

PRESS RELEASE

Fortress Minerals reports 78.4% yoy growth in net profit to US\$3.5 million for 2Q FY2027

- Revenue for 2Q FY2027 increased 22.3% year-on-year (“yoy”) to US\$20.2 million, supported by higher sales volume and stronger average realised selling price.
- Gross profit increased 38.2% yoy to US\$12.5 million, with gross profit margin expanding by 7.1 percentage points (“ppt”) to 62.0%, reflecting higher average realised selling prices and improved cost efficiency.
- EBITDA increased 71.3% yoy to US\$7.2 million, while net profit increased 78.4% yoy to US\$3.5 million for 2Q FY2027.
- The Group continues to remain focused on improving production capabilities to support existing offtake agreements in Malaysia and selectively diversifying its mineral base to drive long-term sustainable value.

SINGAPORE, 5 October 2026 – Fortress Minerals Limited (the “**Company**” or “**Fortress Minerals**”) and its subsidiaries (collectively the “**Group**”), a high-grade iron ore producer and exporter from Malaysia, today announced the financial results for the second quarter and half-year ended 31 August 2026 (“**2Q FY2027**” and “**1H FY2027**” respectively).

Financial Highlights

	2Q FY2027	2Q FY2026	Change %	1H FY2027	1H FY2026	Change %	FY2026
Sales volume (DMT*)	215,772	190,066	13.5	427,389	385,012	11.0	724,439
Average realised selling price (US\$/DMT*)	93.69	86.32	8.5	93.44	84.29	10.9	88.66
Average unit cost of sales (US\$/WMT#)	32.42	35.71	(9.2)	31.49	36.19	(13.0)	33.81
<i>(US\$'000)</i>							
Revenue	20,181	16,505	22.3	39,876	32,429	23.0	64,261
Gross profit	12,522	9,059	38.2	25,180	17,148	46.8	37,316
Gross profit margin	62.0%	54.9%	7.1 ppt	63.1%	52.9%	10.2 ppt	58.1%
Other income	321	260	23.5	408	1,017	(59.9)	1,528
Selling & distribution expenses	(2,644)	(2,093)	26.3	(5,615)	(4,069)	38.0	(7,876)
Other operating expenses	(3,992)	(3,553)	12.4	(7,604)	(6,739)	12.8	(14,715)
Administrative expenses	(737)	(712)	3.4	(1,789)	(1,031)	73.5	(1,583)
Impairment losses on financial assets, net	-	(46)	(100.0)	-	(35)	(100.0)	(36)
Fair value changes on financial instruments	(63)	69	nm	(340)	310	nm	520
Finance costs	(331)	(127)	161.0	(620)	(235)	163.5	(590)
Net profit after income tax (NPAT)	3,503	1,964	78.4	6,763	4,442	52.2	9,798
Earnings before interest, tax, depreciation and amortisation (EBITDA)	7,228	4,220	71.3	13,010	8,262	57.5	19,330

* DMT denotes Dry Metric Tonnes

WMT denotes Wet Metric Tonnes

nm – not meaningful

Financial Developments

The Group reported a 22.3% increase yoy in revenue to US\$20.2 million for 2Q FY2027, supported by higher sales volume and stronger average realised selling price. Sales volume increased by 13.5% yoy to 215,772 DMT, driven by higher local and export sales, reflecting resilient demand from regional markets.

Average realised selling price increased by 8.5% yoy to US\$93.69/DMT for 2Q FY2027, compared to US\$86.32/DMT for 2Q FY2026, due to higher sales percentage of high grade iron ore.

Although the Group's cost of sales increased by 2.9% yoy to US\$7.7 million, the average unit cost of sales decreased by 9.2% yoy to US\$32.42/WMT, mainly due to higher production volumes which resulted in cost savings from economies of scale.

Consequently, gross profit increased by 38.2% yoy to US\$12.5 million, while gross profit margin expanded by 7.1 ppt to 62.0%.

This resulted in continued improvement in profitability. EBITDA increased by 71.3% yoy to US\$7.2 million for 2Q FY2027, while NPAT increased by 78.4% yoy to US\$3.5 million. Earnings per share attributable to owners of the Company increased by 81.6% yoy to 0.69 US cents.

The Group generated US\$10.9 million of net cash flow from operating activities for 1H FY2027. Cash and bank balances stood at US\$16.6 million as at 31 August 2026, compared to US\$14.6 million as at 28 February 2026, while net asset value per share increased to 18.97 US cents as at 31 August 2026, compared to 18.49 US cents as at 28 February 2026.

The Group remains committed to disciplined capital management and strategically investing in its mining and processing capabilities as well as diversification efforts to support long-term growth and improved shareholder value.

Dato' Sri Ivan Chee, Executive Director and Chief Executive Officer of Fortress Minerals, commented,

“Our continued improvement in profitability for 2Q FY2027 reflects resilient demand and the benefits of our operational excellence and cost discipline. It also reinforces the underlying strength of our core iron ore business as we expand our relationships with domestic steel mills.

We are also selectively broadening the Group's commodities exposure through disciplined investments and partnerships, including our increased investment in Norwest Minerals during the quarter.

Overall, we remain focused on reliable delivery to our customers and enhancing our mining and processing capabilities. This will enable us to further strengthen the fundamentals of the business and pursue opportunities that maximise shareholder value and support the Group's long-term growth.”

Market Outlook

Global steel market conditions remained mixed in 2026, reflecting divergent production and demand trends across major steel-producing markets. According to the World Steel Association, global crude steel production across 70 reporting countries decreased by 0.6% year-on-year (“yoy”) to 1,081.2 million tonnes (“Mt”) from January to July 2026. China's crude steel production declined by 3.1% yoy over the same period, while India's production increased by 6.1% yoy.¹

At the industry level, capacity growth continues to outpace demand. Global capacity utilisation could decline from around 76% in 2025 to 74% or lower by 2028, which may continue to place pressure on steel industry profitability.²

¹ World Steel Association, 24 August 2026: July 2026 crude steel production

² OECD, 4 June 2026: OECD Steel Outlook 2026

In China, crude steel production declined by 3.6% yoy in July 2026 amid continued weakness in property and construction-related demand, while selected manufacturing sectors, including vehicle production and exports, remained comparatively resilient. China's steel exports declined by 4.0% yoy in the first seven months of 2026.³ Notwithstanding softer steel production, China's iron ore demand remained comparatively resilient. Iron ore imports increased by 6.0% yoy in the first seven months of 2026, while iron ore prices remained broadly stable between US\$93 and US\$100 per tonne from June through mid-August.³

Within Southeast Asia, steel demand is expected to remain on a gradual growth trajectory. The Southeast Asia Iron and Steel Institute expects apparent steel consumption across the ASEAN-6 economies to reach 87.9 Mt in 2026, representing an increase of 2.6% from 2025.⁴ However, high import penetration and rising energy costs remain key challenges for regional steel producers.

The broader regional economic outlook remains comparatively resilient despite external uncertainties. The Asian Development Bank expects Southeast Asia to grow by 4.6% in 2026 and 4.8% in 2027, supported by manufacturing, exports, investment and domestic demand, although geopolitical tensions and higher input costs remain potential headwinds. Malaysia's growth forecast was maintained at 4.6% for 2026 and 4.5% for 2027.⁵

Malaysia's economy expanded by 6.0% yoy in the second quarter of 2026, compared with 5.4% in the first quarter. Growth was supported by continued domestic demand, robust exports and investment activity, including spending on structures and machinery and equipment. Bank Negara Malaysia expects economic growth in 2026 to remain within the 4.0%–5.0% range, with recent developments indicating that overall growth could be around 5.0%.⁶

Against this backdrop, regional industrial and infrastructure activity continues to provide a supportive demand environment for steelmaking raw materials, while the Group's existing domestic offtake arrangements provide commercial visibility for its high-grade iron ore concentrate. Nevertheless, steel and iron ore prices may continue to be influenced by China's supply-demand conditions, global steel overcapacity, trade measures, iron ore supply growth and geopolitical developments affecting energy and logistics costs. The Group will continue to monitor these developments closely and maintain operational and commercial flexibility.

Operational Developments

During 2Q FY2027, the Group remained focused on advancing its mining and processing projects in Malaysia while selectively broadening its exposure to other commodities. The Group's existing domestic offtake arrangements continue to provide sales visibility for its iron ore concentrate business as these development initiatives progress.

During the quarter, the Group increased its investment exposure to Norwest Minerals Limited ("NML"). In July 2026, the Group elected to participate in NML's non-renounceable entitlement offer and entered into an underwriting agreement to subscribe for shortfall shares in the event of an under-subscription. Following completion of the entitlement offer, the Group subsequently subscribed for additional NML shares in August 2026 pursuant to its underwriting commitment. According to NML, the proceeds from the entitlement offer are intended to be applied towards advancing the Bulgera Gold Project, including further technical and development work. The investment is aligned with the Group's strategy of selectively broadening its commodities exposure beyond iron ore.

At the Bukit Besi mine, the integrated processing facility remains a key near-term development focus. The new crushing plant, which was completed in 1Q FY2026, is intended to be commissioned in conjunction with the integrated processing facility, which is targeted for completion in FY2027.

³ Reuters, 18 August 2026: China's easing steel output reflects divergent demand drivers

⁴ Southeast Asia Iron and Steel Institute, 18 May 2026: ASEAN steel demand to keep improving in 2026, but market faces import penetration and Iran war impact

⁵ Asian Development Bank, July 2026: Asian Development Outlook, July 2026

⁶ Bank Negara Malaysia, 14 August 2026: Economic and Financial Developments in Malaysia in the Second Quarter of 2026

Construction and development activities for the integrated processing facility continued to progress during 2Q FY2027.

At the CASB mine, the Group continues to advance technical studies and project development activities based on the current Mineral Resource model. Preliminary open pit optimisation and early-stage economic assessments continue to indicate the potential for a large-scale operation with a higher-value central zone. Work remains ongoing to refine the Mineral Resource model and advance mine design, scheduling, cost modelling and other technical studies to support future feasibility studies. In parallel, pilot plant development activities continue in support of future trial production of iron ore, copper and pyrrhotite concentrates.

At the Seri Bandi mine, the Group continues to advance the development of its mining and processing facilities in line with its expansion strategy. Construction activities remain ongoing as the Group progresses the project towards the commencement of iron ore concentrate production, with the plant designed for a throughput capacity of approximately 600,000 tonnes per annum.

The Group continues to seek opportunities to grow its commodities portfolio in a disciplined manner via acquisitions, investments, joint ventures and/or mining contracting services in Malaysia and the region, leveraging its strong capabilities and partnerships to meet growing demand.

The Group will explore various fund-raising opportunities to enhance its cash balances for operational needs when required. The Group will update shareholders via SGXNet as and when there are any material developments on the aforementioned.

****End****

This press release should be read in conjunction with the related announcements uploaded by Fortress Minerals Limited on SGXNet.

*This press release has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The Sponsor has also not drawn on any specific technical expertise in its review of this press release.*

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

About Fortress Minerals Limited (SGX: OAJ)

Fortress Minerals Limited (“**Fortress**” or the “**Company**” and collectively with its subsidiaries, the “**Group**”) is principally engaged in the exploration, mining, production and sale of iron ore with low level of impurities. With a proven operational track record, the Group consistently supplies iron ore that meets regional market requirements to support stable and ongoing demand. All of our iron ore are efficiently priced in the United States Dollar, benchmarked against international iron ore indices in line with global industry practices.

Building on this strong foundation, the Group is entering a new phase of strategic growth. With shareholders’ approval secured at the Extraordinary General Meeting in FY2024, Fortress is actively expanding into the exploration and development of other strategic and critical minerals, in line with global sustainability priorities and evolving market demands.

The Group continues to seek opportunities to grow its commodities portfolio prudently and in a disciplined manner via acquisitions, investments, joint ventures and/or providing mining contracting services both in Malaysia and in the region, where its strong capabilities provide a competitive edge to tap on the demand.

Fortress is guided by core values of integrity, sustainability, empowerment, and prosperity, with a steadfast commitment to the safety and development of its people. Our team drives the business towards our vision of excelling in mineral exploration through strategic insights and alliances, addressing regional client demands, and maintaining ethical excellence.

Fortress Minerals Limited (SGX: OAJ) has been listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since 27 March 2019.

For more information, please visit: <https://fortress.sg>

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