APAC RESOURCES

APAC RESOURCES LIMITED
亞太資源有限公司

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

(Stock Code: 1104)
(Warrant Code: 2478)

PROPOSED RIGHTS ISSUE OF RIGHTS SHARES ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE ON A NON-FULLY UNDERWRITTEN BASIS AND CLOSURE OF REGISTER OF MEMBERS AND WARRANT HOLDERS

Financial Adviser to the Company

禹銘投資管理有限公司
YU MING INVESTMENT MANAGEMENT LIMITED

Underwriters to the Rights Issue

結好證券有限公司
GET NICE SECURITIES LIMITED

Get Nice Securities Limited

萬基證券有限公司
MORTON SECURITIES LIMITED

Morton Securities Limited

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to (i) approximately HK$1,083.0 million by way of the issue of 746,876,700 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$1,180.3 million by way of the issue of 813,982,176 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants), at the Subscription Price of HK$1.45 per Rights Share on the basis of one Rights Share for every two Existing Shares held by the Qualifying Shareholders on the Record Date.

Assuming full subscription of the Rights Issue, the net proceeds from the Rights Issue after deducting the expenses are estimated to be (i) approximately HK$1,068.2 million (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$1,165.5 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants).

The Company intends to apply the net proceeds from the Rights Issue to (i) replenish the internal resources ear-marked for the Subscription of Tanami Gold's Shares; (ii) repay the Group's outstanding bank borrowings; (iii) enhance the Group's ability to opportunistically invest in the resources sector; and (iv) provide general working capital for the Group. Details of how the net proceeds from the Rights Issue will be used are set out in the section headed "Reasons for the Rights Issue and Use of Proceeds" below in this announcement.

The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfer documents of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Wednesday, 10 June 2026. Holders of Share Warrants who wish to participate in the Rights Issue should exercise their rights under the Share Warrants in accordance with the terms and conditions of the Share Warrants Instrument and be registered as holders of the Shares on or before the Record Date. To do so, the subscription forms accompanied by the relevant warrant certificates and exercise money must be lodged with the Registrar by no later than 4:30 p.m. on Wednesday, 10 June 2026.

IRREVOCABLE UNDERTAKING

As at the date of this announcement, Allied Properties Investments is interested in (i) 698,188,312 Shares, representing approximately 46.74% of the total number of Shares in issue; and (ii) 40,408,842 Share Warrants entitling it to subscribe for 40,408,842 Shares upon exercise of such rights.

Pursuant to the Irrevocable Undertaking, Allied Properties Investments has provided an irrevocable and unconditional undertaking to the Company and the Underwriters, pursuant to which Allied Properties Investments has irrevocably undertaken and warranted to the Company and the Underwriters, among other things, that: -

(i) it will remain as the beneficial owner of all the 698,188,312 Shares held by it up to and including the Record Date;

(ii) it will subscribe for all of the 349,094,156 Rights Shares which it is entitled to under the Rights Issue on the Record Date;

(iii) it will apply (by way of excess application) for 43,900,000 Rights Shares;

(iv) it will not, during the period from the date of the Irrevocable Undertaking up to and including the Record Date, transfer or otherwise dispose of, or create any encumbrances over or in respect of, any Shares held by it; and

(v) it will observe the scaling-down mechanism as mentioned in the paragraph headed "Scale-down mechanisms" in this announcement so that it will not trigger any MGO Obligation.

Other than Allied Properties Investments, the Company has not received any undertakings from any other Shareholders to subscribe for all or any of the Rights Shares to be provisionally allotted to them.

THE UNDERWRITING AGREEMENT

On 28 May 2026 (after trading hours), the Company and the Underwriters entered into the Underwriting Agreement, pursuant to which the Underwriters have conditionally agreed to underwrite, on a non-fully underwritten basis, up to 353,882,544 Rights Shares on the terms and conditions set out in the Underwriting Agreement. Details of the Underwriting Agreement are set out in the section headed "Underwriting Arrangement" in this announcement.

The Underwriters and their respective ultimate beneficial owners are Independent Third Parties.

The Company shall make an application to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be allotted and issued pursuant to the Rights Issue.

The Rights Issue is only underwritten on a non-fully underwritten basis. Pursuant to the Company's constitutional documents and the Companies Ordinance, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment or waiver of the conditions precedent of the Rights Issue and the Underwriting Agreement, the Rights Issue shall proceed regardless of the ultimate subscription level.

In the event the Rights Issue is under-subscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, and not subscribed by the Underwriters or subscribers procured by it pursuant to the Underwriting Agreement will not be issued, and hence, the size of the Rights Issue will be reduced accordingly. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A of the Listing Rules.

Save for the 85,536,191 Shares issued pursuant to the exercise of 85,536,191 Share Warrants under the Bonus Warrants Issue, the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

CLOSURE OF REGISTER OF MEMBERS AND WARRANT HOLDERS OF THE COMPANY

The register of members and warrant holders of the Company will be closed from Thursday, 11 June 2026 to Wednesday, 17 June 2026 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares and Share Warrants will be registered during this period.

GENERAL

The Prospectus Documents containing information on the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Thursday, 18 June 2026. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

POSSIBLE ADJUSTMENT TO THE SHARE WARRANTS

As at the date of this announcement, there are 134,210,953 outstanding Share Warrants granted by the Company exercisable into 134,210,953 Shares. Pursuant to the terms of the Share Warrants Instrument, the Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the outstanding Share Warrants under the Share Warrants Instrument. The Company will notify the holders of such Share Warrants and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Warrants Instrument and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

Save for the foregoing, as at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

WARNING OF THE RISKS OF DEALING IN THE SHARES, SHARE WARRANTS AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, details of which are set out in the section headed "Underwriting Agreement – Conditions of the Rights Issue" in this announcement. The obligation of the Underwriters to underwrite the relevant Rights Shares is conditional on (i) the satisfaction (or waiver, where applicable) of, among other things, the conditions referred to in the section headed "Underwriting Agreement – Conditions of the Rights Issue" in this announcement; and (ii) the Underwriting Agreement not being terminated or rescinded by the Underwriters in accordance with its terms. If the conditions are not fulfilled (or waived, where applicable) or the Underwriting Agreement is terminated or rescinded pursuant to its terms, the Rights Issue will not proceed.

Any Shareholder or other person dealing in the existing Shares, Share Warrants and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Underwriters' right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the existing Shares, Share Warrants and/or the nil-paid Rights Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to (i) approximately HK$1,083.0 million by way of the issue of 746,876,700 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$1,180.3 million by way of the issue of 813,982,176 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants), at the Subscription Price of HK$1.45 per Rights Share on the basis of one Rights Share for every two Existing Shares held by the Qualifying Shareholders on the Record Date.

Further details of the Rights Issue are set out below:

Issue statistics

Basis of the Rights Issue	:	one Rights Share for every two Existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK$1.45 per Rights Share
Number of Shares in issue as at the date of this announcement	:	1,493,753,401 Shares
Number of outstanding Share Warrants	:	134,210,953 Share Warrants
Number of Rights Shares to be issued under the Rights Issue	:	Not less than 746,876,700 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) and not more than 813,982,176 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants)

Number of issued Shares upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed)	:	Not less than 2,240,630,101 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue) and not more than 2,441,946,530 Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Amount to be raised before expenses	:	Not less than approximately HK$1,083.0 million (assuming no change in the number of Shares in issue on or before the Record Date) and not more than approximately HK$1,180.3 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants)
Right of excess applications	:	Qualifying Shareholders may apply for the Rights Shares in excess of their provisional allotments

As at the date of this announcement, there are 134,210,953 outstanding Share Warrants issued by the Company exercisable into 134,210,953 Shares. Save for the foregoing, as at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date, and had no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 746,876,700 Rights Shares proposed to be issued pursuant to the Rights Issue represent approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued upon the full exercise of the outstanding Share Warrants and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 813,982,176 Rights Shares proposed to be issued pursuant to the Rights Issue represent approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

The Rights Issue is only underwritten on a non-fully underwritten basis. Pursuant to the Company's constitutional documents and the Companies Ordinance, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment or waiver of the conditions precedent of the Rights Issue and the Underwriting Agreement, the Rights Issue shall proceed regardless of the ultimate subscription level.

In the event the Rights Issue is under-subscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, and not subscribed by the Underwriters or subscribers procured by it pursuant to the Underwriting Agreement will not be issued, and hence, the size of the Rights Issue will be reduced accordingly.

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders having an address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

Shareholders with their Shares held by nominee(s) (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as a member of the Company by the Record Date, all transfer documents of the Shares (with the relevant share certificates) must be lodged for registration with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Wednesday, 10 June 2026. The last day for dealing in the Shares on a cum-rights basis is Monday, 8 June 2026.

Holders of Share Warrants who wish to participate in the Rights Issue should exercise their rights under the Share Warrants in accordance with the terms and conditions of the Share Warrants Instrument and be registered as holders of the Shares on or before the Record Date. To do so, the subscription forms accompanied by the relevant warrant certificates and exercise money must be lodged with the Registrar by no later than 4:30 p.m. on Wednesday, 10 June 2026.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance, which is expected to be 4:00 p.m. on Monday, 6 July 2026.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Rights of the Overseas Shareholders

If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue. The Prospectus Documents to be despatched in connection with the Rights Issue will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Board notes the requirements specified in Rule 13.36(2)(a) of the Listing Rules and is in the process of making enquiries in the relevant jurisdictions as to the feasibility of extending the Rights Issue to the Overseas Shareholders. If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to the relevant Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders and the Rights Issue will not be extended to them. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

Arrangements for the Non-Qualifying Shareholders Rights Shares

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be provisionally allotted to a nominee of the Company in nil-paid form. The Company shall procure that such nominee to sell the Rights Shares in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event on or before the last day for dealings in the nil-paid Rights Shares at a net premium. If and to the extent that such rights can be so sold, the nominee shall account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Non-Qualifying Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) in Hong Kong dollars provided that the individual amounts of HK$100 or less shall be retained by the Company for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be taken up by excess application.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

Closure of register of members and warrant holders of the Company

The register of members and warrant holders of the Company will be closed from Thursday, 11 June 2026 to Wednesday, 17 June 2026 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares and Share Warrants will be registered during this period.

Basis of provisional allotments

The basis of the provisional allotment shall be one Rights Share (in nil-paid form) for every two Existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Subscription Price

The Subscription Price is HK$1.45 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 33.49% to the closing price of HK$2.180 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 25.14% to the theoretical ex-rights price of approximately HK$1.937 per Share, which is calculated on the basis of the closing price of HK$2.180 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 35.50% to the average of the closing prices per Share for the five consecutive trading days ended on the Last Trading Day of approximately HK$2.248 per Share;

(iv) a discount of approximately 35.70% to the average of the closing prices per Share for the ten consecutive trading days ended on the Last Trading Day of approximately HK$2.255 per Share;

(v) a discount of approximately 63.24% to the unaudited consolidated net asset value attributable to the Shareholders as at 31 December 2025 as extracted from the interim results of the Company for the six months ended 31 December 2025 of approximately HK$3.945 per Share;

(vi) a discount of approximately 71.34% to the latest published unaudited consolidated net asset value per Share based on its unaudited consolidated management accounts and the market value of its listed investments adjusted for the market prices of its investments in listed associates as at 30 April 2026 of approximately HK$5.06 per Share (as shown in the announcement of the Company in respect of its net asset value published on 26 May 2026); and

(vii) theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 11.87%, based on the theoretical diluted price of approximately HK$1.985 per Share to the benchmarked price of approximately HK$2.252 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of HK$2.180 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of HK$2.252 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day).

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK$1.430 (assuming no change in the number of Shares in issue on or before the Record Date) and approximately HK$1.432 (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants). Since the Company is incorporated in Bermuda and re-domiciled to Hong Kong, the Rights Shares have no nominal value.

The Subscription Price was determined with reference to (i) the prevailing market conditions of the Hong Kong stock market; (ii) recent market price of the Shares as quoted on the Stock Exchange; and (iii) the purposes described in the section headed "Reasons for the Rights Issue and Use of Proceeds" below.

The Directors consider that setting the Subscription Price at a discount to the current market price of the Shares would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group. In view of the above, and having considered that all the Qualifying Shareholders will be offered equal opportunity to subscribe for the Rights Shares by way of provisional allotment, the Directors consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of Rights Shares

The Rights Shares (when allotted, issued and fully-paid) will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid, the record dates of which are on or after the date of allotment and issue of the fully-paid Rights Shares.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, and any other applicable fees and charges in Hong Kong.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment or waiver (as applicable) of the conditions of the Rights Issue as set out in the section headed "The Underwriting Agreement – Conditions of the Rights Issue" in this announcement, share certificates for all fully-paid Rights Shares are expected to be posted on or about Tuesday, 14 July 2026 by ordinary post to the allottees, at their own risk, to their registered addresses.

If the Underwriting Agreement is terminated or does not become unconditional or applications for excess Rights Shares (if any) is wholly or partially unsuccessful (as the case may be), refund cheques are expected to be posted on or before Tuesday, 14 July 2026 by ordinary post to the respective Shareholders, at their own risk, to their registered addresses.

Fractions of Rights Shares

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be made available for excess application by the Qualifying Shareholders under the EAFs.

Arrangement on odd lot trading

Upon completion of the Rights Issue, the board lots of the Company will remain as 20,000 Shares. In order to facilitate the trading of odd lots of the Rights Shares arising from the Rights Issue, the Company will appoint a designated broker to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Rights Shares to make up a full board lot, or to dispose of their holding of odd lots of the Rights Shares. Further details in respect of the odd lots matching arrangement will be set out in the Prospectus Documents. Holders of odd lots of the Rights Shares should note that the matching of the sale and purchase of odd lots of the Rights Shares is not guaranteed.

Scale-down mechanisms

Pursuant to the Underwriting Agreement, as the Rights Issue is only underwritten by the Underwriters on a non-fully underwritten basis, and to avoid the unwitting triggering of the MGO Obligation by any applicant, all applications for Rights Shares whether under the PAL(s) or the EAF(s), or by transferees of nil-paid Rights Shares, or by subscribers procured by the Underwriters will be made on the basis that the applications are to be scaled-down by the Company to a level which does not trigger any MGO Obligation on the part of the applicant or parties acting in concert with him/her/it. Any subscription monies for the Scale-down PAL Shares or the Scale-down EAF Shares will be refunded to the applicants, and the Scale-down PAL Shares and the Scale-down EAF Shares will be made available for subscription by other Qualifying Shareholders through the EAF(s).

Such scale-down of applications of Rights Shares shall operate on a fair and equitable basis under the following principles: (i) EAF(s) should be scaled down before PAL(s); and (ii) where the scale-down is necessitated by the exceeding of shareholding by a group of rather than an individual Shareholder, the allocations of EAF(s) and PAL(s) to members of the affected group should be made on a pro-rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for avoidance of any doubt, any or any such onward allocation(s) shall be subject to the Scaling-down as well.

Application for Excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for Rights Shares representing:

(i) unsold entitlements of the Non-Qualifying Shareholders (if any);

(ii) entitlements provisionally allotted but not validly accepted by the Qualifying Shareholders or otherwise subscribed for by renouncees or transferees of nil-paid Rights Shares;

(iii) aggregate fractional entitlements of nil-paid Rights Shares;

(iv) the Scale-down PAL Shares (if any); and

(v) the Scale-down EAF Shares (if any).

Applications for excess Rights Shares should be made only by completing an EAF and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for. If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign an EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by a time which is currently expected to be 4:00 p.m. on Monday, 6 July 2026, or such later time and/or date as may be agreed between the Company and the Underwriters.

The Board will allocate the excess Rights Shares at its discretion on a fair and equitable basis in proportion to the number of excess Rights Shares being applied for under each application. However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for excess Rights Shares. Further, pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder and its associates (together, the "**Relevant Shareholders**"), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders' applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

Investors with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names as the beneficial owner(s) on or prior to the Record Date.

Investors whose Shares are held by their nominee(s) (or which are deposited in CCASS) and who would like to have their names registered on the register of members of the Company on the Record Date, must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on Wednesday, 10 June 2026.

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Overseas Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Application for Listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. The nil-paid Rights Shares shall have the board lot size as the existing board lot size of the Shares, namely, 20,000 in one board lot. Dealings in the Rights Shares in their nil-paid and fully-paid forms will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

Rights Shares will be Eligible for Admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day after the date of the transaction. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

IRREVOCABLE UNDERTAKING

As at the date of this announcement, Allied Properties Investments is interested in (i) 698,188,312 Shares, representing approximately 46.74% of the total number of Shares in issue; and (ii) 40,408,842 Share Warrants entitling it to subscribe for 40,408,842 Shares upon exercise of such rights.

Pursuant to the Irrevocable Undertaking, Allied Properties Investments has provided an irrevocable and unconditional undertaking to the Company and the Underwriters, pursuant to which Allied Properties Investments has irrevocably undertaken and warranted to the Company and the Underwriters, among other things, that: -

(i) it will remain as the beneficial owner of all the 698,188,312 Shares held by it up to and including the Record Date;

(ii) it will subscribe for all of the 349,094,156 Rights Shares which it is entitled to under the Rights Issue on the Record Date;

(iii) it will apply (by way of excess application) for 43,900,000 Rights Shares;

(iv) it will not, during the period from the date of the Irrevocable Undertaking up to and including the Record Date, transfer or otherwise dispose of, or create any encumbrances over or in respect of, any Shares held by it; and

(v) it will observe the scaling-down mechanism as mentioned in the paragraph headed "Scale-down mechanisms" in this announcement so that it will not trigger any MGO Obligation.

Other than Allied Properties Investments, the Company has not received any undertakings from any other Shareholders to subscribe for all or any of the Rights Shares to be provisionally allotted to them.

UNDERWRITING AGREEMENT

On 28 May 2026 (after trading hours), the Company and the Underwriters entered into the Underwriting Agreement, pursuant to which the Underwriters have conditionally agreed to underwrite, on a non-fully underwritten basis, up to 353,882,544 Rights Shares on the terms and conditions set out in the Underwriting Agreement. Further details of the Underwriting Agreement are set out below:

Date	:	28 May 2026
Issuer	:	The Company
Underwriters	:	Get Nice, a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its ordinary course of business includes underwriting of securities. Morton, a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its ordinary course of business includes underwriting of securities. To the best knowledge and information of the Directors, after reasonable enquiries, the Underwriters and their respective ultimate beneficial owners are Independent Third Parties. The Underwriters confirmed that they have complied with Rule 7.19(1)(a) of the Listing Rules.

Number of Rights Shares underwritten by the Underwriters	:	Up to 353,882,544 Rights Shares in the following proportion: (i) Get Nice has agreed to and shall underwrite and subscribe and pay for or procure subscription and payment for such number of Underwritten Shares representing approximately 83.19% of the total number of the Untaken Shares, provided that the actual number of Underwritten Shares underwritten by Get Nice shall not exceed 294,382,544 Rights Shares; and (ii) Morton has agreed to and shall underwrite and subscribe and pay for or procure subscription and payment for such number of Underwritten Shares representing approximately 16.81% of the total number of the Untaken Shares, provided that the actual number of Underwritten Shares underwritten by Morton shall not exceed 59,500,000 Rights Shares.
Underwriters' commission	:	The Company will pay to the Underwriters an underwriting commission of 2.5% of the Subscription Price in respect of the Underwritten Shares (for avoidance of doubt, it shall mean the maximum amount of the Underwritten Shares) committed to be underwritten by the Underwriters.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriters by reference to, amongst other things, the size of the Rights Issue, the existing financial position of the Group, and the current and expected market condition. The Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement, including the commission payable by the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Underwriters may enter into sub-underwriting agreements with sub-underwriter(s) or appoint person to be sub-agent(s) on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers for any Underwritten Shares with such authority and rights as the Underwriters have pursuant to their appointments under the Underwriting Agreement.

Subject to the fulfilment (or any waiver, as the case may be, by the Underwriters) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriters shall subscribe or procure the subscription, on a non-fully underwritten basis, for the Underwritten Shares that are not otherwise taken up.

Conditions of the Rights Issue

The completion of the Rights Issue and the obligations of the Underwriters under the Underwriting Agreement are conditional upon:

(i) the filing and registration of all the Prospectus Documents (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date;

(ii) the despatch of the Prospectus Documents to the Qualifying Shareholders and the despatch of the Prospectus to the Non-Qualifying Shareholders, if any, for information purpose only, by no later than the Prospectus Posting Date;

(iii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the approval for the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Prospectus Posting Date;

(iv) compliance with and performance of all the undertakings and obligations of the Company under terms of the Underwriting Agreement;

(v) the Underwriting Agreement not being terminated by the Underwriters pursuant to the terms of the Underwriting Agreement on or before the Latest Time for Termination; and

(vi) Allied Properties Investments having duly executed the Irrevocable Undertaking and compliance by Allied Properties Investments with its obligations under the Irrevocable Undertaking.

The conditions precedent set out in paragraphs (i) to (iii) above are incapable of being waived by the Underwriters or the Company.

If the conditions precedent set out in the above paragraphs are not satisfied in whole or in part at the respective time and dates specified therein (or such other date and time as the Underwriters may jointly agree with the Company in writing (as permitted under the relevant legal and regulatory requirements)), the Underwriting Agreement shall terminate (save for certain provisions which would survive after termination of the Underwriting Agreement and any rights or obligations which have accrued under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for cost, damages, compensation or otherwise, and the Rights Issue will not proceed.

Termination and rescission of the Underwriting Agreement

The Underwriters acting jointly shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement, if:

(i) in the joint reasonable opinion of the Underwriters, the success of the Rights Issue would be materially and adversely affected by:

(a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the joint reasonable opinion of the Underwriters, materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue after the signing of the Underwriting Agreement;

(b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the joint reasonable opinion of the Underwriters, materially and adversely affect the business or the financial or trading position of the Group as a whole;

(c) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement which would, in the joint reasonable opinion of the Underwriters, materially and adversely affect the business or the financial or trading position of the Group as a whole;

(d) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the joint reasonable opinion of the Underwriters, is or might be material to the Group taken as a whole;

(e) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or

(ii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which, in the joint reasonable opinion of the Underwriters, makes it inexpedient or inadvisable to proceed with the Rights Issue; or

(iii) the Prospectus and all amendments and supplements thereto when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may, in the joint reasonable opinion of the Underwriters, is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue.

The Underwriters acting jointly shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination any material breach of any of the warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriters.

If the Underwriters terminate or rescind the Underwriting Agreement, the Rights Issue will not proceed. A further announcement would be made if the Underwriting Agreement is terminated or rescinded.

EXPECTED TIMETABLE FOR THE RIGHTS ISSUE

Set out below is the expected timetable for the Rights Issue, which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled or otherwise waived:

Last day of dealings in Shares on a cum-rights basis	Monday, 8 June 2026
First day of dealings in Shares on an ex-rights basis	Tuesday, 9 June 2026
Latest time for lodging transfers of Shares and subscription forms accompanied by the relevant warrant certificates and exercise money for exercise of Share Warrants in order to qualify for the Rights Issue	4:30 p.m. on Wednesday, 10 June 2026

Closure of the register of members and warrant holders (both dates inclusive)	Thursday, 11 June 2026 to Wednesday, 17 June 2026
Record Date for determining entitlements under the Rights Issue	Wednesday, 17 June 2026
Register of members and warrant holders re-opens	Thursday, 18 June 2026
Prospectus Documents expected to be despatched on	Thursday, 18 June 2026
First day of dealings in nil-paid Rights Shares	Tuesday, 23 June 2026
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on Thursday, 25 June 2026
Last day of dealings in nil-paid Rights Shares	Tuesday, 30 June 2026
Latest time for acceptance of and payment for Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Monday, 6 July 2026
Latest time for termination of the Underwriting Agreement	4:00 p.m. on Tuesday, 7 July 2026
Publication of the announcement of results of acceptance and excess application of Rights Issue	Monday, 13 July 2026
Refund cheques in respect of wholly or partially unsuccessful application for excess Rights Shares expected to be despatched on or before	Tuesday, 14 July 2026
Share certificates for Rights Shares expected to be despatched on or before	Tuesday, 14 July 2026
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Wednesday, 15 July 2026

Designated broker starts to stand in the market to provide matching service for odd lots of Shares due to the Rights Issue . . . . 9:00 a.m. on Wednesday, 15 July 2026

Designated broker ceases to stand in the market to provide matching services for odd lots of Shares due to the Rights Issue . . . . 4:00 p.m. on Wednesday, 29 July 2026

Notes:

1. All dates and times referred to in this announcement are Hong Kong dates and times. Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by agreement between the Company and the Underwriters. Further announcement will be made in the event that there is any change to the expected timetable for the Rights Issue.

2. Effect of bad weather on the latest time for acceptance and payment for the Rights Shares and for application and payment for the excess Rights Shares:

   The latest time for acceptance and payment for the Rights Shares and for application and payment for the excess Rights Shares will not take effect if there is a tropical cyclone warning signal number 8 or above, "extreme conditions" or a "black" rainstorm warning. If such circumstance is:

   (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on Monday, 6 July 2026, the latest time for acceptance of and payment for the Rights Shares and for application and payment for the excess Rights Shares will be extended to 5:00 p.m. on the same business day; or

   (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 6 July 2026, the latest time for acceptance and payment for the Rights Shares and for application and payment for the excess Rights Shares will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

   If the latest time for acceptance and payment for the Rights Shares and for application and payment for the excess Rights Shares does not take effect on Monday, 6 July 2026, the dates mentioned above may be affected. An announcement will be made by the Company in such event.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders; and (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders other than Allied Properties Investments who will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking under the following scenarios:

(a) assuming no outstanding Share Warrants being exercised on or before the Record Date and there is no other change in the shareholding structure of the Company before completion of the Rights Issue:

Shareholder	Existing shareholding as at the date of this announcement		Immediately after completion of the Rights Issue (assuming full acceptance by the Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Allied Properties Investments who will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking)	
	Number of Shares	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*
Allied Properties Investments *(Note 1)*	698,188,312	46.74	1,047,282,468	46.74	1,091,182,468	48.70
Shougang Fushan *(Note 2)*	215,100,000	14.40	322,650,000	14.40	215,100,000	9.60
Other public Shareholders	580,465,089	38.86	870,697,633	38.86	580,465,089	25.91
The Underwriters and/or subscribers procured by it *(Note 3)*	–	–	–	–	353,882,544	15.79
Total	1,493,753,401	100.00	2,240,630,101	100.00	2,240,630,101	100.00

Notes:

1. As at the date of this announcement, Allied Properties Investments is beneficially interested in 698,188,312 Shares, representing approximately 46.74% of the total issued share capital of the Company. Mr. Lee Seng Hui (being a non-executive Director) is one of the trustees of Lee and Lee Trust, being a discretionary trust which, together with his personal interests, controls approximately 74.99% of the total number of issued shares of Allied Group Limited ("**AGL**"). AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL) owned in aggregate 100% of the total number of issued shares of Allied Properties (H.K.) Limited, which in turn indirectly owns the entire issued share capital of Allied Properties Investments.

   The shareholding of Allied Properties Investments immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Allied Properties Investments who will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking) shown in the table above will be scaled down according to the mechanism disclosed in the section headed "Scale-down mechanisms" in this announcement, such that no MGO Obligation will be triggered by Allied Properties Investments.

2. These shares are held by Benefit Rich Limited, a wholly-owned subsidiary of Shougang Fushan.

3. Pursuant to the Underwriting Agreement, in the event that the Underwriters are required to take up the Underwritten Shares pursuant to their underwriting obligations, the Underwriters shall:

(i) procure that each of the relevant subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with, the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries and their respective associates and shall not be a connected person of the Company;

(ii) procure each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) and their respective associates shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 10.0% or more of the voting rights of the Company immediately upon completion of the Rights Issue;

(iii) not, and shall procure each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 30.0% (or such percentage which will trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company immediately upon completion of the Rights Issue; and

(iv) in the event that there is insufficient public float of the Company within the meaning of the Listing Rules immediately upon completion of the Rights Issue solely because of any Underwriters' performance of its obligations pursuant to the Underwriting Agreement, the Underwriters agree to take such appropriate steps as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 13.32B of the Listing Rules.

(b) assuming all the outstanding Share Warrants being exercised on or before the Record Date and there is no other change in the shareholding structure of the Company before completion of the Rights Issue:

Shareholder	**Shareholding assuming all Share Warrants are exercised by the respective Shareholder**		**Immediately after completion of the Rights Issue (assuming full acceptance by the Qualifying Shareholders)**		**Immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Allied Properties Investments who will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking)**	
	Number of Shares	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*
Allied Properties Investments *(Note 1)*	738,597,154	45.37	1,107,895,731	45.37	1,118,967,313	47.37
Shougang Fushan *(Note 2)*	258,120,000	15.86	387,180,000	15.86	258,120,000	10.93
Other public Shareholders *(Note 3)*	631,247,200	38.77	946,870,799	38.77	631,247,200	26.72
The Underwriters and/or subscribers procured by it *(Note 4)*	–	–	–	–	353,882,544	14.98
Total	1,627,964,354	100.00	2,441,946,530	100.00	2,362,217,057	100.00

Notes:

1. Assuming the exercise of the outstanding 40,408,842 Share Warrants held by Allied Properties Investments, Allied Properties Investments will be beneficially interested in 738,597,154 Shares, representing approximately 45.37% of the total issued share capital of the Company before completion of the Rights Issue. Mr. Lee Seng Hui (being a non-executive Director) is one of the trustees of Lee and Lee Trust, being a discretionary trust which, together with his personal interests, controls approximately 74.99% of the total number of issued shares of AGL. AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL) owned in aggregate 100% of the total number of issued shares of Allied Properties (H.K.) Limited, which in turn indirectly owns the entire issued share capital of Allied Properties Investments.

   The shareholding of Allied Properties Investments immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Allied Properties Investments who will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking) shown in the table above will be scaled down according to the mechanism disclosed in the section headed "Scale-down mechanisms" in this announcement, such that no MGO Obligation will be triggered by Allied Properties Investments.

2. Assuming full exercise of the outstanding 43,020,000 Share Warrants held by Benefit Rich Limited, Benefit Rich Limited will be beneficially interested in 258,120,000 Shares, representing approximately 15.86% of the total issued share capital of the Company before completion of the Rights Issue. These shares are held by Benefit Rich Limited, a wholly-owned subsidiary of Shougang Fushan.

3. Assuming full exercise of the outstanding 50,782,111 Share Warrants held by the other public Shareholders, the other public Shareholders will be beneficially interested in 631,247,200 Shares in aggregate, representing approximately 38.77% of the total issued share capital of the Company before completion of the Rights Issue.

4. Pursuant to the Underwriting Agreement, in the event that the Underwriters are required to take up the Underwritten Shares pursuant to its underwriting obligations, the Underwriters shall:

   (i) procure that each of the relevant subscribers of the Underwritten Shares (including any direct and indirect sub-underwriters) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with, the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries and their respective associates and shall not be a connected person of the Company;

   (ii) procure each of the subscribers of the Underwritten Shares (including any direct and indirect sub-underwriters) and their respective associates shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 10.0% or more of the voting rights of the Company immediately upon completion of the Rights Issue;

   (iii) not, and shall procure each of the subscribers of the Underwritten Shares (including any direct and indirect sub-underwriters) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 30.0% (or such percentage which will trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company immediately upon completion of the Rights Issue; and

(iv) in the event that there is insufficient public float of the Company within the meaning of the Listing Rules immediately upon completion of the Rights Issue solely because of any Underwriters' performance of its obligations pursuant to the Underwriting Agreement, the Underwriters agree to take such appropriate steps as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 13.32B of the Listing Rules.

Certain percentage figures included in the tables above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is a company incorporated in Bermuda and re-domiciled to Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange. The Company is focused on strategic investments in the natural resources sector, emphasising gold exploration opportunities.

Assuming full subscription of the Rights Issue, the net proceeds from the Rights Issue after deducting the expenses are estimated to be (i) approximately HK$1,068.2 million (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$1,165.5 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Warrants).

The net proceeds of the Rights Issue estimated to be approximately HK$1,068.2 million (assuming no change in the number of Shares in issue on or before the Record Date) are intended to be applied in the following manner:

(i) approximately HK$185.2 million (representing 17.3% of the estimated net proceeds from the Rights Issue) will be used for replenishing the internal cash resources which were earmarked for the Subscription of Tanami Gold's Shares as disclosed in the announcement of the Company dated 8 May 2026;

(ii) approximately HK$518.0 million (representing 48.5% of the estimated net proceeds from the Rights Issue) will be used for repayment of the Group's existing outstanding bank borrowings to improve the gearing of the Group;

(iii) approximately HK$258.2 million (representing 24.2% of the estimated net proceeds from the Rights Issue) will be used for enhancing the Group's ability to opportunistically invest in the resources sector. The Group believes that precious metals investment demand will continue to be strong amid the uncertainties around global economy and rising U.S. debt levels. At the same time, the Group takes a selective approach in investing in other commodities, which benefit from structural trends such as energy transition and increasing AI activity, and supportive medium term policies changes, such as increasing critical metals investment, expansion of strategic reserves and loosening policy constraints (such as on nuclear plants). By investing in high quality opportunities, the Group aims to deliver attractive returns over the long run with its mining and energy investment portfolios; and

(iv) approximately HK$106.8 million (representing 10.0% of the estimated net proceeds from the Rights Issue) will be used for general working capital for the Group.

If the Rights Issue is undersubscribed and the size of the Rights Issue is reduced, the net proceeds are expected to be utilised in the above sequential order.

The Directors have evaluated the costs, benefits, and timing of the various fund-raising methods available to the Group and their potential impacts on the interests of the Shareholders and is of the view that the Rights Issue is the most favourable method as elaborated below:

In general, bank borrowings will incur interest costs, result in a higher gearing ratio of the Group and subject the Group to repayment obligations. The Directors have considered equity fund-raising, such as the subscription or placement of new shares, yet it would lead to immediate dilution of the shareholding interests of the existing Shareholders. While open offer provides an opportunity to the existing Shareholders to maintain their respective shareholdings in the Company on a pro-rata basis, the Rights Issue is more preferred by the market as it has the benefit of providing the Qualifying Shareholders with the option to sell some or all of their rights entitlements in its nil paid form in the open market, subject to market demand, thus allowing them to realise the cash value if they wish.

Having considered the abovementioned alternatives, the Directors are of the view that the Rights Issue will provide an opportunity to raise capital for the Company to replenish its cash resources whilst strengthening the capital base and the financial position of the Company without increasing its gearing or financing costs. Compared with other fund-raising options, the Rights Issue offers all Qualifying Shareholders the opportunity to participate in the Group's future growth while minimizing the dilution of their interest in the Company.

Accordingly, the Directors consider that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

POSSIBLE ADJUSTMENT TO THE SHARE WARRANTS

As at the date of this announcement, there are 134,210,953 outstanding Share Warrants granted by the Company exercisable into 134,210,953 Shares. Pursuant to the terms of the Share Warrants Instrument, the Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the outstanding Share Warrants under the Share Warrants Instrument. The Company will notify the holders of such Share Warrants and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Warrants Instrument and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

Save for the foregoing, as at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date. Save for the 134,210,953 Shares to be issued upon the exercise of rights of the outstanding Share Warrants by holder(s) of the Share Warrants, the Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

In the 12 months immediately preceding the date of this announcement, the Company issued 85,536,191 Shares pursuant to the exercise of the Share Warrants under the Bonus Warrants Issue. The total funds raised pursuant to the issue of the 85,536,191 Shares amounted to approximately HK$85,536,000, all amount of approximately HK$85,536,000 were used for the purpose of investing in companies involved in the natural resources sector.

Save for the above, the Company has not conducted any equity fund raising activities in the 12 months immediately prior to the date of this announcement.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A of the Listing Rules.

Save for the 85,536,191 Shares issued pursuant to the exercise of 85,536,191 Share Warrants under the Bonus Warrants Issue, the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

GENERAL

The Prospectus Documents containing information on the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Thursday, 18 June 2026. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

WARNING OF THE RISKS OF DEALING IN THE SHARES, SHARE WARRANTS AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, details of which are set out in the section headed "Underwriting Agreement – Conditions of the Rights Issue" in the full text of this announcement. The obligation of the Underwriters to underwrite the relevant Rights Shares is conditional on (i) the satisfaction (or waiver, where applicable) of, among other things, the conditions referred to in the section headed "Underwriting Agreement – Conditions of the Rights Issue" in this announcement; and (ii) the Underwriting Agreement not being terminated or rescinded by the Underwriters in accordance with its terms. If the conditions are not fulfilled (or waived, where applicable) or the Underwriting Agreement is terminated or rescinded pursuant to its terms, the Rights Issue will not proceed.

Any Shareholder or other person dealing in the existing Shares, Share Warrants and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Underwriters' right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the existing Shares, Share Warrants and/or the nil-paid Rights Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"acting in concert"	has the meaning ascribed to it under the Takeovers Code
"Allied Properties Investments"	Allied Properties Investments (1) Company Limited, a company incorporated in the British Virgin Islands with limited liability and is a substantial shareholder of the Company
"Board"	the board of Directors
"Bonus Warrants Issue"	the bonus issue of Share Warrants by the Company to the qualifying Shareholders on the basis of one (1) Share Warrant for every five (5) Shares held on 28 November 2024 as announced by the Company on 4 October 2024
"business day"	a day (other than a Saturday or Sunday) on which commercial banks in Hong Kong are generally open for business
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended and supplemented from time to time)
"Company"	APAC Resources Limited, a company incorporated in Bermuda and re-domiciled to Hong Kong with limited liability, the securities of which are listed on the main board of the Stock Exchange (Stock Code: 1104 and Warrant Code: 2478)
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"EAF(s)"	the excess application form(s) for additional Rights Shares proposed to be issued to the Qualifying Shareholders
"Existing Shares"	the Shares which are in issue on the Record Date

"Get Nice"	Get Nice Securities Limited, a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO and its ordinary course of business includes underwriting of securities.
"Group"	the Company and its subsidiaries
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, are independent of and not connected with the Company and its connected persons or any of their respective associates
"Irrevocable Undertaking"	the irrevocable undertaking given by Allied Properties Investments in favour of the Company and the Underwriters as described in the section headed "Irrevocable Undertaking"
"Last Trading Day"	Thursday, 28 May 2026, being the last trading day of the Shares on the Stock Exchange immediately preceding the release of this announcement
"Latest Time for Acceptance"	4:00 p.m. on Monday, 6 July 2026 (or such later time/date as may be agreed in writing between the Company and the Underwriters), being the latest time for acceptance of the Rights Shares and application for the excess Rights Shares
"Latest Time for Termination"	4:00 p.m. on Tuesday, 7 July 2026 (or such later time/date as may be agreed in writing between the Company and the Underwriters), being the latest time for terminating the Underwriting Agreement which is the next business day after the Latest Time for Acceptance
"Listing Committee"	has the meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"MGO Obligation"	the obligation to make a mandatory general offer under Rule 26 of the Takeovers Code
"Morton"	Morton Securities Limited, a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO and its ordinary course of business includes underwriting of securities.
"Non-Qualifying Shareholder(s)"	those Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions obtained by the Company, consider it necessary or expedient not to offer Rights Shares on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
"Overseas Shareholder(s)"	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register is/are outside Hong Kong
"PAL(s)"	the renounceable provisional allotment letter(s) representing the Rights Shares proposed to be issued to the Qualifying Shareholders under the Rights Issue
"PRC"	the People's Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau and Taiwan
"Prospectus"	the prospectus relating to the issue of the Rights Shares to be despatched on the Prospectus Posting Date to the Qualifying Shareholders and, for information only, to the Non-Qualifying Shareholders, under the Rights Issue
"Prospectus Documents"	the Prospectus, PAL and EAF
"Prospectus Posting Date"	the business day on which the Prospectus Documents will be despatched to Shareholders, which is now expected to be Thursday, 18 June 2026 (or such other date to be agreed in writing between the Company and the Underwriters)
"Qualifying Shareholder(s)"	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date

"Record Date"	the record date by reference to which entitlements to the Rights Issue will be determined, which is now expected to be Wednesday, 17 June 2026 (or such other date to be agreed in writing between the Company and the Underwriters)
"Registrar"	Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Rights Issue"	the proposed issue by way of rights of one Rights Share for every two Existing Shares at the Subscription Price, payable in full on acceptance on the terms to be set out in the Prospectus Documents and summarised herein
"Right Share(s)"	not less than 746,876,700 new Shares and not more than 813,982,176 new Shares, being the new Share(s) to be allotted and issued by way of rights to the Qualifying Shareholders under the Rights Issue
"Scale-Down EAF Shares"	such number of Rights Shares applied for as excess application under the EAF(s) which would, if allotted by the Company, result in the incurring of an MGO Obligation on the part of the applicant
"Scale-Down PAL Shares"	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in the incurring of an MGO Obligation on the part of the applicant
"Scaling-down"	the scale-down mechanisms of the Rights Issue as determined by the Company to which any application for the Rights Shares, whether under the PALs or EAFs, or transferees of nil-paid Rights Shares shall be subject to scale-down to ensure that no application for the Rights Shares or the allotment thereof by the Company shall be at such level which may trigger any MGO Obligation by the applicant
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the ordinary share(s) of the Company

"Share Warrant(s)"	the warrants issued by the Company and listed on the Stock Exchange (Warrant Code: 2478) and traded in board lots of 12,000 units each pursuant to the Bonus Warrants Issue
"Share Warrants Instrument"	the deed poll executed by the Company creating and constituting the Share Warrants
"Shareholder(s)"	holder(s) of Share(s)
"Shougang Fushan"	Shougang Fushan Resources Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 639) and is a substantial shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$1.45 per Rights Share
"Subscription of Tanami Gold's Shares"	the subscription of 544,021,444 shares of Tanami Gold under Tanami Gold's rights issue announced by the Company on 8 May 2026
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	The Code on Takeovers and Mergers of Hong Kong
"Tanami Gold"	Tanami Gold NL, a no liability company domiciled and incorporated in Australia listed on the Australian Securities Exchange (Stock Code: TAM), and owned as to approximately 46.30% by the Group
"Underwriters"	Get Nice and Morton
"Underwriting Agreement"	the Underwriting Agreement dated 28 May 2026 entered into between the Company and the Underwriters in relation to the underwriting and certain other arrangements in respect of the Rights Issue
"Underwritten Shares"	up to 353,882,544 Rights Shares underwritten by the Underwriters pursuant to the terms of the Underwriting Agreement

"Untaken Shares"	such number of Rights Shares (if any) in respect of which duly completed PAL(s) or EAF(s) have not been lodged for acceptance or not fully paid or otherwise rejected on or before the Latest Time for Acceptance, including any Rights Shares to which the Non-Qualifying Shareholders would otherwise have been entitled under the Rights Issue if they were to be Qualifying Shareholders, together with the Scale-down PAL Shares and the Scale-down EAF Shares not being applied (whether validly or otherwise) and/or fully paid for under the EAFs, and unsold aggregation of fractions of Rights Shares
"%"	per cent

On behalf of the Board
APAC Resources Limited
Andrew Ferguson
Executive Director

Hong Kong, 28 May 2026

As at the date of this announcement, the directors of the Company are:

Executive Director
Mr. Andrew Ferguson *(Chief Executive Officer)*

Non-Executive Directors
Mr. Arthur George Dew *(Chairman) (Mr. Wong Tai Chun, Mark as his alternate),*
Mr. Lee Seng Hui and Ms. Lam Lin Chu

Independent Non-Executive Directors
Mr. Wang Hongqian, Mr. Kelvin Chau Kwok Wing and Mr. Li Chak Hung