in US dollar term.

3. **Bolshoi Seym Provision** (US\$6.7 million):

As a prudent measure, we have fully provided for the carrying value of Bolshoi Seym due to ongoing uncertainties regarding its mining licenses.

Excluding these non-recurring items which are all non-cash in nature, our underlying loss for the Period was US\$3.0 million (six months ended 30 June 2024: US\$10.8 million). We believe this adjusted figure more accurately reflects the Group's operational performance and cash-generating capability during the Period.

OPERATIONAL ENHANCEMENTS

In the past six months, we have demonstrated both the resilience of our business model and the ongoing challenges of operating in volatile commodity markets. While our reported financial results reflect the impact of exceptional items, we take encouragement from the fundamental improvements we have made to our operating platform. The successful ramp-up of Sutara has transformed our production profile, delivering both higher production and sales volumes and lower production cost that will serve us well when market conditions improve.

We are not resting on our laurels and are constantly looking for ways to further enhance our operation.

Currently, the ore at Sutara is being transported 18 kilometres to the K&S processing plant as is. K&S is now in the process of setting up a crushing and screening plant at Sutara, for which ore will first be pre-processed on-site, and then the resulting pre-concentrate will be trucked to the processing plant. This would allow the transport volume and hauling costs to decrease by about 20%. The investment in the crushing and screening plant aligns with our broader operational improvement strategy, complementing the quality advantages we have already achieved at Sutara.

Separately, recognising the operational inefficiencies and inconsistent performance associated with the third-party mining contractors, we have initiated a strategic shift toward bringing mining operations in-house through the acquisition of our own mining equipment. This transition is expected to enhance operational control and cost efficiency to reap further benefits from the K&S operation.

NAVIGATING MARKET CHALLENGES AND FUTURE OUTLOOK

We continue to operate in a complex and rapidly evolving environment. The iron ore market remains under pressure from uncertain demand fundamentals, particularly in China where the property sector downturn continues to weigh on steel consumption. At the same time, the industry faces persistent oversupply as major producers maintain elevated output levels. Currency markets present additional challenges, with the Russian Rouble's strength against the US dollar continuing to impact our cost base. These factors combine to create a demanding operating landscape that requires disciplined management.

In response to these conditions, we are maintaining a cautiously optimistic outlook. Our focus remains on controlling what we can control – driving operational efficiencies, preserving financial flexibility and liquidity, and positioning the business to benefit when markets eventually recover. The quality improvements at Sutara have already begun to yield benefits, and we expect these to become more pronounced as we optimise the new asset.

Looking ahead, we see reasons for both caution and confidence. While near-term market conditions remain challenging, the operational transformation we have achieved leaves us better positioned to weather the storm. As we move forward, we will continue to balance prudent financial management with targeted investments in efficiency and quality. The progress we have made in the first half of 2025, though partially obscured by external headwinds, provides a solid foundation for improved performance when market conditions normalise.

ACKNOWLEDGMENTS

I extend my deepest gratitude to our employees for their dedication during this transformation stage; our shareholders for their continued trust; and our partners and contractors for working towards mutually beneficial solutions.

While 2025 presents challenges, the fundamental improvements to our operations ensure IRC is well-positioned for long-term success. We remain confident in our assets, our team, and our ability to deliver value.

Nikolai Levitskii

Chairman

RESULTS OF OPERATIONS

The table below summarises the consolidated results of the Group for the six months ended 30 June 2025 and 2024:

For the six months ended 30 June			
	2025	2024	Variance
Key Operating Data			
Iron Ore Concentrate			
– Production volume (tonnes)	1,422,870	1,132,201	25.7%
– Sales volume (tonnes)	1,419,367	1,118,750	26.9%
Achieved Selling Price (US\$/tonne)			
– based on wet metric tonne	86.5	100.0	(13.5%)
– based on dry metric tonne	93.2	107.5	(13.3%)
Platts 65% iron ore average price	112.5	130.7	(13.9%)
Cash Cost (US\$/tonne)			
– excl. transportation to customers (wet metric tonne)	59.9	81.9	(26.9%)
– incl. transportation to customers (wet metric tonne)	77.4	97.4	(20.5%)
– excl. transportation to customers (dry metric tonne)	64.5	87.8	(26.5%)
– incl. transportation to customers (dry metric tonne)	83.3	104.3	(20.1%)
Consolidated Income Statement (US\$'000)			
Revenue	122,798	112,329	9.3%
Site operating expenses and service costs before depreciation	(110,391)	(109,308)	1.0%
General administration expenses before depreciation	(5,586)	(5,067)	10.2%
Other (expenses)/income, gains and losses, and other allowances, net	(130)	311	(141.8%)
Adjusted EBITDA excluding non-recurring items and foreign exchange (note)	6,691	(1,735)	(485.6%)
Depreciation	(8,956)	(5,645)	58.7%
Finance costs, net	(2,225)	(3,273)	(32.0%)
Income tax credit/(expense) & non-controlling interests	1,510	(185)	(916.2%)
Adjusted underlying loss – excluding non-recurring items and foreign exchange (note)	(2,980)	(10,838)	(72.5%)
Impairment losses	(126,882)	–	N/A
Reversal of accruals and write-back of payables related to EPC contract	29,883	–	N/A
Net foreign exchange and fair value change of derivatives	(1,989)	(336)	492.0%
Other provision	–	(2,065)	(100.0%)
Loss attributable to the owners of the Company	(101,968)	(13,239)	670.2%

Note: These represents non-HKFRS adjusted results of the Group. For further details of the basis of adjustment and adoption of non-HKFRS measures, please refer to the section headed “Use of Non-HKFRS measures” on page 6 to 8 of this report.

RESULTS OF OPERATIONS (CONTINUED...)

USE OF NON-HKFRS MEASURES

To supplement IRC's consolidated financial statements prepared and presented in accordance with HKFRS Accounting Standards, non-HKFRS adjusted results are presented as additional financial measures.

IRC's operating results are mainly derived from the operation of K&S. The Group manages its operations with principal reference to the underlying operating cash flows and recurring earnings. The "adjusted EBITDA" and "adjusted underlying results", as presented below, are results which exclude non-recurring items and foreign exchange. The Company believes that these non-HKFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impact of items that management considers non-indicative of the operating performance. It is considered that these measures provide useful information to investors and others in understanding and evaluating IRC's consolidated results of operations and financial position, in the same manner as they help the management of IRC. However, the presentation of the non-HKFRS adjusted EBITDA and non-HKFRS adjusted underlying results may not be comparable to similarly titled measures presented by other companies. The use of these non-HKFRS measures has limitations as analytical tools, and should not be considered in isolation from, or as substitutes for analysis of, the results of operations or financial position of IRC as reported under HKFRS Accounting Standards.

1. Adjusted EBITDA – excluding non-recurring items and foreign exchange

For the six months ended 30 June			
US'\$000	2025	2024	
Loss before taxation			
– As reported	(103,478)	(13,054)	
Non-HKFRS adjustments			
– Impairment losses	126,882	–	
– Reversal of accruals and write-back of payables related to EPC contract	(29,883)	–	
– Net foreign exchange and fair value change of derivatives	1,989	336	
– Other provision	–	2,065	
– Depreciation	8,956	5,645	
– Finance costs, net	2,225	3,273	
Non-HKFRS			
– EBITDA excluding non-recurring items and foreign exchange	6,691	(1,735)	

For the Period, the Group recorded a positive adjusted EBITDA, excluding non-recurring items and foreign exchange of US\$6.7 million (six months ended 30 June 2024: negative US\$1.7 million). The positive adjusted EBITDA was primarily driven by higher production and sales volumes, along with lower production costs, which offset the impacts of weaker iron ore prices and Rouble appreciation, as detailed below:

Sales and production volumes: The significant increase in production and sales volumes by K&S was driven by improved ore quality and lower stripping ratio at Sutara, as well as technology improvement of the production process. During the Period, 1,422,870 tonnes of iron ore concentrate were produced (six months ended 30 June 2024: 1,132,201 tonnes). 1,419,367 tonnes of iron ore concentrate were sold during the Period (six months ended 30 June 2024: 1,118,750 tonnes).

RESULTS OF OPERATIONS (CONTINUED...)

Selling prices: The average Platts 65% iron ore price amounted to US\$112.5 per tonne for the Period (six months ended 30 June 2024: US\$130.7 per tonne), representing a decrease of 13.9%. The achieved selling price for iron ore concentrate amounted to US\$93.2 per tonne for the Period (six months ended 30 June 2024: US\$107.5 per tonne), representing a decrease of 13.3%. The decrease was in line with the 13.9% decrease in average Platts 65% iron ore price.

Production cost: Despite the high Russian inflation, strong Rouble appreciation, and the increase of Mineral Extraction Tax rate, IRC's cash cost decreased by 20.5% to US\$77.4 per tonne. This positive impact is mainly attributable to significant decrease in mining cost, as the good quality ore and lower stripping ratio at Sutara, coupled with an improved iron ore recovery following technical improvements provided a much-improved yield rate. The higher sales volumes also led to a general decrease in fixed costs on a per tonne basis.

The increased sales volumes along with lower production costs mitigated the impacts of weaker iron ore price, Russian inflation and Rouble appreciation. The combined effect led to a positive adjusted EBITDA of US\$6.7 million for the Period, marking an increase of 485.6% as compared with that of the corresponding period in 2024.

2. Adjusted underlying results – excluding non-recurring items and foreign exchange

US'\$000	For the six months ended 30 June	
	2025	2024
Loss attributable to the owners of the Company		
– As reported	(101,968)	(13,239)
Non-HKFRS adjustments		
– Impairment losses	126,882	–
– Reversal of accruals and write-back of payables related to EPC contract	(29,883)	–
– Net foreign exchange and fair value change of derivatives	1,989	336
– Other provision	–	2,065
Non-HKFRS		
– Underlying loss excluding non-recurring items and foreign exchange	(2,980)	(10,838)

The Group's income statement sometimes includes certain material non-recurring and non-operating items which, under the non-HKFRS adjusted results, should be considered separately. During the Period and the corresponding period in 2024, these items are:

- **Impairment losses:** Impairment losses related to the K&S mine amounted to US\$120.2 million (six months ended 30 June 2024: nil). This was primarily due to the appreciating of the Russian Rouble resulting in higher forecasted operating costs in US dollar term. In addition, during the Period, the carrying value of one of the exploration and evaluation assets, Bolshoi Seym, amounting to US\$6.7 million was fully impaired due to issues with the exploration license (six months ended 30 June 2024: nil). For further details in respect of the impairment losses, please refer to note 6 to the condensed consolidated financial statements of the Company for the six months ended 30 June 2025 in this report.

RESULTS OF OPERATIONS (CONTINUED...)

- **Reversal of accruals and write-back of payables related to EPC contract:** A one-off gain of US\$29.9 million was recorded during the Period (six months ended 30 June 2024: nil) primarily resulted from the reversal of accruals and write-back of payables related to an EPC contract following an amicable settlement of the dispute. For further details, please refer to the announcement of the Company dated 23 January 2025.
- **Net foreign exchange and fair value change of derivatives:** A non-cash net foreign exchange loss of US\$2.0 million was recorded during the Period (six months ended 30 June 2024: net foreign exchange and fair value change of derivatives of US\$0.3 million), mainly due to Russian Rouble exchange rate movements.

While the Group reports a loss of US\$102.0 million for the Period, this figure may not be a best reflection of the actual performance of the Group due to the forementioned non-recurring items and foreign exchange. Under the non-HKFRS measures adopted, the Group reports an adjusted EBITDA of US\$6.7 million and an adjusted underlying loss of US\$3.0 million. The underlying result for the Period is better than that of the corresponding period in 2024 mainly due to improved adjusted EBITDA, as discussed above.

REVENUE

Iron ore concentrate

Production and sales volume

IRC's main revenue source comes from the sales of 65% iron ore concentrate produced at the K&S mine.

During the Period, the Company recorded strong operating performance, marked by significant increases in both production and sales volumes compared to the corresponding period in 2024. This success is largely attributed to the commencement of operations at the Sutara mine in July 2024, which facilitated a gradual transition of mining works from the Kimkan mine to the Sutara mine. The transition to the Sutara mine enabled the delivery of higher-quality ore mined with lower stripping ratio, significantly boosting production volume and operational efficiency of K&S. Additionally, the operations of the Sutara mine effectively addressed the challenges faced by the Group in the first half of 2024, when production was constrained due to the deterioration in the quality of iron ore reserves from the depleting Kimkan deposit.

During the first quarter of 2025 ("Q1 2025"), the Company produced 679,080 tonnes of iron ore concentrate. In the second quarter of 2025 ("Q2 2025"), production volume increased to 743,790 tonnes, reflecting an increase of 9.5% from quarter to quarter, primarily due to improved ore quality from the Sutara pit. During the Period, a total of 1,422,870 tonnes of iron ore concentrate were produced, 25.7% higher than the 1,132,201 tonnes produced during the corresponding period in 2024.

In line with the increased production volume, sales volume also increased. During the Period, sales volume of 1,419,367 tonnes of iron ore concentrate was 26.9% higher than the 1,118,750 tonnes sold during the corresponding period in 2024.

In terms of the quantity of ore mined at Sutara, a total of 4,149,000 tonnes of iron ore were mined at Sutara, accounting for approximately 88% of the total amount of ore mined during the Period.

In terms of plant operating capacity, thanks to improved ore quality, the plant achieved an average operating capacity of approximately 90% during the Period, a substantial improvement compared to the 72% average capacity in the corresponding period in 2024. This upward trend in capacity utilisation reflects the Company's commitment to enhancing production efficiency and underscores Sutara's potential to significantly contribute to overall output in the coming years.

Looking ahead, the Sutara deposit will provide a long-term ore supply for K&S operations, with a mine life exceeding 30 years.

RESULTS OF OPERATIONS (CONTINUED...)

Iron ore prices

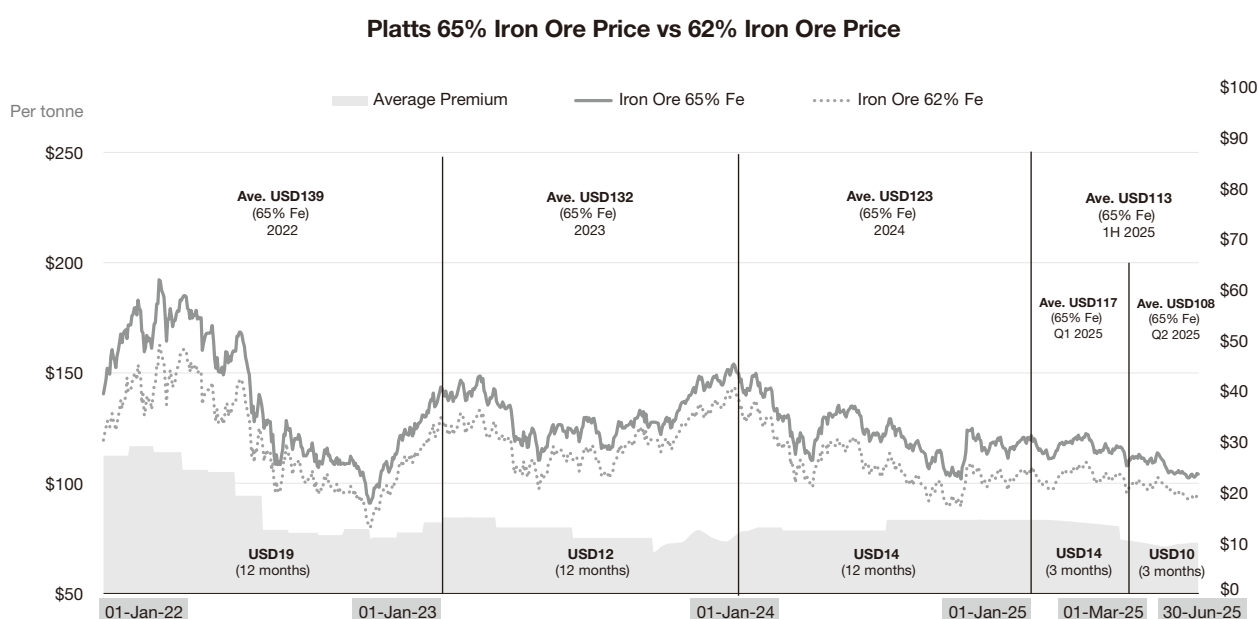
K&S's iron ore concentrate is priced with reference to the international spot price of Platts iron ore benchmark index. In Q1 2025, the iron ore market remained bearish, with the average price of Platts 65% iron ore at US\$116.8 per tonne. This weak price environment was attributed to several factors, including reduced operations by Chinese steel mills during the Chinese New Year holiday and reports of increased supply from Brazilian and Australian mines.

In Q2 2025, the downward trend in iron ore prices continued, with the average price of Platts 65% iron ore falling to US\$108.4 per tonne, a decrease of 7.2% quarter over quarter. The lower iron ore price was primarily due to weak domestic steel demand in China and structural oversupply in the market.

During the Period, average Platts 65% iron ore price was US\$112.5 per tonne, representing a decrease of 13.9% from US\$130.7 per tonne in the corresponding period of 2024.

As of 30 June 2025, IRC did not have any open iron ore hedging position, given that it is difficult to achieve meaningful hedges with the forward iron ore curve in backwardation. IRC will continue to monitor the price movements and may enter into hedging transactions if the hedging terms are considered favorable.

The chart below illustrates the Platts 65% Fe index from 1 January 2022 to 30 June 2025:



* Source: Platts (as of 30 June 2025)

Revenue of K&S

During the Period, IRC's revenue amounted to US\$122.8 million (six months ended 30 June 2024: US\$112.3 million), representing an increase of 9.3%. The average Platts 65% iron ore price amounted to US\$112.5 per tonne during the Period (six months ended 30 June 2024: US\$130.7 per tonne), representing a decrease of 13.9%. Sales volume amounted to 1,419,367 tonnes during the Period (six months ended 30 June 2024: 1,118,750 tonnes), representing an increase of 26.9%. Despite the decline in prices, IRC's substantial increase in sales volumes significantly contributed to the overall revenue growth.

RESULTS OF OPERATIONS (CONTINUED...)

Engineering Services

Revenue from Giproruda, the Group's small-scale engineering services division, while not material, diversified the Group's revenue. During the Period, revenue from the segment amounted to US\$77,000 (six months ended 30 June 2024: US\$23,000), representing an increase of 234.8%.

SITE OPERATING EXPENSES AND SERVICE COSTS BEFORE DEPRECIATION

The mining and operating expenses incurred by the Group's sole operating mine, the K&S project, in relation to sales of iron ore concentrate are primarily reflected in the site operating expenses and service costs.

The table below illustrates the details of the key cash cost components per wet metric tonne of iron ore concentrate sold:

For the six months ended 30 June		
	2025 Cash cost per tonne US\$/t	2024 Cash cost per tonne US\$/t
Mining	23.9	45.8
Processing and drying	13.2	13.9
Production overheads, site administration and related costs	14.7	11.9
Mineral extraction tax	8.1	3.8
Temporary export duties	–	6.5
Net cash cost before transportation to customers	59.9	81.9
Transportation to customers	17.5	15.5
Net cash cost	77.4	97.4

Net cash cost for the Period was US\$77.4 per tonne (six months ended 30 June 2024: US\$97.4 per tonne), representing a decrease of 20.5%. This reduction is primarily due to the mining at Sutara, whose superior ore quality and lower stripping ratio improved the yield and resulted in reduction in mining costs. Specifically, mining costs for the Period was US\$23.9 per tonne (six months ended 30 June 2024: US\$45.8 per tonne), representing a decrease of 47.8%. The successful commencement of Sutara mine enables K&S to deliver higher quality ore while managing costs more effectively. In addition, the higher production volume during the Period results in a general reduction in cost on a per tonne basis due to economy of scale.

Production overheads, site administration and related costs for the Period amounted to US\$14.7 per tonne (six months ended 30 June 2024: US\$11.9 per tonne), representing an increase of 23.5%. The increase was mainly attributed to higher operational expenses, mainly driven by inflationary pressures and the expansion of operational activities. In 2025, Russia's inflation rate is expected to be around 9.3%, well above the Russia Central Bank's target of 4%. Cost control remains a challenging task for K&S.

The Temporary Export Duties were nil for the Period (six months ended 30 June 2024: US\$6.5 per tonne) as such duties were only implemented by Russia to last until the end of 2024. On the other hand, the Mineral Extraction Tax for the Period was US\$8.1 per tonne (six months ended 30 June 2024: US\$3.8 per tonne), representing an increase of 113.2%. The increase was attributed to an increase in the Mineral Extraction Tax rate by Russia in 2025 and also the increase of the Mineral Extraction Tax rate of K&S as preferential tax regime granted before nears expiry.

RESULTS OF OPERATIONS (CONTINUED...)

IRC's operating cost is also dependent on the strength of the Russian Rouble, as the Group's costs are mainly denominated in Roubles. During the Period, the Rouble exchange rate was RUB87 to the US Dollar (six months ended 30 June 2024: RUB91 to the US Dollar), representing a decrease of 4.4%. The appreciation of the Rouble has heightened inflationary pressure on costs and negatively impacted on the Group's operating margin. As of 30 June 2025, the Group did not have any hedging position for the Russian currency, but may consider entering into foreign exchange hedging contracts if deemed appropriate.

The chart below illustrates the movements of the Rouble exchange rate since 1 January 2022 to 30 June 2025:



* Source: Bank of Russia (as of 30 June 2025)

In summary, the net cash cost for the K&S project decreased significantly to US\$77.4 per tonne, representing a decrease of 20.5% compared to the corresponding period in 2024. This decline is primarily due to the successful commencement of the Sutara mine site, whose improved ore quality and lower stripping ratio allowed mining costs to reduce by 47.8%. These improvements effectively offset the negative impacts of increasing Mineral Extraction Tax, higher production overheads and the appreciation of Rouble.

GENERAL ADMINISTRATION EXPENSES BEFORE DEPRECIATION

General administration expenses before depreciation for the Period amounted to US\$5.6 million (six months ended 30 June 2024: US\$5.1 million), representing an increase of 10.2%. The increase was mainly due to inflationary increase in staff costs and administrative expenses.

OTHER (EXPENSES)/INCOME, GAINS AND LOSSES, AND OTHER ALLOWANCES, NET

Other (expenses)/income, gains and losses, and other allowances, net amounted to US\$0.1 million during the Period. This mainly represents the loss on disposal of fixed assets.

RESULTS OF OPERATIONS (CONTINUED...)

DEPRECIATION

Depreciation charges for the Period amounted to US\$9.0 million (six months ended 30 June 2024: US\$5.6 million), representing an increase of 58.7%. The increase is in line with the increase in production volume during the Period, as the economic benefits of some of the fixed assets are consumed in patterns linked to the production level and are depreciated using a units of production basis.

FINANCE COSTS, NET

Finance costs, net principally reflect the interest expenses incurred by K&S on the loan facilities from MIC Invest Limited Liability Company ("MIC"). During the Period, finance costs, net amounted to US\$2.2 million (six months ended 30 June 2024: US\$3.3 million), representing a decrease of 32.0% compared with that of the corresponding period in 2024. The decrease was primarily due to voluntary early principal repayments of US\$12.0 million, in addition to the scheduled loan principal repayment instalment of US\$4.8 million to MIC in the first quarter of 2025. The tranche with the higher interest rate has been fully repaid. In June 2025, MIC agreed to extend the principal repayment deadline of an instalment originally due on 20 June 2025 to 20 October 2025.

INCOME TAX CREDIT/(EXPENSE) AND NON-CONTROLLING INTERESTS

The income tax credit and non-controlling interests for the Period amounted to US\$1.5 million (six months ended 30 June 2024: income tax expense of US\$0.2 million). It was mainly related to the increase in deferred tax for the Period.

IMPAIRMENT LOSSES

Impairment losses related to the K&S mine for the Period amounted to US\$120.2 million (six months ended 30 June 2024: nil). This was primarily due to the higher forecasting operating costs following the Rouble appreciation. In addition, due to licence issues, the carrying value of Bolshoi Seym of US\$6.7 million was fully impaired (six months ended 30 June 2024: nil). For further details, please refer to note 6 to the condensed consolidated financial statements of the Company for the six months ended 30 June 2025 in this report.

NET FOREIGN EXCHANGE AND FAIR VALUE CHANGE OF DERIVATIVES

During the Period, the net foreign exchange was US\$2.0 million (six months ended 30 June 2024: net foreign exchange and fair value change of derivatives of US\$0.3 million). It was mainly attributable to the movements in exchange rate of Russian Rouble.

LOSS ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The Group recorded a loss of US\$102.0 million for the Period (six months ended 30 June 2024: US\$13.2 million). The loss was mainly due to the net effect of a one-off gain from reversal of accruals and write-back of payables related to EPC contract of US\$29.9 million for the Period offset by impairment losses related to the K&S mine and other assets of US\$126.9 million for the Period.

SEGMENT INFORMATION

The mines in production segment represents the K&S mine's production and sales. This segment made a loss of US\$116.2 million for the Period, mainly due to the impairment losses related to the K&S mine, as mentioned above. Mines in development, engineering and other segments were not material to the total revenue and a total loss of US\$7.2 million of these segments was recorded during the Period.

RESULTS OF OPERATIONS (CONTINUED...)

STATEMENT OF CASH FLOWS

The following table summarises key cash flow items of the Group for the six months ended 30 June 2025 and 30 June 2024:

US\$'000	For the six months ended 30 June	
	2025	2024
Net cash generated from/(used in) operations	86	(1,168)
Repayment of borrowings	(16,809)	(4,457)
Capital expenditure	(12,376)	(9,459)
Interest expenses paid	(1,885)	(1,959)
Income tax paid	(178)	(227)
Other payments and adjustments, net	310	75
Net movement during the Period	(30,852)	(17,195)
Cash and bank balances (including time deposits)		
– At 1 January	60,734	56,557
– At 30 June	29,882	39,362

Net cash generated from operations for the Period was US\$86,000 following increased sales volume and reduced cash costs. The higher revenue from the K&S mine contributed to higher cash flow generated from operating activities.

The loan from MIC is to be repaid on a quarterly basis. The repayments of borrowings for the Period amounted to US\$16.8 million (six months ended 30 June 2024: US\$4.5 million), representing an increase of 277.1%. The increase was primarily due to voluntary early principal repayments of US\$12.0 million, in addition to the scheduled loan principal repayment instalment of US\$4.8 million to MIC in the first quarter of 2025. In June 2025, MIC agreed to extend the repayment deadline of an instalment originally due on 20 June 2025 to 20 October 2025.

Capital expenditure for the Period amounted to US\$12.4 million (six months ended 30 June 2024: US\$9.5 million), representing an increase of 30.8%. The increase was primarily attributed to the development of the Sutara mine.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES**Share Capital**

On 15 May 2025, the Board proposed to implement the share consolidation on the basis that every ten (10) issued share of the Company be consolidated into one (1) ordinary share ("Share Consolidation"). The Share Consolidation had been approved by the shareholders of the Company at the annual general meeting on 25 June 2025 and became effective on 27 June 2025. Details of the Share Consolidation are set out in the Company's announcements dated 15 May 2025 and 25 June 2025, and circular dated 30 May 2025.

Cash Position

As of 30 June 2025, the carrying amount of the Group's cash, deposits and bank balances decreased to US\$29.9 million (31 December 2024: US\$60.7 million). The decrease is mainly due to the principal repayments to MIC and the capital expenditure incurred on the Sutara mine.

RESULTS OF OPERATIONS (CONTINUED...)

Exploration, Development and Mining Production Activities

During the Period, US\$122.7 million (six months ended 30 June 2024: US\$118.7 million) was incurred on development and mining production activities. No material exploration activity was carried out during the Period and the corresponding period in 2024. The following table details the operating and capital expenditures for the Period and the corresponding period in 2024:

For the six months ended 30 June						
US\$m	2025			2024		
	Operating expenses	Capital expenditure	Total	Operating expenses	Capital expenditure	Total
K&S development	109.8	12.3	122.1	108.9	9.4	118.3
Exploration projects and others	0.5	0.1	0.6	0.4	–	0.4
	110.3	12.4	122.7	109.3	9.4	118.7

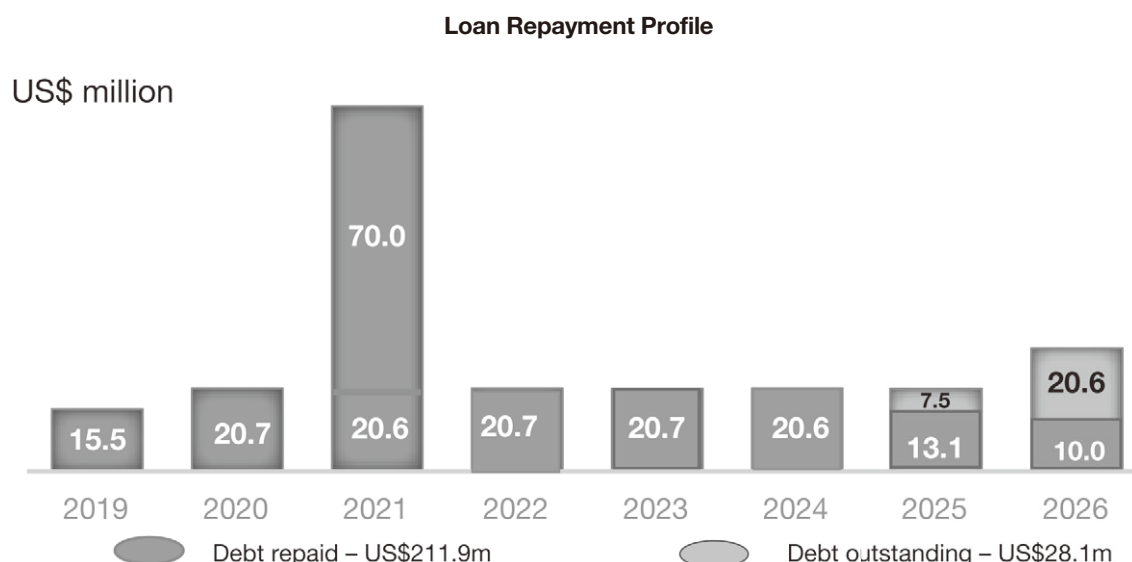
The table below sets out the details of material new contracts and commitments entered into during the Period and the corresponding period in 2024 on a by-project basis.

For the six months ended 30 June			
US\$m	Nature	2025	2024
K&S	Purchase of property, plant and equipment	1.9	0.3
	Sub-contracting for excavation related works	1.4	–
Others	Other contracts and commitments	0.2	0.7
		3.5	1.0

RESULTS OF OPERATIONS (CONTINUED...)

Borrowings and Charges

IRC drew down the US\$240 million loan facility in 2019 and since then IRC has repaid US\$211.9 million. As of 30 June 2025, the total debt due to MIC amounted to US\$28.1 million (31 December 2024: US\$44.9 million), including the June 2025 instalment whose repayment deadline has been extended to October 2025. The repayment profile of the loan as of 30 June 2025 is as follows:



Source: IRC Limited (as of 30 June 2025)

The loan is secured by (i) a charge over the property, plant and equipment with net book value of US\$45.5 million; (ii) 100% equity share of IRC Limited in LLC KS GOK, a wholly owned subsidiary of the Group; and (iii) pledge of the rights of certain bank accounts of LLC KS GOK.

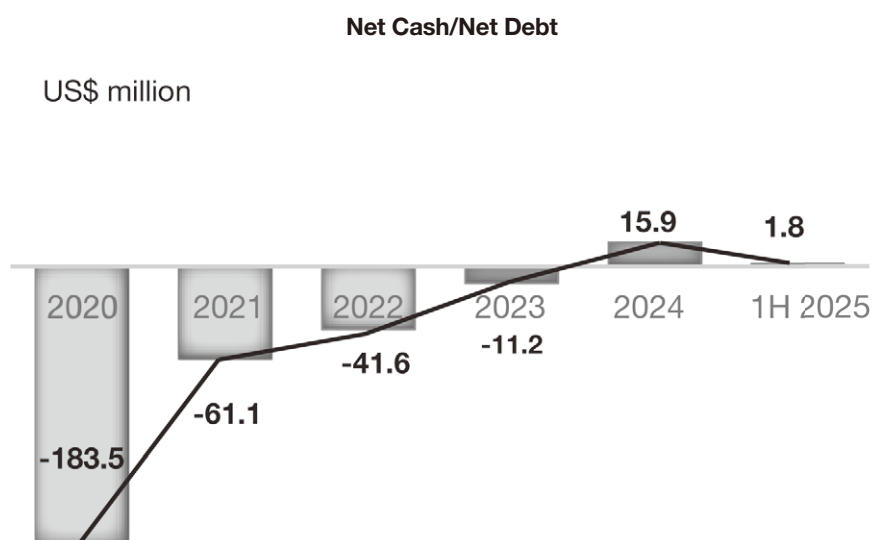
The interest rate of the MIC loan facility was determined based on Secured Overnight Financing Rate (“SOFR 90”). Interests for the first loan tranche of US\$160 million (of which US\$28.1 million is outstanding as of 30 June 2025) and second loan tranche of US\$80 million (which has been fully repaid as of 31 March 2025) would be determined based on SOFR 90 + 6.2% per annum and SOFR 90 + 8.2% per annum, respectively.

The Group’s weighted average interest rate was 8.33% for the Period (six months ended 30 June 2024: 8.78%). The loan is not subject to guarantee, saving the Group from making guarantee fee payments.

As of 30 June 2025, the net cash of the Group decreased to US\$1.8 million (31 December 2024: US\$15.9 million), primarily due to the capital expenditure spent on the Sutara mine.

RESULTS OF OPERATIONS (CONTINUED...)

The following graph shows the net cash/net debt position of the Group since 2020 to 30 June 2025:



Source: IRC Limited (as of 30 June 2025)

As of 30 June 2025, all of the Group's borrowings were denominated in US Dollars. The Group's gearing ratio, calculated based on total borrowing divided by total equity, decreased to 13.3% (31 December 2024: 14.2%), mainly due to the decrease in borrowing following the loan repayments in 2025.

Risk of Exchange Rate Fluctuation

As of 30 June 2025, the Group had no currency hedging position. The Group may consider entering into new foreign exchange hedging contracts if deemed appropriate. It should be noted that the hedging is not speculative in nature and is for risk management purposes. The hedging that IRC may enter into shall serve as a counter-measure against the strengthening of Rouble.

Employees and Emolument Policies

As of 30 June 2025, the Group employed 1,616 people (30 June 2024: 1,579 people). Total staff costs (including directors' emolument) amounted to US\$23.3 million during the Period (six months ended 30 June 2024: US\$17.4 million). The increase in staff costs was mainly attributable to stronger Rouble rate as well as inflated labour costs driven by labour shortage. The emolument policy of the Group is set up by the Remuneration Committee and the remuneration is determined on the basis of the merits, qualifications and competence of the employees with regard to market conditions and trends.

PROJECT REVIEW

K&S

100% owned



Key facts:

65%

Fe grade (concentrate)

3.2Mtpa

Production capacity

10Mtpa

Ore process capacity

240km

To Chinese border

557Mt

Total resources

313Mt

Total reserves

30 years +

Mine life

OVERVIEW

K&S, wholly owned by IRC, is located in the Jewish Autonomous Region (EAO) of the Russian Far East. It is the Group's second full-scale mining and processing operation. The project comprises two primary deposits, Kimkan and Sutara. The K&S Phase I is designed to produce 3.2 million tonnes of iron ore concentrate annually, with a grade of 65% Fe. The Phase I Processing Plant was constructed by CNEEC. According to the development timeline for the K&S Phase I project, mining at the Sutara deposit will commence in parallel with Kimkan in 2024, with Sutara's mine life exceeding 30 years. There is an option for a Phase II expansion to increase production to a total of 6.3 million tonnes of 65% iron ore concentrate per annum. As an interim development between the two phases, IRC is evaluating an option to upgrade the Phase I production facility to boost capacity to approximately 4.6 million tonnes per annum.

K&S benefits from a strong geographical advantage. The mine site is directly connected to the Trans-Siberian Railway, enabling efficient product delivery to customers. The opening of the Amur River Bridge in 2022 has further reduced shipping distances for IRC and its customers.

K&S's operations are located 4 kilometres from the town of Izvestkovaya and its railway station, which lies on the Trans-Siberian Railway. The site is also accessible via a federal highway, situated 130 kilometres from the regional capital, Birobidzhan, and 300 kilometres from Khabarovsk, the principal city of the Russian Far East.

OPERATIONAL PERFORMANCE IN THE FIRST HALF OF 2025

In the first half of 2025, K&S demonstrated strong operational performance, producing a total of 1,422,870 tonnes of commercial concentrate. This represents an increase of 290,669 tonnes or 25.7% compared to the 1,132,201 tonnes produced in the first half of 2024. The production capacity reached approximately 90% in the first half of 2025. This is a significant improvement of 18 percentage points, or a 25% increase, compared to the capacity of approximately 72% in the first half of 2024.

The increased production and higher capacity utilisation reflect the continued ramp-up of mining operations at the Sutara deposit and improvements in managing ore quality issues that previously limited output. This progress highlights K&S's strategic focus on optimising production efficiency and leveraging higher-quality ore from Sutara to support growth and operational stability in 2025.

PROJECT REVIEW (CONTINUED...)

SALES AND MARKETING

During the Period, K&S continued using the Amur River Bridge for railway shipments to the Chinese customers. During the Period, approximately 0.8 million tonnes of concentrate (approximately 59% of total) were shipped via the bridge.

Seaborne sales continued to be suspended due to the volatile operating environment which makes such sales uneconomical.

SUTARA PIT

Mining operation at the Sutara deposit, which is situated approximately 15 km south-south-west of Kimkan, commenced in July 2024. Sutara is providing iron ore material to the processing plant and extend the mine life as Kimkan deposit approaches depletion. The results of using the Sutara ore confirmed the ore quality and its iron beneficiation properties.

In the first half of 2025, ore mined at Sutara represented approximately 88% of total volume of ore mined during the Period.

MINING

Currently, K&S does not have own mining fleet, and the mining works on site are carried by third-party mining contractors. During the Period, the mining contractors moved 6,821,100 cubic metres of rock mass, which represents a 18% decrease from the same period of the previous year (first half of 2024 ("H1 2024"): 8,367,000 cubic meters). This includes 4,702,700 tonnes of ore, a 61% increase in tonnage compared to the same period of 2024 (H1 2024: 2,910,800 tonnes). Stripping ratio (ratio of the volume of overburden that must be removed to the tonnage of ore mined) decreased by approximately 55% in the first half of 2025 compared to H1 2024, as mining focused on upper horizons of the Sutara deposit.

By the end of 2025, K&S is planning to purchase and lease own mining equipment to partially replace the existing mining contractors.

PRODUCTION

During the Period, 4,516,355 tonnes of ore were fed to primary processing, 4% more than in H1 2024 (H1 2024: 4,322,100 tonnes). 3,398,288 tonnes of pre-concentrate were produced, which represents a 17% increase compared to H1 2024 (H1 2024: 2,895,111 tonnes). Commercial iron ore concentrate production volume was 26% higher than in H1 2024: 1,422,870 tonnes (H1 2024: 1,132,201 tonnes), due to the higher recovery and yield after improvements made at the processing plant and higher grades of ore processed.

UNIT CASH COST

In the first half 2025, K&S unit cash cost per wet metric tonne of commercial concentrate totalled US\$77.4, which is 20.5% lower than in the corresponding period of the last year (H1 2024: US\$97.4). Excluding transportation, unit cash costs in the first half of 2025 was US\$59.9, a 26.9% decline compared to US\$81.9 in H1 2024, mainly because of the lower mining costs due to the lower stripping ratio at Sutara, and higher yield of concentrate from ore due to the higher head grades.

SAFETY

Lost Time Injury Frequency Rate (LTIFR) is a calculation of the number of lost-time injuries per one million hours man-worked. During the first half of 2025, K&S maintained a high level of safety with 1 injury (30 June 2024 injuries: 3) and no fatality (30 June 2024 fatalities: 0), and a LTIFR of 0.73 (30 June 2024 LTIFR: 2.13). K&S will be working on further improvement of LTIFR.

PROJECT REVIEW (CONTINUED...)

Garinskoye

99.6% owned



Key facts:

68%

Fe grade

>3,500km²

Total iron ore licence area

4.6Mtpa

Fe production capacity

260Mt

Total resources

26Mt

Total reserves

20 years +

Mine life

OVERVIEW

Garinskoye, 99.6% owned by IRC, is an advanced exploration project. The project provides an opportunity for a low-cost DSO-style operation that can be transformed into a large-scale and long-life open pit mining operation.

The project is located in the Amur Region of the Russian Far East, midway between the BAM and Trans-Siberian Railways. With exploration licences for ground covering an area of over 3,500 km², the project is the largest in the IRC portfolio in terms of area.

FUTURE DEVELOPMENT

There are two possibilities to develop Garinskoye. The first option is to develop a large-scale 4.6 million tonnes per annum open-pit operation with a life-of-mine of 20 plus years, which requires the construction of a rail connection. The second option is an intermediate DSO

– style operation that does not require a rail connection and can be started in advance of a larger conventional operation. The DSO-style plan comprises a pit with a reserve of 26.2 million tonnes, a grade of 47% Fe, and a stripping ratio of 1.7:1 m³ per tonne. The DSO-style plan would then be able to produce 1.9 million tonnes per annum, with 55% grade iron ore fines and a life of operation of 8 years. There is an option to further increase the project value at very little additional capital expenditure by adding a further wet magnetic separation stage to produce a high-grade “super-concentrate” with a 68% iron ore content.

In 2013, IRC conducted an internal Bankable Feasibility Study. A third-party verification and a fatal flaws analysis for the DSO-style operation was carried out in 2014.

The Company is currently reviewing the options on how to move the project forward.

Other Projects

The Group's other projects include Steel Slag Reprocessing Plant (SRP) and a mining consultancy services agency (Giproruda).

SRP project, a joint venture with Heilongjiang Jianlong Steel Co., Ltd ("Jianlong Steel"), originally sourced the feedstock from Kuranakh, and as Kuranakh was moved to care and maintenance in 2016, and then liquidated in 2021, the plant successfully switched to the local Chinese feedstock. Due to the relatively small scale of the project, SRP's contribution to the Group's results is not material. On 28 July 2025, the Group entered into an equity transfer agreement, pursuant to which the Group agreed to sell and Heilongjiang Xianglong International Trade Co., Ltd., a subsidiary of Jianlong Steel, agreed to purchase the Group's 46% of the equity interest in Heilongjiang Jianlong Vanadium Industries Co., Ltd (the "JV Company") at a consideration of RMB32.2 million (equivalent to approximately US\$4.5 million). Upon the completion of the disposal, the Group will cease to have any equity interest in the JV Company which in turn holds SRP project.

Below is a summary of the current portfolio of the other projects of the Group as of 30 June 2025:

Project	Products/Service	Location
SRP (46% owned)	Vanadium Pentoxide	Heilongjiang, China
Giproruda (70% owned)	Technical mining research	St. Petersburg, Russia

IMPACT OF SANCTIONS AGAINST RUSSIA

IRC is listed on the Hong Kong Stock Exchange and operates mines in the Russian Far East. Most of the Group's suppliers and customers are based in China and Russia. The Company continues to evaluate the potential impact of UK, EU, and US sanctions. As of now, and to the best of the Board's knowledge based on current assessments and available information, the sanctions have no material direct impact on the Group or its operations. Although the Group's operations and activities in Russia and elsewhere continue as usual, the evolving geopolitical situation poses a risk of supply chain disruptions affecting K&S's operations, the purchase of mining equipment, and the development of the Sutara pit. IRC will continue to monitor sanctions developments closely and will issue further announcements if necessary.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at 30 June 2025, the interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) of the Directors and Chief Executives of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Mode Code"), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, were as follows:

Long positions in shares of the Company

Name of director	Capacity	Number of shares in the Company	Percentage of issued shares in the Company
			at 30 June 2025 (Note 1)
Nikolai Levitskii	Interest of a controlled corporation	830,101,285 (Note 2)	64.96%

Notes:

1. As at 30 June 2025, the number of issued shares of the Company was 1,277,948,588.
2. These shares are held by AXIOMA CAPITAL FZE LLC ("Axioma") which is wholly, ultimately and beneficially owned by Nikolai Levitskii. He is therefore deemed to be interested in the shares of the Company held by Axioma under the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors or Chief Executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) and the Model Code, or as recorded in the register required to be kept by the Company under Section 352 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors of the Company or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director or an entity connected with a Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the six months ended 30 June 2025.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

So far as is known to any Director or Chief Executive of the Company, as at 30 June 2025, the Company's shareholders (other than Directors or Chief Executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity	Number of shares in the Company	Percentage of issued shares in the Company as at 30 June 2025 (Note)
Axioma	Beneficial interest	830,101,285	64.96%

Note: As at 30 June 2025, the number of issued shares of the Company was 1,277,948,588.

Save as disclosed above, the Company is not aware of any persons (other than Directors and chief executives of the Company who's interests (if any) have been set out in the paragraph headed "Directors and Chief Executives' Interest") who have interests or short position in shares or underlying shares of the Company representing 5% or more of the issued share capital of the Company as at 30 June 2025. As at 30 June 2025, the Company had not been notified of any short positions being held by any substantial shareholder in shares or underlying shares of the Company, which are required to be recorded in the register required to be kept under Section 336 of Part XV of the SFO.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 20 November 2015 (the "Share Option Scheme") which is valid and effective for a period of 10 years from the date of adoption.

Pursuant to the refreshed mandate limit ("Refreshed Mandate") as approved by the shareholders of the Company on 10 August 2018, the mandate limit of the share option scheme is 10% of the shares of the Company in issue as at the date of passing of the resolution approving the Refreshed Mandate, being 709,338,638 shares. No share options were granted during the Period. Therefore, the number of share options available for grant under the Share Option Scheme was 709,338,638 as at each of 1 January 2025 and 30 June 2025.

As at each of 1 January 2025, 30 June 2025 and the date of this report, no share options remain outstanding. The total number of shares available issue under the Share Option Scheme as at the date of this report is equivalent to the limit of the Refreshed Mandate, being 709,338,638 shares, representing approximately 5.55% of the total issued shares of the Company (excluding treasury shares, if any) as at the date of this report.

For further details in respect of the Share Option Scheme, please refer to the annual report of the Company for the year ended 31 December 2024.

RIGHTS ISSUE

The Company had on 22 October 2024 announced, and on 12 December 2024 completed a rights issue in which the Company raised a net proceed of approximately US\$46.3 million.

As previously disclosed in the rights issue prospectus dated 21 November 2024, the Company intended to apply and has applied the net proceed in the following manner:

- i) approximately US\$24.1 million will be applied for the repayment of the principal and interest of the borrowings of the Group, of which US\$19.1 million remained unutilised as of 1 January 2025, and as of 30 June 2025, a total of US\$20 million has been utilised;
- ii) approximately US\$17.6 million for the funding of K&S, of which US\$17.6 million remained unutilised as of 1 January 2025, and as of 30 June 2025, a total of US\$12.3 million has been utilised; and
- iii) approximately US\$4.6 million for the replenishment of general working capital arising from the normal operation of the Group, of which US\$4.6 million remained unutilised as of 1 January 2025, and as of 30 June 2025, all relevant proceed has been fully utilised.

It is expected that the remaining net proceed will be fully utilised according to the above-mentioned usage within 12 months after the completion of the rights issue.

CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED...)

CORPORATE GOVERNANCE AND OTHER INFORMATION**Purchase, Sale or Redemption of the Company's Listed Securities**

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities.

Significant Investments

The Group did not hold any material investments during the Period. As at the date of this report, apart from the development of the Sutara pit, the Group does not have any plan for material investment or capital assets for the year ending 31 December 2025.

Material Acquisitions and Disposals

The Group did not make any material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period.

Event after Reporting Period

From 30 June 2025 to the date of this report, important event affecting the Group is set out in note 18 to the condensed consolidated financial statements of the Company in this report.

Corporate Governance

The Management and Board of IRC are committed to promoting good corporate governance to safeguard the interests of the shareholders and to enhance the Group's performance. The Group believes that conducting its businesses in an open and responsible manner and following good corporate governance practices serve its long-term interests and those of its shareholders. Detailed disclosure of the Company's corporate governance policies and practices is available in the annual report of the Company for the financial year ended 2024.

During the Period, the Company has applied the principles and complied with the code provisions set out in Part 2 of the CG Code as set out in Appendix C1 to the Listing Rules (as applicable for the Period).

The Company has adopted the Model Code. The Company has also adopted the Model Code as the Code for Securities Transactions by Relevant Employees to regulate dealings in securities of the Company by certain employees of the Company, or any of its subsidiaries and holding companies, who are considered to be likely in possession of inside information in relation to the Company or its securities. The Company has made specific enquiry of all the Directors regarding any non-compliance with the Model Code during the Period and they have confirmed their full compliance with the required standard set out in the Model Code.

The Company has internal controls for handling and dissemination of inside information whereby the Chairman of the Board, the Executive Director and the Company Secretary work closely, seeking advice from legal advisors from time to time, if needed, with proper reporting of and approval from the Board, for proper handling and dissemination of inside information in accordance with relevant laws and regulations.

Review by Audit Committee

The Audit Committee has reviewed and discussed with the management of the Company the unaudited interim results of the Company for the Period. The Audit Committee comprises three independent non-executive directors, namely Mr. Alexey Romanenko (the Chairman of the Audit Committee), Mr. Vitaly Sheremet and Mr. Dmitry Dobryak.

The 2025 interim results have also been reviewed by the external auditors.

INDEPENDENT REVIEW REPORT

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TO THE BOARD OF DIRECTORS OF IRC LIMITED

鐵江現貨有限公司

(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 25 to 48, which comprises the condensed consolidated statement of financial position of IRC Limited (the “Company”) and its subsidiaries as at 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Certified Public Accountants
Hong Kong

27 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Six Months Ended 30 June 2025

Six months ended 30 June			
	Notes	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
Revenue	3	122,798	112,329
Operating expenses, excluding depreciation	5	(115,977)	(114,375)
Depreciation	5	(8,956)	(5,645)
Impairment losses	6	(126,882)	–
Other income, gains and losses	7	28,016	(1,248)
Finance costs	8	(2,444)	(4,115)
Allowance for financial assets measured at amortised costs		(33)	–
Loss before tax		(103,478)	(13,054)
Income tax credit/(expense)	9	1,502	(172)
Loss for the period		(101,976)	(13,226)
Attributable to:			
Owners of the Company		(101,968)	(13,239)
Non-controlling interests		(8)	13
		(101,976)	(13,226)
Loss per share (US cents)	11		(Restated)
Basic		(7.98)	(1.53)
Diluted		(7.98)	(1.53)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2025

	Six months ended 30 June	
	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
Loss for the period	(101,976)	(13,226)
Other comprehensive income/(expense):		
<i>Items that have been or may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	1,097	294
Fair value gain on hedging instruments designated in cash flow hedges	–	1,694
Release of fair value gain on hedging instruments in cash flow hedges	–	(599)
Other comprehensive income for the period, net of tax	1,097	1,389
Total comprehensive expense for the period	(100,879)	(11,837)
Attributable to:		
Owners of the Company	(101,068)	(11,886)
Non-controlling interests	189	49
	(100,879)	(11,837)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

	Notes	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
ASSETS			
Non-current assets			
Exploration and evaluation assets		14,029	20,608
Property, plant and equipment	12	136,414	269,871
Right-of-use assets	12	115	178
Interest in a joint venture		–	–
Inventories		3,804	–
Total non-current assets		154,362	290,657
Current assets			
Inventories		49,865	47,571
Trade and other receivables	13	43,098	46,869
Income tax recoverables		34	4
Time deposits		733	152
Bank and cash balances		29,149	60,582
Total current assets		122,879	155,178
TOTAL ASSETS		277,241	445,835

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED...)

At 30 June 2025

	Notes	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	16	1,350,734	1,350,734
Other reserves		36,107	35,207
Accumulated losses		(1,171,765)	(1,069,797)
Equity attributable to owners of the Company		215,076	316,144
Non-controlling interests		(566)	(755)
Total equity		214,510	315,389
LIABILITIES			
Non-current liabilities			
Borrowings – due more than one year	15	3,330	25,518
Lease liabilities		–	54
Provision for close down and restoration costs		2,116	1,563
Deferred tax liabilities		3,953	5,308
Total non-current liabilities		9,399	32,443
Current liabilities			
Borrowings – due within one year	15	25,095	19,236
Lease liabilities		117	124
Trade and other payables	14	28,119	78,510
Current tax liabilities		1	133
Total current liabilities		53,332	98,003
TOTAL EQUITY AND LIABILITIES		277,241	445,835

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2025

	Attributable to owners of the Company								Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Capital reserve (Note (a)) US\$'000	Share-based payment reserve US\$'000	Translation reserve US\$'000	Hedging reserve US\$'000	Other reserve (Note (b)) US\$'000	Accumulated losses US\$'000	Sub-total US\$'000		
Balance at 1 January 2024 (audited)	1,304,467	17,984	17,582	(23,777)	(1,095)	23,766	(1,049,306)	289,621	(642)	288,979
Loss for the period	-	-	-	-	-	-	(13,239)	(13,239)	13	(13,226)
Other comprehensive income	-	-	-	258	1,095	-	-	1,353	36	1,389
Total comprehensive income/ (expense) for the period	-	-	-	258	1,095	-	(13,239)	(11,886)	49	(11,837)
Balance at 30 June 2024 (unaudited)	1,304,467	17,984	17,582	(23,519)	-	23,766	(1,062,545)	277,735	(593)	277,142
Balance at 1 January 2025 (audited)	1,350,734	17,984	17,582	(24,125)	-	23,766	(1,069,797)	316,144	(755)	315,389
Loss for the period	-	-	-	-	-	-	(101,968)	(101,968)	(8)	(101,976)
Other comprehensive income	-	-	-	900	-	-	-	900	197	1,097
Total comprehensive income/ (expense) for the period	-	-	-	900	-	-	(101,968)	(101,068)	189	(100,879)
Balance at 30 June 2025 (unaudited)	1,350,734	17,984	17,582	(23,225)	-	23,766	(1,171,765)	215,076	(566)	214,510

Notes:

- (a) The amounts represent deemed contribution from the then ultimate holding company of the Company for 1) certain administrative expenses and tax expenses of the Group paid by the then ultimate holding company of the Company in prior years; and 2) share-based payment expenses in relation to certain employees of the Group participated in the long-term incentive plan of the then ultimate holding company of the Company.
- (b) The amounts arose from 1) acquisition of non-controlling interests and deemed contribution arising from the group restructuring for the Company's listing on The Stock Exchange of Hong Kong Limited ("the Stock Exchange"); 2) transfer of share-based payment reserve upon vesting of share-based awards resulted from difference between the cost of the treasury shares and fair value at grant date of the awarded shares; 3) deemed contribution from General Nice Development Limited, a former shareholder of the Company, for accrued interests on outstanding capital contribution; and 4) direct expenses in relation to the right to subscribe for shares of the Company granted to Tiger Capital Fund SPC – Tiger Global SP, a former shareholder of the Company.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended 30 June 2025

	Six months ended 30 June	
	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash generated from/(used in) operations	86	(1,168)
Income tax paid	(178)	(227)
NET CASH USED IN OPERATING ACTIVITIES	(92)	(1,395)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment and exploration and evaluation assets	(12,376)	(9,459)
Proceeds on disposal of property, plant and equipment	–	13
Net time deposits placed	(580)	(4)
Interest received	219	842
NET CASH USED IN INVESTING ACTIVITIES	(12,737)	(8,608)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(66)	(69)
Interest expenses paid	(1,885)	(1,959)
Repayment of borrowings	(16,809)	(4,457)
NET CASH USED IN FINANCING ACTIVITIES	(18,760)	(6,485)
NET DECREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	(31,589)	(16,488)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	60,582	56,089
Effect of foreign exchange rate changes	156	(711)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	29,149	38,890

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2025

1. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”).

The financial information relating to the year ended 31 December 2024 that is included in these unaudited condensed consolidated financial statements for the six months ended 30 June 2025 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap.622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those consolidated financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance (Cap.622).

These condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. The accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

The Company is listed in SEHK with operational mines in Russian Far East. Most of the Group’s suppliers and customers are based in mainland China and Russia. The Company continues to review and consider the impact, if any, of the United Kingdom, European Union and United States sanctions (the “Sanctions”). As of now and so far as the Board of Directors is aware, based on its current assessment and the information currently available to it, the Sanctions have no material direct impact on the Group or its operations. Although currently, the Group’s operations and activities in Russia and elsewhere are continuing as usual, as the macroeconomic factors and geopolitical situation continues to develop, there is a risk of supply chain disruptions affecting the Group’s operations, the purchase of mining fleet and the ongoing development of the Sutara pit. The Company will continue to closely monitor the Sanctions developments and related consequences and will, if necessary, take further actions.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

2. NEW AND REVISED HKFRS ACCOUNTING STANDARDS**A. New and amended standards adopted by the Group**

The Group has applied the amendments to HKAS 21 “Lack of Exchangeability” for the first time from 1 January 2025. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standard.

B. Impact of new and amended standards issued but not yet adopted by the Group

In July 2024, HKICPA issued HKFRS 18 which is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information. The management is currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. REVENUE

The Group’s operations and main revenue streams are those described in the last annual financial statements. The Group’s revenue is derived from contracts with customers.

In the following table, revenue is disaggregated by primary geographical market and timing of revenue recognition.

	Mines in production		Engineering		Total	
For the six months ended 30 June	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
Primary geographical markets						
– People’s Republic of China (“PRC”)	118,673	107,914	–	–	118,673	107,914
– Russia	4,048	4,392	77	23	4,125	4,415
Revenue from external customers	122,721	112,306	77	23	122,798	112,329
Timing of revenue recognition						
Products transferred at a point in time	122,721	112,306	–	–	122,721	112,306
Products and services transferred over time	–	–	77	23	77	23
Total	122,721	112,306	77	23	122,798	112,329

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

4. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

	Mines in production US\$'000	Mines in development US\$'000	Engineering US\$'000	Other US\$'000	Total US\$'000
Six months ended 30 June 2025 (unaudited)					
Revenue from external customers	122,721	–	77	–	122,798
Segment loss	(116,198)	(6,714)	(444)	(10)	(123,366)
General administrative expenses					(5,586)
General depreciation					(65)
Other income, gains and losses					28,016
Finance costs					(2,444)
Allowance for financial assets measured at amortised costs					(33)
Loss before tax					(103,478)

	Mines in production US\$'000	Mines in development US\$'000	Engineering US\$'000	Other US\$'000	Total US\$'000
Six months ended 30 June 2024 (unaudited)					
Revenue from external customers	112,306	–	23	–	112,329
Segment loss	(2,089)	(63)	(351)	(9)	(2,512)
General administrative expenses					(5,067)
General depreciation					(112)
Other income, gains and losses					(1,248)
Finance costs					(4,115)
Loss before tax					(13,054)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

5. OPERATING EXPENSES, INCLUDING DEPRECIATION

	Six months ended 30 June	
	2025	2024
	US\$'000 (unaudited)	US\$'000 (unaudited)
Site operating expenses and service costs		
Subcontracted mining costs and engineering services	35,192	37,076
Freight and shipment costs	24,657	17,163
Staff costs	19,202	14,044
Other expenses	11,867	3,614
Mineral extraction tax	11,513	4,266
Depreciation	8,891	5,533
Materials usage	6,798	6,545
Electricity	5,584	4,215
Fuel	1,826	1,430
Professional fees (Note)	581	934
Adjustment of restoration provision for change in estimates	6	(2,048)
Temporary export duties	–	7,267
Mine development costs capitalised in property, plant and equipment	(1,633)	(854)
Movement in finished goods and work in progress	(5,202)	15,656
	119,282	114,841
General administration expenses		
Staff costs	4,133	3,380
Professional fees (Note)	657	1,029
Other expenses	796	658
Depreciation	65	112
	5,651	5,179
	124,933	120,020

Note: Professional fees comprise audit fees, legal fees, consulting fees, management services fees and engineering consultancy fees.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

6. IMPAIRMENT LOSSES

The Group follows the requirements of HKAS 36 Impairment of Assets to consider whether there are impairment indicators and if so, to determine whether the non-financial assets are impaired. At the end of each reporting period, the management assesses whether there is any indication that the impairment loss recognised in prior periods for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, the management is required to estimate the recoverable amount of the asset which requires significant judgement. In making this judgement, management considers factors including changes in production volumes, changes in the cash costs of production, available ore reserves, purity of the iron ore concentrate, forecasted iron prices and exchange rates.

Management identified impairment indicators for the K&S Project due to higher cost base and inflation in Russia and appreciation of Russian Rouble, the recoverable amount of the K&S Project has been determined based on value-in-use calculations as at 30 June 2025. These calculations require the use of estimates of future cash flows based on projected income and expenses of the business and working capital needs that have taking into consideration the future economic conditions, expected production capacity, ore reserve estimates, iron ore prices and cost of production over the expected life of the mine. Management is also required to choose appropriate discount rates in order to calculate the present values of the cash flows. Changes in the key assumptions on which the recoverable amounts of the assets are based could significantly affect management's assessment.

In determining the recoverable amount of the value of the K&S Project as at 30 June 2025 and 31 December 2024 respectively, the Group used certain key assumptions and parameters, details of which are stated below:

	For the six months ended 30 June 2025	For the year ended 31 December 2024	Basis and reason(s) for changes
Methodology	Income Approach	Income Approach	Consistent valuation approach has been applied.
Key Assumptions			
1. Average production volume per annum over the life of mine (wet metric tonnes)	2,979 kt	2,977 kt	No changes to the long-term production plan and mining schedules. With the decrease of the life of mine and higher production volume in subsequent years, average annual production volume slightly increased.
2. Platts 65% iron ore price (US\$ per dry metric tonne)	2nd half of 2025 (Year 1): 104.3 2026 (Year 2): 107.1 2027-2029 (Year 3-5): average 108.8 2030 and thereafter (Year 6 and onwards): 113.9 growing in line with the implicit GDP deflator in the United States with the nominal discount rate being applied.	2025 (Year 1): 112.6 2026 (Year 2): 107.4 2027-2029 (Year 3-5): average 107.2 2030 and thereafter (Year 6 and onwards): 113.6 growing in line with the implicit GDP deflator in the United States with the nominal discount rate being applied.	Consistent valuation approach has been applied. For Year 1-5: Price is determined based on either iron ore forward curve or adjusted consensus iron ore price forecast, as appropriate. For Year 6 and onwards: Price determined based on the latest forward-looking analysts' consensus on iron ore for future years available as at the end of the respective reporting periods, growing in line with implicit GDP deflator in the United States.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

6. IMPAIRMENT LOSSES (CONTINUED)

In determining the recoverable amount of the value of the K&S Project as at 30 June 2025 and 31 December 2024 respectively, the Group used certain key assumptions and parameters, details of which are stated below:
(Continued)

	For the six months ended 30 June 2025	For the year ended 31 December 2024	Basis and reason(s) for changes
Key Assumptions (Continued)			
3. Russian Rouble exchange rate (to 1 US\$)	2nd half of 2025 (Year 1): 89 2026 (Year 2): 94 2027-2029 (Year 3-5) average: 98 2030 and thereafter (Year 6 and onwards): 101 growing according to the Purchase Power Parity principle based on the projected inflation rate in the United States and Russia	2025 (Year 1): 103 2026 (Year 2): 105 2027-2029 (Year 3-5) average: 109 2030 and thereafter (Year 6 and onwards): 111 growing according to the Purchase Power Parity principle based on the projected inflation rate in the United States and Russia	Consistent valuation approach has been applied. For the first 12 months, based on the latest forward-looking analysts' consensus. For subsequent periods, based on Purchasing Power Parity principle according to the projected inflation rates in the United States and Russia. As at 31 December 2024: For Year 1: based on the latest forward-looking analysts' consensus. For Year 3 and onwards: Based on Purchasing Power Parity principle according to the projected inflation rates in the United States and Russia.
4. Rouble costs	Based on the latest actual costs and forecasts available such as forecast inflation rate, salary growth rate in Russia	Based on the latest actual costs and forecasts available such as forecast inflation rate, salary growth rate in Russia	Rouble-denominated actual costs, including but not limited to mining contractors' rates, wages, electricity and fuel, which increased substantially year-on-year in the first half of 2025, resulted in the increase of the cost base in the long-term forecast.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

6. IMPAIRMENT LOSSES (CONTINUED)

In determining the recoverable amount of the value of the K&S Project as at 30 June 2025 and 31 December 2024 respectively, the Group used certain key assumptions and parameters, details of which are stated below:

(Continued)

	For the six months ended 30 June 2025	For the year ended 31 December 2024	Basis and reason(s) for changes
Key Assumptions (Continued)			
5. Forecast inflation rate	Average over 2026-2029: United States: 2.08% Russia: 4.26% 2030 and thereafter: United States: 1.87% Russia: 4.20%	Average over 2026-2029: United States: 1.84% Russia: 3.96% 2030 and thereafter: United States: 1.83% Russia: 3.83%	Consistent valuation approach has been applied. Inflation rate is determined based on the latest forecast of the implicit GDP deflator in the United States and Russia applicable as at the end of the respective reporting periods.
6. Discount rate			Determined based on the weighted average cost of capital as calculated using the then prevailing market data, namely risk-free rate, equity risk premium, country risk premiums of Russia and China and cost of debt.
- nominal, pre-tax	12.39%	13.31%	
- nominal, post-tax	11.22%	11.35%	
			The decrease in discount rate was mainly due to the decrease in the risk-free rate as well as decrease in the unlevered betas of peer iron ore mining companies used for IRC beta calculation using bottom-up method, which was partly set off by the increased country risk premiums for Russia and China.

As at 30 June 2025, the recoverable amount of the property, plant and equipment and right-of-use assets of the K&S Project is approximately US\$134.1 million (31 December 2024: US\$268.1 million) resulting in an impairment loss of US\$120.2 million being recognised in the period (31 December 2024: nil). The nominal pre-tax discount rate used is 12.39% (2024: 13.31%).

Further, one of the exploration and evaluation assets amounting to US\$6,651,000 (2024: nil) has been fully impaired due to the revocation of the exploration license.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

7. OTHER INCOME, GAINS AND LOSSES

Six months ended 30 June		
	2025	2024
	US\$'000	US\$'000
	(unaudited)	(unaudited)
(Loss)/gain on disposal of property, plant and equipment	(455)	11
Net foreign exchange loss	(1,989)	(935)
Fair value change of the derivative at fair value through profit or loss ("FVTPL")	–	599
Interest income on cash and cash equivalents	219	842
Rental income	358	300
Reversal of accruals and write-back of payables related to Engineering, Procurement and Construction ("EPC") contract (note 14)	29,883	–
Other provision	–	(2,065)
	28,016	(1,248)

8. FINANCE COSTS

Six months ended 30 June		
	2025	2024
	US\$'000	US\$'000
	(unaudited)	(unaudited)
Interest expense on borrowings	2,307	3,918
Interest expense on lease liabilities	4	2
Unwinding of discount on environmental obligation	133	195
	2,444	4,115

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

9. INCOME TAX CREDIT/(EXPENSE)

	Six months ended 30 June	
	2025	2024
	US\$'000 (unaudited)	US\$'000 (unaudited)
Current income tax		
Russian Corporate tax	30	(227)
Deferred tax	1,472	55
	1,502	(172)

Russian Corporate tax is calculated at a rate of 25% (2024: 20%) for the six months ended 30 June 2025.

Based on the approved federal and regional laws in Russia, the K&S Project is considered to be an investment project and is exempted from Russia Corporate tax for the period from 2017 to 2021 and then, will be taxed at a reduced rate of 10% in the following 5 years increasing to 25% thereafter.

No tax from other jurisdictions has been recognised as the Group had no assessable profit arising in or derived from any other jurisdictions for the six months ended 30 June 2025 and 2024.

10. DIVIDENDS

No dividends were paid, declared or proposed to owners of the Company during both the six months ended 30 June 2025 and 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

11. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

Six months ended 30 June		
	2025	2024
	US\$'000	US\$'000
	(unaudited)	(unaudited)
Loss for the purpose of calculating basic and diluted loss per share for the period attributable to owners of the Company	(101,968)	(13,239)

Six months ended 30 June		
	2025	2024
	'000	'000
	(unaudited)	(unaudited)
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share and adjusted for rights issue and share consolidation	1,277,949	862,689

On 22 February 2024, all outstanding share options granted by the Company under its share option scheme adopted on 20 November 2015 were either lapsed or cancelled upon completion of a mandatory conditional cash offers made by AXIOMA CAPITAL FZE LLC ("Axioma Capital"). As at 30 June 2024 and 30 June 2025, no dilutive effect is considered to the loss per share.

Pursuant to the annual general meeting held by the Company on 25 June 2025, an ordinary resolution was passed to approve the share consolidation ("Share Consolidation") where every ten (10) issued ordinary shares of the Company were to be consolidated into one (1) ordinary share. The Share Consolidation took effect on 27 June 2025. For details of the Share Consolidation, please refer to the Company's announcements dated 15 May 2025 and 25 June 2025, and circular dated 30 May 2025.

The weighted average number of ordinary shares for the purpose of basic and diluted loss per share has been adjusted to reflect for a rights issue as detailed in note 16 and the Share Consolidation.

The computation of weighted average number of shares for the purposes of diluted loss per share for the period from 1 January 2024 to the date of cancellation of share options does not assume the exercise of share options granted by the Group because the exercise price of those options was higher than the average market price for the Company's shares.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, the Group incurred approximately US\$12,155,000 (for the six months ended 30 June 2024: US\$9,976,000) on mine development and acquisition of property, plant and equipment.

During the six months ended 30 June 2024, the Group entered into a new lease agreement for use of an office for 2 years. The Group makes fixed payments during the contract period. On lease commencement, the Group recognised US\$248,000 of right-of-use assets and lease liabilities.

13. TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Trade receivables	22,797	30,681
Value-added tax recoverable	12,540	10,195
Prepayments to suppliers	7,221	5,354
Amounts due from customers under engineering contracts	70	3
Other receivables	470	636
	43,098	46,869

As at 30 June 2025, the financial assets that measured at fair value on a recurring basis in the condensed consolidated statement of financial position were the trade receivables measured at FVTPL amounting to US\$22,797,000 (31 December 2024: US\$30,681,000). The fair value of trade receivables was measured using quoted market index of iron ore concentrate, which is within the level 2 fair value hierarchy. There was no transfer between level 1 and level 2 of the fair value hierarchy during the six months period ended 30 June 2025.

Amounts due from customers under long-term engineering contracts in progress are expected to be billed and settled within one year.

The Group allows credit period of 37 to 64 days (31 December 2024: 46 to 91 days) to individual third party customers. Except for trade receivables measured at FVTPL, the Group applies the general approach in accordance to HKFRS 9 to measure expected credit loss ("ECL") which used a lifetime ECL, the directors of the Company considered that the lifetime ECL allowance is insignificant as at 30 June 2025 and 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an analysis of the trade receivables by age, presented based on the invoice date.

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Less than one month	1,655	12,299
One month to three months	21,141	18,382
Over six months	1	–
	22,797	30,681

14. TRADE AND OTHER PAYABLES

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Trade payables	11,422	12,108
Advances from customers	557	7,040
Interest payables	81	140
Construction cost payables (Note)	–	22,694
Accruals and other payables	16,059	36,528
	28,119	78,510

Note:

As disclosed in notes 33 and 39 of the 2024 annual financial statements, there was a dispute between the Group's wholly-owned subsidiary, LLC KS GOK, and EPC contractor regarding their respective obligations under the EPC contract for the K&S Project.

On 23 January 2025, LLC KS GOK and the EPC contractor reached a full and final settlement of the dispute. Under the terms of the settlement agreement, both parties agreed to a mutual release from all liabilities and claims, including interest and legal costs, and all related legal proceedings have been withdrawn.

Consequently, the Group has derecognised the relevant construction cost payables of US\$22.7 million and other accrued costs related to the dispute of US\$23.7 million, and resulted upon reversal of such related accrued costs and payables in the condensed consolidated statement of profit or loss for the period amounted to US\$29.9 million, and reduced the carrying amount of the relevant construction costs of K&S Project's assets that had previously been capitalised to reflect the derecognition of these capitalised costs.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

14. TRADE AND OTHER PAYABLES (CONTINUED)

The ageing analysis of the trade payables based on invoice date is as follows:

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Less than one month	10,709	8,738
One month to three months	464	2,979
Over three months to six months	7	232
Over six months	242	159
	11,422	12,108

15. BORROWINGS

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Other loans	28,425	44,754

The borrowings are repayable as follows:

	As at 30 June 2025 US\$'000 (unaudited)	As at 31 December 2024 US\$'000 (audited)
Within one year	25,095	19,236
More than one year, but not exceeding two years	3,330	25,518
	28,425	44,754
Less: Amount due for settlement within 12 months (shown under current liabilities)	(25,095)	(19,236)
Amount due for settlement after 12 months (shown under non-current liabilities)	3,330	25,518

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

15. BORROWINGS (CONTINUED)

On 18 December 2018, the Group entered into two facility agreements with a bank, Gazprombank JSC, for a loan in aggregate of US\$240,000,000 (the "Facility"). The Facility will mature in 2026 and consists of two tranches. The principal under the first tranche amounts to US\$160,000,000 with interest being charged at the London Inter-bank Offer Rate ("LIBOR") + 5.7% per annum and is repayable in equal quarterly payments during the term of the Facility, the final payment in December 2026. The principal under the second tranche amounts to US\$80,000,000 with interest being charged at LIBOR + 7.7% per annum and is repayable in full at the end of the term, in December 2026. Interest charged on the drawn down amounts under the two tranches is payable in equal quarterly payments during the term of the Facility.

During 2022, Gazprombank JSC assigned its rights under the Facility to MIC invest LLC. The assignment has not resulted in any changes to the terms and conditions of the documentation for the Facility that the Group previously entered into.

The full facility amount of US\$240,000,000 has been fully drawn down, and as of 30 June 2025, the total borrowings of US\$28,425,000 (31 December 2024: US\$44,754,000) was borne by LLC KS GOK, a wholly owned subsidiary of the Group.

Since 21 December 2024, following the discontinuation of LIBOR from 1 October 2024, the Group agreed with MIC invest LLC to charge the interest of the Facility at SOFR 90 + 6.2% per annum under the first tranche which amounted to US\$160,000,000 and SOFR 90 + 8.2% per annum under the second tranche which amounted to US\$80,000,000.

The Facility is secured by (i) a charge over the property, plant and equipment with net book value of US\$45,495,000; (ii) 100% equity share of IRC Limited in LLC KS GOK, a wholly owned subsidiary of the Group; and (iii) pledge of the rights of certain bank accounts of LLC KS GOK.

On 22 February 2024, MIC invest LLC has disposed its entire interest in the shares of the Company to Axioma Capital, the new ultimate parent of the Company, under the mandatory conditional cash offer made by Axioma Capital. MIC invest LLC was no longer the substantial shareholder of the Company since 22 February 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

15. BORROWINGS (CONTINUED)

The drawn down of the Facility is subject to the following requirements:

- a) LLC KS GOK must maintain an authorised capital not less than RUB9.1 billion;
- b) LLC KS GOK must provide quarterly reporting; and
- c) LLC KS GOK must meet the following financial covenants:

- i) Net Debt/EBITDA ratio:

- Starting from the twelve months period ended 30 June 2022, of less than 3.0 times

where:

- Net Debt is defined as the combined amount of short-term borrowed funds plus long-term borrowed funds and leasing obligations less cash or cash equivalents; and
- EBITDA is defined as loss/profit before tax for the last twelve months plus interest expenses for the last twelve months less interest income for the last twelve months plus depreciation for the last twelve months and adjustments to exclude impairment, exchange rate revaluation and other non-monetary items for the last twelve months and add lease payments for the last twelve months.

- ii) Debt Service Coverage Ratio (DSCR):

- Starting from the twelve months period ended 30 June 2020 – not less than 1.2 times

where DSCR is defined as:

- Incoming cash balance add free cash flow of LLC KS GOK to the share capital add cash payments for servicing the principal debt add cash payments for interest payments; divided by
- Cash payments for servicing the principal debt add cash payments for interest payments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

15. BORROWINGS (CONTINUED)

Since the first quarter of 2022, breaches in meeting the financial covenants would permit MIC invest LLC, the lender of the loans to immediately call borrowings.

During the second, and fourth quarter of 2024, and second quarter of 2025 thereafter, MIC invest LLC has ceased Net Debt/EBITDA ratio and DSCR covenants requirements for the twelve months period ending on 30 June 2024, 31 December 2024 and 30 June 2025.

On 17 June 2024, MIC invest LLC has agreed to extend the repayment deadline of an installment originally due on 20 June 2024 to 26 June 2024. Afterwards, MIC invest LLC further extended the repayment deadline before every due date, on 25 June 2024, 15 July 2024, 31 July 2024 and 15 August 2024, to 16 July 2024, 31 July 2024, 15 August 2024 and 31 August 2024, respectively.

During the first quarter of 2025, apart from settling the scheduled loan principal repayment instalment of US\$4.8 million to MIC, the Group also made voluntary early principal repayments to MIC totalling of US\$12.0 million. The second tranche loan amounts to US\$80,000,000, that bears higher interest rate, has been fully repaid.

On 17 June 2025, MIC invest LLC has agreed to extend the repayment deadline of an installment originally due on 20 June 2025 to 20 October 2025.

16. SHARE CAPITAL

	Number of shares	Amount US\$'000
At 1 January 2024 and 30 June 2024	8,519,657,257	1,304,467
New shares issued (Note (a))	4,259,828,628	46,267
At 31 December 2024 and 1 January 2025	12,779,485,885	1,350,734
Share Consolidation (Note (b))	(11,501,537,297)	–
At 30 June 2025	1,277,948,588	1,350,734

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

16. SHARE CAPITAL (CONTINUED)

Notes:

- a. On 22 October 2024, the Company announced a rights issue ("Rights Issue") to raise up to approximately US\$46.3 million after expenses by way of the issue of a maximum of 4,259,828,628 rights shares ("Rights Shares") at a subscription price of HK\$0.085 per Rights Share on the basis of one Rights Share for every two existing shares on a non-underwritten basis.

The Rights Issue was completed on 13 December 2024 in which the total number of 4,259,828,628 Rights Shares available for subscription under the Rights Issue have been fully subscribed for. As a result, the Company raised a net proceed of approximately US\$46.3 million and 4,259,828,628 Rights Shares were issued on 13 December 2024.

- b. Pursuant to the annual general meeting held by the Company on 25 June 2025, an ordinary resolution was passed to approve the Share Consolidation where every ten (10) issued ordinary shares of the Company were to be consolidated into one (1) ordinary share. The Share Consolidation took effect on 27 June 2025. For details of the Share Consolidation, please refer to the Company's announcements dated 15 May 2025 and 25 June 2025, and circular dated 30 May 2025.

On 22 February 2024, all outstanding share options granted by the Company under its share option scheme adopted on 20 November 2015 were cancelled or lapsed upon completion of a mandatory conditional cash offers made by Axioma Capital. For details, please refer to the paragraph "Mandatory Conditional Cash Offers" in the Directors' Report of IRC's annual report for the year ended 31 December 2024.

No share option has been granted by the Company during the period ended 30 June 2025. As at 1 January 2025 and 30 June 2025, the Company has no outstanding share option, accordingly, no share option has been exercised during the six months period ended 30 June 2025.

17. RELATED PARTY DISCLOSURES**Related parties**

As disclosed in note 15, during the six months ended 30 June 2024, MIC invest LLC has disposed its entire interest of shares of the Company and MIC invest LLC no longer a substantial shareholder of the Company from 22 February 2024.

Related parties transactions

The Group had the following transactions with its related parties during the period:

	Six months ended 30 June	
	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
Interest expenses incurred to MIC invest LLC	–	1,171

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED...)

For the Six Months Ended 30 June 2025

17. RELATED PARTY DISCLOSURES (CONTINUED)**Key Management Compensation**

The remuneration of directors and other members of key management for the following periods was as follows:

	Six months ended 30 June	
	2025 US\$'000 (unaudited)	2024 US\$'000 (unaudited)
Short-term benefits	2,253	1,983
Post-employment benefits	329	313
	2,582	2,296

The remuneration of key management personnel is determined by the remuneration committee with regards to the performance of individuals and market trends.

18. EVENT AFTER THE REPORTING PERIOD

On 28 July 2025, the Group entered into an equity transfer agreement (the "Equity Transfer Agreement") with a shareholder of Heilongjiang Jianlong Vanadium Industries Co., Ltd (the "JV Company"), pursuant to which the Group agreed to sell 46% of the equity interests in the JV Company at a consideration of RMB32.2 million (equivalent to approximately US\$4.5 million) according to the terms and conditions set out in the Equity Transfer Agreement. Upon the completion of the disposal, the Group will cease to have any equity interest in the JV Company.

GLOSSARY

This glossary contains definitions of certain terms used in this report in connection with the Group and its business. Some of these may not correspond to standard industry definitions.

ASP	Achieved selling price
Axioma	AXIOMA CAPITAL FZE LLC, a wholly-controlled company of Mr. Nikolai Levitskii
Board	The Board of Directors
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	INCOTERM Cost and Freight
CIM	The Canadian Institute of Mining, Metallurgy and Petroleum
CNEEC	China National Electric Engineering Company Limited, the principle EPC contractor at the K&S Project
Concentrate	The clean product recovered from a treatment plant
DAP	INCOTERM Delivery at Place
Deposit	Mineral deposit or ore deposit is used to designate a natural occurrence of a useful mineral, or an ore, in sufficient extent and degree of concentration
Directors	The directors of the Company
DSO	Direct shipping ores. Ores that are economic due to their high grades and therefore limited requirement for upgrading and processing before sale to end users. Raw material for iron ore concentrate, isometric mineral, Fe
EAO	Jewish Autonomous Region, a federal subject of the Russian Federation
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPC	Engineering, Procurement and Construction contract
Exploration	Method by which ore deposits are evaluated
Fe	The chemical symbol for iron
Feasibility study	An extensive technical and financial study to assess the commercial viability of a project
Flotation	A mineral process used to separate mineral particles in a slurry, by causing them to selectively adhere to a froth and float to the surface
FOB	INCOTERM Free on Board
Gazprombank	Gazprombank, is a private-owned Russian bank, the third largest bank in Russia by assets
GDP	Gross domestic product
General Nice	General Nice Development Limited is a Hong Kong incorporated holding company which trades and produces steel raw material commodities in China and globally
Geophysical	Prospecting techniques which measure the physical properties (magnetism, conductivity, density, etc.) of rocks and define anomalies for further testing
Geotechnical	Referring to the use of scientific methods and engineering principles to acquire, interpret, and apply knowledge of earth materials for solving engineering problems
Grade	Relative quantity or the percentage of ore mineral or metal content in an ore body
HK\$	Hong Kong Dollar, the lawful currency of Hong Kong
HKEX	Hong Kong Exchanges and Clearing Limited
Hong Kong	The Hong Kong Special Administrative Region of the PRC
HSE	Health, Safety and Environment
ICBC	Industrial and Commercial Bank of China Limited, a company listed on the Stock Exchange (Stock code: 1398)
Ilmenite	Iron titanium oxide; a trigonal mineral, chemical formula FeTiO_3
JORC code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004 edition), as published by the Joint Ore Reserves Committee, as amended from time to time
K&S	A magnetite development project in the Company's portfolio consisting of the Kimkan deposit and the Sutara deposit
LTIFR	Lost time injury frequency rate, the number of lost time injuries per million man hours worked

GLOSSARY (CONTINUED...)

Magnetite	Fe ₃ O ₄ ; major mineral in banded iron formations, generally low grade (1.5%-40% iron)
Metallurgical	Describing the science concerned with the production, purification and properties of metals and their applications
MIC	MIC invest Limited Liability Company, a wholly-controlled company of Marina Alexeevna Kolesnikova
Micon	Micon International Limited has provided consulting services to the international mining industry since 1988, with particular focus upon mineral resource estimations, metallurgical services, mine design and production scheduling, preparation of pre-feasibility and feasibility studies, independent reviews of mining and mineral properties, project monitoring, independent engineer roles, financial analysis and litigation support. Micon's resource estimate complies with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards and definitions, as required by Canadian National Instrument 43-101 (NI 43-101)
Mill	Equipment used to grind crushed rocks to the desired size for mineral extraction
Mineralisation	Process of formation and concentration of elements and their chemical compounds within a mass or body of rock
NI 43-101	Also referred to as National Instrument 43-101, the (Canadian) Standards of Disclosure for Mineral Projects, including Companion Policy 43-101 as amended from time to time
NRI	Non-recurring items
Open-pit	A large scale hard rock surface mine; mine working or excavation open to the surface
Optimisation	Co-ordination of various mining and processing factors, controls and specifications to provide optimum conditions for technical/economic operation
Ore	Material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives
Ore-field	A zone of concentration of mineral occurrences
Ore body	Mining term to define a solid mass of mineralised rock which can be mined profitably under current or immediately foreseeable economic conditions
Ore Reserves	The parts of a Mineral Resource that can at present be economically mined
Petropavlovsk	Petropavlovsk PLC, the London Stock Exchange quoted, Russian gold mining company
Precious metal	Gold, silver and platinum group minerals
Primary	Characteristic of or existing in a rock at the time of its formation; pertains to minerals, textures and etc.; original
Processing	Methods employed to clean, process and prepare materials or ore into the final marketable product
Recovery	Proportion of valuable material obtained in the processing of an ore, stated as a percentage of the material recovered compared with the total material present
Resources	The concentration of material of economic interest in or on the earth's crust
ROM	Run-of-mine. This is recovered ore, as mined with dilution, before any pre-concentration or other form of processing
Rospotrebnadzor	The federal service for surveillance on consumer rights protection and human wellbeing
Russian Far East	Refers to the Far Eastern Federal district of the Russian Federation, which covers the area of Russia between Lake Baikal in Siberia and the Pacific Ocean
Rouble or RUB	Russian Rouble
Shareholder(s)	Holder of the Share(s)
SRP	Steel/Slag Reprocessing Project
Stock Exchange	The Stock Exchange of Hong Kong Limited
Tailings	Material that remains after all metals/minerals considered economic have been removed from the ore
TiO ₂	Titanium dioxide. A fine white powder. Used in paints, plastics or paper, it provides for maximum whiteness and opacity
Titanomagnetite	Concentrate which is a variation of a magnetite concentrate typically with a high vanadium and titanium content
Tonne/t	1 wet metric tonne (1,000 kg)
Treatment plant	A plant where ore undergoes physical or chemical treatment to extract the valuable metals/minerals
US Dollar or US\$	United States Dollar

GLOSSARY (CONTINUED...)

LIST OF ABBREVIATIONS

°C	degrees Celsius, a thermal unit equivalent to Kelvin+273.15
CaO	chemical symbol for calcium oxide or quicklime
dmt	dry metric tonne, a unit of mass equivalent to 1,000 kg
Fe	chemical symbol for iron
Fe _{magn}	total iron in the ore originating from magnetite
Fe _(total)	total amount of iron content
ha	hectares
kg	kilogramme, the SI unit of mass
km	kilometres, a unit of length equivalent to 1,000 m
km ²	square kilometres, a unit of area equivalent to 1,000,000 m ²
Kt	thousand tonnes
Ktpa	thousand tonnes per annum
kV	kilovolts, one thousand volts, a unit of electromotive force
Kwh	kilowatt hour, a unit of energy
m	metres, the SI unit of length
m ³	cubic meter, a unit of volume
mm	millimetres, unit of length equivalent to 0.001 m
Mt	million tonnes
Mtpa	million tonnes per annum
mWt	megawatt, one million watts, a unit of power
nm	not measured
t	a wet metric tonne, a unit of mass equivalent to 1,000 kg
tpa	tonnes per annum
TiO ₂	chemical symbol for titanium dioxide
V ₂ O ₅	chemical symbol for vanadium pentoxide
wmt	wet metric tonne, a unit of mass equivalent to 1,000 kg

Figures in this report may not add up due to rounding. All volume of tonnage used in this report, unless specified, refer to wet metric tonne. All dollars refer to United States Dollars unless otherwise stated.

All maps and diagrams in this report are for illustration purposes only and are not to scale.

Production volumes disclosed in this report are determined net of the excessive moisture content within the products, as shipped to the customers. Production rate of K&S is calculated based on an annual production capacity of approximately 3,155 thousand wet metric tonne.

CORPORATE INFORMATION

IRC LIMITED — 鐵江現貨有限公司

Stock Exchange of Hong Kong: 1029

As at 30 June 2025

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CHAIRMAN

N.V. Levitskii

NON-EXECUTIVE DIRECTOR

N.V. Levitskii

EXECUTIVE DIRECTOR

Chief Executive Officer: D.V. Cherednichenko

INDEPENDENT NON-EXECUTIVE DIRECTORS

D.V. Dobryak

N.K. Ozhegina

A.M. Romanenko

V.G. Sheremet

COMMITTEES OF THE BOARD

Audit Committee

A.M. Romanenko (*Chairman*)

V.G. Sheremet

D.V. Dobryak

Remuneration Committee

D.V. Dobryak (*Chairman*)

N.V. Levitskii

N.K. Ozhegina

Health, Safety and Environment Committee

N.K. Ozhegina (*Chairlady*)

A.M. Romanenko

V.G. Sheremet

Nomination Committee

N.V. Levitskii (*Chairman*)

D.V. Dobryak

N.K. Ozhegina

AUTHORISED REPRESENTATIVES FOR THE PURPOSES OF THE STOCK EXCHANGE OF HONG KONG LIMITED

D.V. Cherednichenko

J.S.C. Yuen

COMPANY SECRETARY

J.S.C. Yuen

AUDITOR

RSM Hong Kong, *Certified Public Accountants*

Registered public interest entity auditors

LEGAL ADVISERS AS TO HONG KONG LAW

Chiu & Partners

DISCLAIMER

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MILESTONES

Our Future	K&S	Full capacity to 3.2Mt per year Doubling production (Phase II)
	Garinskoye	Iron ore concentrate production
1H 2025	K&S	Successful commissioning of Sutara
2024	IRC	Rights issue completed
	K&S	Commissioning of Sutara
2023	IRC	Recording underlying profit despite challenging operating environment
	K&S	Upgrades allowing processing of lower quality ore Development of Sutara on track
2022	IRC	Recording underlying profit despite challenging operating environment Completion of a partial debt to equity swap
	K&S	Development of Sutara on track
2021	IRC	Underlying profit reached new high Significant reduction in net debt
	K&S	Development of Sutara on track
2020	IRC	Maiden underlying profit
	K&S	Successful diversion of sales to new Chinese customers via seaborne routes
2019	IRC	ICBC refinancing completed
	K&S	Operated at 100% of designed capacity in October
	SRP	Vanadium joint venture recommenced operation
2018	K&S	Entry into refinancing facility with Gazprombank Operated at 105% of designed capacity during a 24-hour run Produced over 2.2 million tonnes in 2018
2017	K&S	Commercial production (Phase I) 90%-capacity loading test Produced over 1.5 million tonnes in 2017
2016	IRC	Tiger Capital shares subscription
	K&S	Trial production commenced and ramp-up First iron ore concentrate production Final hot commissioning and testing
2015	IRC	Completed fully underwritten Open Offer
	K&S	Ongoing commissioning and testing
2014	K&S	Commissioning programme commenced
2013	IRC	General Nice strategic alliance
	K&S	Ongoing construction
2012	Kuranakh	Ilmenite production full capacity
	Garinskoye	DSO operation announced
	Exploration	Ilmenite & Molybdenum Exploration acquisitions
2011	IRC	Group reserves increase threefold
	Kuranakh	Full year production targets exceeded
	K&S	First drawdown ICBC facility Optimisation study to double K&S production
2010	IRC	HKEX listing
	Kuranakh	Commissioned
	K&S	US\$340m ICBC facility US\$400m CNEEC EPC contract
	SRP	First production



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