

# COVER SHEET

SEC Registration Number

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## COMPANY NAME

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## PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

N	/	A	
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## COMPANY INFORMATION

Company's Email Address <b>Corpsec@apexmining.com</b>	Company's Telephone Number <b>8706-2805</b>	Mobile Number <b>+639088937925</b>
No. of Stockholders <b>2,748</b> <b>(As of February 28, 2026)</b>	Annual Meeting (Month / Day) <b>4/30</b>	Fiscal Year (Month / Day) <b>12/31</b>

## CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person <b>Billy G. Torres</b>	Email Address <b>bgtorres@apexmining.com</b>	Telephone Number/s <b>8706-2805</b>	Mobile Number
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## CONTACT PERSON'S ADDRESS

**3304B West Tower, Tektite Tower, Exchange Road, Ortigas Center, Pasig City**

**NOTE 1 :** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2 :** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO OUR STOCKHOLDERS:

The Annual Stockholders' Meeting of **APEX MINING CO., INC.** (the "Company") will be held on **April 30, 2026**, at 3:00 PM. The Meeting will be conducted virtually online via the Company website [www.apexmines.com/2026ASM](http://www.apexmines.com/2026ASM).

The agenda of the Meeting will be as follows:

1. Call to order;
2. Certification of notice and quorum;
3. Approval of the Minutes of the Stockholders' Meeting held on April 30, 2025;
4. Report of the President and Chief Executive Officer;
5. Approval of Audited Financial Statements for 2025;
6. Ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual stockholders' meeting;
7. Approval of Stock Incentive Plan (SIP), and its retroactive application to 2025;
8. Amendment of the by-laws;
9. Election of Directors;
10. Appointment of External Auditors;
11. Other matters.

The Board has fixed March 30, 2026 as the record date for the determination of stockholders entitled to the Notice and to vote at the meeting.

Registration to participate in the virtual Meeting will start on April 08 until April 27, 2026 via the Company website [www.apexmines.com/2026ASM](http://www.apexmines.com/2026ASM). Stockholders (or their proxies) whose registration are validated will receive an email containing their usernames and passwords, along with instructions on how to participate in the virtual Meeting. All corporate stockholders must submit a proxy form for their representative to the meeting. Uncertificated stockholders (those who hold shares through PCD Nominee accounts) should submit a certification from their brokers attesting to the number of shares they are holding together with a scanned copy of valid ID by email to [2026APEX@apexmining.com](mailto:2026APEX@apexmining.com).

If you are unable to join the virtual meeting but wish to vote on items in the agenda, you may appoint the Chairman as your proxy with specific voting instructions which will be duly counted, or you may vote *in absentia*. Please send your proxy form together with a scanned copy of your valid ID on or before 4:00 PM on April 22, 2026 to the Office of the Corporate Secretary by email to [2026APEX@apexmining.com](mailto:2026APEX@apexmining.com).

The Office of the Corporate Secretary and Stock Transfer Service Inc. will conduct the proxy validation at the office of Company at 3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City on April 23, 2026 at 4:00 p.m.

By registering to participate in the virtual meeting, a stockholder or a proxy or representative of the stockholder agrees for the Company and its service providers to

process their sensitive personal information necessary to verify their identity and authority. A stockholder who fails to comply with the registration requirement will not be able to participate in the virtual stockholders meeting.

Stockholders (or their proxies) whose registration are validated can: (a) view the webcast of the meeting; (b) vote on the agenda items using the online ballot that will be sent to them; and, (c) send their questions, comments or motions on the agenda items during the Meeting by email to [2026APEX@apexmining.com](mailto:2026APEX@apexmining.com). Stockholders who will participate in the Meeting are encouraged to send their questions, comments and motions before the meeting. Relevant questions on the agenda items will be read by the Moderator and will be answered by concerned officers during the meeting.

Stockholders who will not participate in the virtual meeting may vote *in absentia* by sending an absentee ballot obtained from the Corporate Secretary, duly filled up and signed and returned to the Corporate Secretary before the date of the ASM. An absentee ballot shall be sent to a stockholder who requests the same after complying with the requirement prescribed by the Corporate Secretary to verify the identity and number of shares in the name of the stockholder as of record date of the meeting. Valid absentee ballots received by the Corporate Secretary prior to the date of the meeting shall be counted as part of the quorum and in the voting of agenda items.

The virtual meeting requirement and procedure for participation by remote communication and voting in absentia can be found online at [www.apexmines.com/2026ASM](http://www.apexmines.com/2026ASM).

The Definitive Information Statement, and the Annual Report for the year 2025 under SEC Form 17A (and the accompanying Audited Financial Statements and Sustainability Report), as well as the Minutes of the April 30, 2025 Annual Stockholders' Meeting are available for download and/or viewing on the Company website [www.apexmines.com/2026ASM](http://www.apexmines.com/2026ASM) and on the Company Disclosures section at the PSE Edge portal [edge.pse.com.ph](http://edge.pse.com.ph).

For the Board of Directors:



SILVERIO BENNY J. TAN  
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(B)  
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

Preliminary Information Statement       Definitive Information Statement

2. Commission Identification Number: **40621**

3. BIR Tax Identification No.: **000-284-138**

4. Exact Name of Registrant as specified in its charter: **APEX MINING CO., INC.**

5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**

6. Industry Classification Code: (SEC Use Only)

7. Address of registrant's principal office: **3304B West Tower, Tektite Towers, Exchange  
Postal Code: 1605 Road, Ortigas Center, Pasig City,**

8. Telephone number, including area code: **Tel. # (02) 8706-2805 Fax # 8706-2804**

9. Date, time and place of meeting of stockholders:

Date : **April 30, 2026**

Time : **3:00 PM**

Place : Virtual Platform

10. Approximate date on which the Information Statement is first to be sent or given to  
stockholders: **April 8, 2026**

11. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 and 8 of the  
Revised Securities Act (RSA)

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding</u>
<b>Common shares</b>	<b>6,227,887,491</b>

12. Are any of the issuer's securities listed on a Stock Exchange? Yes  No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

**Philippine Stock Exchange / Common shares**

**APEX MINING CO., INC. MANAGEMENT IS NOT SOLICITING PROXIES FOR  
THIS MEETING. PLEASE DO NOT SEND APEX MINING MANAGEMENT YOUR  
PROXY.**

## **INFORMATION REQUIRED IN INFORMATION STATEMENT**

### **A. GENERAL INFORMATION**

#### **Item 1. Date, Time and Place of Meeting of the Stockholders**

Date: April 30, 2026

Time: 3:00 PM

Place: Virtual Platform via Company Website  
[www.apexmines.com/2026ASM](http://www.apexmines.com/2026ASM)

Office: 3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig

This information statement shall be publicly disclosed on or before April 8, 2026 via the Company website and PSE Edge System.

#### **Item 2. Dissenters' Right of Appraisal**

No item in the agenda of this meeting will entitle dissenting stockholders to exercise their right of appraisal under Section 80 to 85 of the Revised Corporation Code.

The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action specified in Section 80 of the Code, by making a written demand on the Company within 30 days after the date on which the vote was taken, for payment of the fair value of his shares. The failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the Company shall pay to such stockholder, upon surrender of his certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within 60 days the voting the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, another by the Company and the third by the two thus chosen. The findings of the majority of appraisers shall be final and their award shall be paid by the Company within 30 days after such award is made. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings to cover such payment. Upon payment by the Company of the agreed or awarded price, the stockholder shall transfer his shares to the Company.

#### **Item 3. Interest of Certain Persons in or Opposition Matters to be Acted Upon**

No current director or officer of the Company or nominee for election as director of the Company nor any associate thereof has any substantial interest, direct or indirect, by stockholdings, or otherwise, in any matter to be acted upon, other than their election to office and establishment of the Stock Incentive Plan (SIP). Exceptions here are Chairman Jose Eduardo J. Alarilla and President and CEO Luis R. Sarmiento who are qualified as grantees in the Stock Incentive Plan (SIP) that is submitted to the stockholders for approval in this Annual Stockholder Meeting.

No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at this meeting.

## B. CONTROL AND COMPENSATION INFORMATION

### Item 4. Voting Securities and Principal Stockholders Thereof

As of February 28, 2026, there are 6,227,887,491 outstanding and voting common shares of stock of the Company. Each share of stock is entitled to one vote.

All stockholders of record as of March 30, 2026 are entitled to notice and to vote at the Annual Stockholders' Meeting.

At the stockholders meeting of the Company, every stockholder entitled to vote shall have one vote for each share of stock standing in his name on the books of the Company. For purposes of election of directors, the stockholders may vote such number of shares for as many persons there are Directors to be elected, or may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares equal, or may distribute them on the same principle among as many candidates as they shall see fit.

#### Security Ownership of Certain Record and Beneficial Owners

The beneficial owners of more than 5% of voting common shares of the Company as of February 28, 2026 are as follows:

<b>Title of Class</b>	<b>Name and Address of Record Owner</b>	<b>Name of Beneficial Owner; Relationship to Issuer</b>	<b>Citizenship</b>	<b>No. of Shares</b>	<b>%</b>
Common	Prime Strategic Holdings, Inc. (PSHI) <sup>1</sup> 2288 Chino Roces Extension, Makati	Enrique K. Razon Jr.; <i>Majority Stockholder</i>	Filipino	3,126,209,486	50.20
Common	PCD Nominee Corporation (Filipino) G/F Makati Stock Exchange, Building, 6767 Ayala, Avenue, Makati City	PCD Nominee (Filipino) <sup>2</sup> ; <i>Stockholder</i>	Filipino	1,148,408,503	18.44
Common	Monte Oro Resources & Energy, Inc. (MORE) 3304B West Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig	MORE <sup>3</sup> ; <i>Stockholder</i>	Filipino	555,133,447	8.91
Common	Lakeland Village Holdings, Inc. (LVHI) <sup>4</sup> 2288 Chino Roces Extension, Makati	PSHI; <i>Stockholder</i>	Filipino	474,613,599	7.62

Common	Devoncourt Estates Holdings, Inc. (DEI) <sup>4</sup> 2288 Chino Roces Extension, Makati	PSHI; <i>Stockholder</i>	Filipino	423,904,339	6.81
Common	PCD Nominee Corporation (Filipino) G/F Makati Stock Exchange, Building, 6767 Ayala, Avenue, Makati City	PCD Nominee (Non-Filipino) <sup>2</sup> ; <i>Stockholder</i>	Foreign	336,535,425	5.40

<sup>1</sup> PSHI is represented by Mr. Luis R. Sarmiento (or a proxy that he may designate) who can exercise voting power on behalf of PSHI and decide how all its shares in the Company are to be voted.

<sup>2</sup> Net of the shares actually lodged with the PCD but are presented separately in the above list. PCD Nominee Corporation (“PCDNC”) is a wholly-owned subsidiary of PCD. The beneficial owners of such shares registered under the name of PCDNC are PCD’s participants who hold the shares in their own behalf or in behalf of their clients. The PCD is prohibited from voting these shares. Instead, the participants have the power to decide how the PCD shares in the Company are to be voted.

<sup>3</sup> MORE is represented by Mr. Luis R. Sarmiento who can exercise voting power on behalf of MORE and decide how all its shares in the Company are to be voted.

<sup>4</sup> Owned and controlled by PSHI

To the best knowledge of the Company, there are no participants under the PCD account who own more than 5% of the Company’s voting common shares as of February 28, 2026.

The total shares owned by foreigners as of February 28, 2026 is 336,535,425 or 5.40% of the total number of outstanding shares.

### Security and Ownership of Directors and Management

The number of voting shares beneficially owned by the Members of the Board of Directors and named Officers as of February 28, 2026 follow:

Title of Class	Beneficial Owner	Nature of Ownership	Citizenship	Number of Shares	%
Common	Jose Eduardo J. Alarilla	Direct	Filipino	100	0.00
Common	Luis R. Sarmiento	Direct	Filipino	1	0.00
Common	Valentino S. Bagatsing	Direct	Filipino	1	0.00
Common	Joselito H. Sibayan	Direct	Filipino	299	0.00
Common	Stephen Paradies	Direct	Filipino	550,900	0.01
Common	Michael Ray B. Aquino	Direct	Filipino	727,000	0.01
Common	Roel Z. Castro	Direct	Filipino	1,174,753	0.02
Common	Silverio Benny J. Tan	Direct	Filipino	11,806,747	0.19
Common	Billy G. Torres	–	Filipino	–	–
Common	Rodulfo A. Palma	–	Filipino	–	–
Common	Eric S. Andal	–	Filipino	–	–
Common	Emelita C. Fabro	–	Filipino	–	–
Common	Jonas S. Khaw	–	Filipino	–	–

Total shareholdings of directors and officers as group as of February 28, 2026 is 14,259,801 common shares.

### Voting Trust

There are no voting trust holders of 5% or more of the Company’s outstanding shares.

## Changes in Control

None

## **Item 5. Directors and Officers**

The members of the Board of Directors and Officers of the Company are as follows:

<u>Name</u>	<u>Position</u>	<u>Age</u>
<i>Directors</i>		
Jose Eduardo A. Alarilla	Chairman of the Board	75
Luis R. Sarmiento	Director	68
Stephen A. Paradies	Director	70
Michael Ray Aquino	Director	59
Roel Z. Castro	Director	59
Joselito H. Sibayan	Independent Director	67
Valentino S. Bagatsing	Independent Director	67
<i>Officers</i>		
Jose Eduardo A. Alarilla	Chairman of the Board	75
Luis R. Sarmiento	President & CEO	68
Billy G. Torres	SVP-CFO, Treasurer and Compliance Officer	42
Rodulfo A. Palma	VP-Legal and Mine Compliance & Risks	57
Eric C. Andal	VP for Geology & Exploration	50
Emelita C. Fabro	VP-Corporate Administration	64
Silverio Benny J. Tan	Corporate Secretary	69
Jonas S. Khaw	Asst. Corp Secretary	47

Below are summaries of the business experience and credentials of the Directors and the Officers of the Company. The terms of office of the Directors of the Company are for one year or until their successors are elected and qualified.

### **Jose Eduardo J. Alarilla**, Chairman of the Board

Jose Eduardo J. Alarilla has been a director of the Company since 2016. He is the Chairman of Mega Equipment International Corp.; Vice Chairman of Bloomberry Resorts Corporation, a publicly-listed company; President and CEO of Mega Subic Terminal Services, Inc.; and President of Manila Holdings and Management, Inc., LVHI, DEI, Eiffle House, Inc., Alpha Allied Holdings Ltd. and Sureste Properties, Inc. He is also a Director of Bloomberry Resorts and Hotels, Inc., MORE Electric and Power Corporation, Negros Electric and Power Corporation, Bohol Light Company Inc., Primelectric Holdings Inc., MORE and International Cleanenvironment Systems, Inc. He holds a Bachelor of Science in Mechanical Engineering from De La Salle University and Masters in Business Management from the Asian Institute of Management.

### **Luis R. Sarmiento**, Director; President & CEO

Luis R. Sarmiento was elected as President & CEO of the Parent Company on June 28, 2019. Previously he was Senior EVP & COO from October 1, 2018. He is also the President of ISRI and MORE since June 28, 2019. Prior to joining the Parent Company, he was the President of

Orica Explosives Philippines, Inc., and of Orica Nitrates, Inc., and was a Director of Nitro Asia Company, Inc. A licensed mining engineer, Mr. Sarmiento served as President of the Philippine Mine Safety and Environment Association, President of the Philippine Association of Industrial Explosive, Inc., and Director of the Chamber of Mines of the Philippines. He was conferred as Outstanding Mapuan Awardee in the field of Mining Engineer in 2005., as Outstanding Mining Engineer Awardee by the Philippine Society of Mining Engineer in 2008, and as Outstanding Mining Engineer of the Year Awardee by the Professional Regulation Commission in 2012. Mr. Sarmiento is a graduate of Mapua Institute of Technology with a degree of Bachelor in Science in Mining Engineering in 1979.

**Stephen A. Paradies**, Director

Mr. Paradies has been a director of the Company since 2020. He is a Director of International Container Terminal Services, Inc. (ICTSI), a publicly listed company. He is also a Director of Sureste Properties Inc., ICTSI Warehousing, Inc. and Sociedad Puerto Industrial Aguadulce S.A. Mr. Paradies was formerly the Senior Vice President-Treasurer of Aboitiz & Company, Inc.; a Trustee of Bloomberry Cultural Foundation, Inc.; a Director of Union Properties, Inc.; Prime Metro BMD Corp., and Chairman of NapaGapa Beverages, Inc. MORE Electric and Power Corporation. Negros Electric and Power Corporation, Bohol Light Company Inc., and Primelectric Holdings Inc.

Mr. Paradies received his Bachelor of Science degree, major in Business Management, from the Santa Clara University, California, USA.

**Joselito H. Sibayan**, Independent Director (up to April 30, 2026)

Joselito H. Sibayan became Independent Director of the Company in June 2014. He is the President and CEO of Mabuhay Capital Corporation, a firm which provides financial advisory services and capital raising solutions to its clients. Prior to forming Mabuhay Capital, he was Vice-Chairman of Investment Banking-Philippines; Philippine Country Manager for Credit Suisse First Boston; and Director of Philippine Postal Savings Bank. He has spent almost three decades in investment banking. He is concurrently a Director of A Brown Company Inc., a publicly-listed company. He obtained his Masters degree from the University of California in Los Angeles and his BS Chemical Engineering from De La Salle University-Manila.

**Valentino S. Bagatsing**, Independent Director

Valentino S. Bagatsing became an Independent Director of the Company in 2019. He was the President and Chief Executive Officer of Investment & Capital Corporation of the Philippines (ICCP) until February 2026. He is an Independent Director of Oona Insular Insurance Corporation. He was previously a Principal Investment Officer for the International Finance Corporation (IFC), the private sector investment arm of the World Bank Group. He worked at the World Bank group from June 2006 to April 2019. He has served various senior capacities in Investment, Mortgage and Commercial banking in the Philippines (1993-2006) and in the United States (1982-1992). A Certified Public Accountant, Mr. Bagatsing earned his MBA in Finance at the McLaren School of Business, University of San Francisco and his accounting degree at San Beda College, Manila. He is also a member of the Society of Fellows of the Institute of Corporate Directors (ICD) and the Financial Executives Institute of the Philippines (FINEX).

**Michael Ray B. Aquino, Director**

Mr. Michael Ray B. Aquino has been a director of the Company since 2022. He is the Vice President for Security of Bloomberry Resorts and Hotels Inc. with responsibility over facility security in Solaire Resort and Casino. He started as Deputy Director in 2013 and went up through the organization to his current position in 2019. He is actively involved in coordination and government relations relating to the corporate social responsibility projects of Bloomberry Cultural Foundation, Inc. He is a director of MORE Electric and Power Corporation. Mr. Aquino was an officer in the Philippine National Police (PNP) and its predecessor agency the Philippine Constabulary, after his graduation from the Philippine Military Academy (PMA) in 1988. Among the positions he held in the PNP was Chief Operations Division of the Presidential Anti-Organized Crime Task Force and Deputy Director of PNP Intelligence Group. Mr. Aquino has a Bachelor of Science from PMA, a Master in Government Management from the Pamantasan ng Lungsod ng Maynila, and has units towards Master of Business Management from the University of the Philippines in Visayas- Cebu.

**Roel Z. Castro, Director**

Mr. Roel Z. Castro has been a director of the Company since 2023. He is the President and Chief Executive Officer of MORE Electric and Power Corporation, Negros Electric and Power Corporation, Bohol Light Company Inc., and Primelectric Holdings Inc.. Previously, he was the President and CEO of ABrown Company Inc. (ABCI), a publicly listed company, President of Palm Thermal Consolidated Holdings Corp., Palm Concepcion Power Corp., Peakpower Energy Inc. and Hydro Link Power Corp. He was also a director of the Company previously. He finished BS Agricultural Business from UP Los Baños and Master's Degree at Asian Institute of Management.

**Billy G. Torres, SVP and Chief Financial Officer, Treasurer and Compliance Officer**

A Certified Public Accountant, Mr. Billy G. Torres worked as a senior associate auditor of Isla Lipana & Co. before moving to Apex Maco mines as Comptrollership Head in 2012. He received his Bachelor of Science in Accountancy from Polytechnic University of the Philippines with Latin honors. He is concurrently the Treasurer of MORE and ISRI.

**Rodulfo A. Palma, VP – Legal, Mine Compliance and Risks**

Rodulfo A. Palma was an officer of the Natural Resources Development Corporation when he moved in 2003 to the Philippine Mining Development Corporation, both are GOCC attached to the DENR. He left PMDC in 2009 to engage in law practice and has provided consulting works for firms engaged in mineral exploration and development, agribusiness development and export, before he joined Apex in 2013 as Legal Officer for Maco. Operations. From 2016 up to now, he is the President of the Alliance of Responsible Miners of Region XI, and the current President of the Compostela Valley Provincial Business Chamber, and Business Chamber of Maco, Inc. He has finished Bachelor of Arts major in Public Administration and Bachelor of Laws.

**Eric S. Andal, VP for Geology & Exploration**

Dr. Eric S. Andal completed his Undergraduate and Master's degree at the National Institute of Geological Sciences of the University of the Philippines-Diliman and his doctoral degree in Geology, specializing in Geochemistry, at the Graduate School of Natural Science and Technology of Kanazawa University in Ishikawa, Japan. In 2006 he joined Philex Mining

Corporation as Senior Geologist and was assigned as Project Manager for Lascogon Mining Corporation and later concurrently as Exploration Project Manager of Silangan Mindanao Mining Co. Inc., both subsidiaries of Philex.. In 2010 he worked with Atok Big-Wedge Company, Inc. as Exploration Geologist engaged in evaluation of local and foreign projects prior to joining Monte Oro Resources and Energy, Inc. (MOREI) as Head of the Exploration Group in Sierra Leone, West Africa. He was later assigned to MOREI's Special Projects team overseeing Paracale Gold Limited, and later Itogon-Suyoc Resources, Inc. where he served as Assistant Vice President for Operations.

**Emelita C. Fabro**, VP – Corporate Administration

Emelita Cruz Fabro began her career in the broadcasting industry and in the academe before moving to Vietnam to work in an NGO. She took a PR role in 2006 for a Canadian Mining company, Olympus Pacific Minerals. In 2009 she returned to the Philippines and joined the Parent Company with a role in the Administration, Community Relations and HR. She was the HR and Administration Group Manager for Silangan Mindanao Mining Co., Inc. She is a graduate of Bachelor of Mass Communication in Pamantasan ng Lungsod ng Maynila where she also took Masteral Units in Communication and in Education.

**Silverio Benny J. Tan**, Corporate Secretary

Silverio Benny J. Tan holds a Bachelor of Laws degree, *cum laude*, from the University of the Philippines College of Law and a Bachelor of Arts Major in Political Science, *cum laude*, from the University of the Philippines College Iloilo. He placed third in the 1982 Philippine Bar exams. He is an of counsel of, and was a Partner in the law firm of Picazo Buyco Tan Fider, Santos & Dee, and at one time its Managing Partner. He is a Director and Corporate Secretary of Razon & Co. Inc., Prime Strategic Holdings Inc., Bravo International Port Holdings Inc., Alpha International Port Holdings Inc., Eiffle House Inc., and Trident Water Company Holdings Inc.. He is also a Director of MORE Electric and Power Corporation, Skywide Assets Ltd., and Dressline Holdings Inc. and its subsidiaries and affiliates. He was, until 31 December 2025, the Corporate Secretary of International Container Terminal Services, Inc. (ICTSI), a publicly-listed company, Bloomberry Resorts Corporation (BLOOM), a publicly-listed company, Manila Water Company Inc. (MWC), another publicly listed company, Sureste Properties, Inc., Bloomberry Resorts and Hotels Inc., Lakeland Village Holdings Inc., Devoncourt Estates Inc., Pilipinas Golf Tournaments, Inc., Bloomberry Cultural Foundation Inc. He is the Corporate Secretary of MORE, ISRI, and OSA Industries Philippines, Inc.

**Jonas S. Khaw**, Asst. Corp. Secretary

Atty. Khaw is a partner in the law firm Picazo Buyco Tan Fider, Santos & Dee. He is the corporate secretary of Medco Holdings, Inc., a publicly listed company, and assistant corporate secretary of Bloomberry Resorts Corporation, a publicly listed company. Atty. Khaw holds a Juris Doctor and Bachelor of Science in Management Engineering degrees both from the Ateneo de Manila University.

***Directors' Training and Continuing Education Attended***

As part of their training and continuing education, the directors of the Company attended corporate governance seminars held on various dates in 2025.

Chairman Alarilla, President Sarmiento and Directors Paradies, Aquino, and corporate secretary Tan and Assistant Corporate Secretary Khaw, SVP Torres, VPs, Palma, Andal and Fabro all attended the corporate governance seminars on Advanced Corporate Governance Training conducted by the Institute of Corporate Directors (ICD) on 05 December 2025. Director Roel

Castro missed this 05 December 2025 session because he was out of town on a business meeting. He is scheduled for a make up session on 28 April 2026 with the ICD.

Independent Director Bagatsing attended the following corporate governance seminar: Driving Board Excellence: The Power of the OECD Principles on June 26, 2025, and Board Education Series: The Sustainable Financing Alternative on August 28, 2025, both were conducted by Institute of Corporate Directors. In addition, Independent Director Bagatsing also attended the Philippine Sustainable Finance Taxonomy Guidelines Training for Capital Market Players organized by the SEC, in collaboration with the International Finance Corporation, on June 23, 2025.

Independent Director Sibayan attended the corporate governance seminar on 2025 Ayala Integrated Governance, Risk Management, and Sustainability Summit conducted by the Institute of Corporate Directors on November 5, 2025.

#### Election to the Board of Directors

The Nomination Committee has vetted the nominees for election to the Board of Directors on the date of the Annual Stockholders' Meeting on March 12, 2026. The Nomination Committee has determined that the candidates possess all the qualifications and none of the disqualifications for election as director or independent director as set forth in the Company's Manual of Corporate Governance, the Securities Regulation Code (SRC), the 2015 SRC Implementing Rules and Regulations, and the Code of Corporate Governance for Publicly-Listed Companies.

The Nomination Committee is currently composed of three members, namely, Joselito H. Sibayan as Committee Chairman, and Messrs. Stephen A. Paradies and Roel Z. Castro as members.

#### Nominees for Election at Annual Stockholders' Meeting

The following incumbent directors have been nominated for another term in the Company's Board of Directors:

- Jose Eduardo J. Alarilla
- Luis R. Sarmiento
- Stephen A. Paradies
- Michael Ray B. Aquino
- Roel Z. Castro
- Valentino S. Bagatsing (Independent Director)

Mr. Joel M. Sebastian has been nominated as an independent director vice Mr. Joselito H. Sibayan who has exceeded the nine years maximum term limit as an independent director of the Company.

The experience and background of the nominees, except for Mr. Joel M. Sebastian, are provided in Part B, Item 5 above.

**Joel M. Sebastian, Independent Director (Nominee)**

Mr. Sebastian was a Senior Vice President for Finance of International Container Terminal Services Inc. (ICTSI) when he retired from ICTSI in September 2020. He joined ICTSI as Vice President and Controller in September 2008 and was promoted to SVP Finance in October 2015. He headed global financial reporting and system and planning and budgeting in ICTSI and helped improved and transformed financial reporting and system in ICTSI.

He was a member of the ICTSI Senior Management and was a member of the board of directors and Treasurer of ICTSI subsidiaries in Asia, Europe and Middle East, Africa, and the Americas.

Before joining ICTSI Mr. Sebastian was an audit partner in Ernst & Young - Manila (Sycip Gorres Velayo & Co.) from August 1999 to September 2008. He headed audit and other engagements, including Sarbanes Oxley compliance audits, of private and publicly listed companies in telecommunications, port services, manufacturing, real estate, power generation and distribution, retail and consumer products. He joined SGV as an audit staff in November 1984 and went up the ranks until he was accepted as a partner in 1999.

He graduated from De La Salle University - Manila with a Bachelor of Science in Commerce Major in Accounting in 1983 and became a Certified Public Accountant in 1984.

Independent Director

Mr. Valentino Bagatsing was nominated as independent director by Mr. Paradies while Mr. Joel M. Sebastian was nominated by Chairman Alarilla. They are not employees of the Company and do not have relationships with the Company, nor with the person who nominated them, which would interfere with the exercise of independent judgment in carrying out the responsibility of an independent director.

In approving the nominations for independent directors, the Nominations Committee considered the guidelines on the nomination of independent directors prescribed in SRC Rule 38 and the Company's Revised Manual of Corporate Governance.

Significant Employees

While all employees are expected to make significant contributions to the Company, there is no one particular employee, not an officer, who is anticipated to make a significant contribution to the business of the Company on its own.

Family Relationships

There are no family relationships among the officers of the Company. None of the Directors and Officers of the Company are related up to the fourth degree, either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

The Company is not aware of legal cases which occurred during the past five years that are material to the evaluation of the qualification and ability of any of its directors, executive officers or controlling persons, including:

- bankruptcy petition filed by or against any business of which such persons was general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities commodities or banking activities; and
- order, or judgment of a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization finding him to have violated a securities or commodities law or regulation.

Due to the nature of the business of the Company, it is involved in various legal proceedings, both as plaintiff/petitioner and defendant/respondent. Management and Company legal counsels believe that the Company has substantial legal and factual bases for its position and are of the opinion that losses that may arise from these legal actions and proceedings, if any, will not have a material impact on the Company's financial position and results of operations.

#### Certain Relationships and Related Transactions

The Company's significant related party transactions and account balances advances to/from the Company's controlling stockholder, PSHI, which amounted to ₱67.3 million as of February 28, 2026, and as of December 31, 2025. Please refer to Note 15 of the Audited Consolidated Financial Statements.

There are no ongoing contractual or other commitments with PSHI as a result of the advances, or with any other related party.

The Company or its related parties have no material transaction with parties falling within the definition of "related parties" under Philippine Accounting Standards 24, *Related Party Disclosures*, which are not available for other, more clearly independent parties on an arm's length basis.

### **Item 6. Compensation of Directors and Officers**

#### Compensation of Members of the Board of Directors

The Members of the Board of Directors of the Company are paid ₱118,000 as per diem for each regular and special meeting of the Board or of the stockholders. The Chairman of the Board receives a compensation of ₱ 500,000 per month. This Directors' and Chairman's Compensation Policy was approved by the stockholders in the annual stockholders meeting held on April 28, 2023. For committee meetings, the Members of the Board of Directors are paid ₱59,000 as per diem. The per diem for attendance and participation in a special asynchronous meeting of the Board of Directors is ₱12,000 while ₱6,000 is paid for the asynchronous Board Committee

meeting attendance. The President/CEO of the Corporation do not receive per diem under the Company's Directors' and Chairman's Compensation Policy.

In 2025, a total ₱6.02 million was paid to all executive and non-executive directors for directors' fee, details of which are as follows:

<u>Name</u>	<u>Position</u>	<u>Amount (in million ₱)</u>	
		Regular/Special BOD Meeting	Committee Meetings
Jose Eduardo J. Alarilla	Chairman	0.94	-
Luis R. Sarmiento	President & CEO	-	-
Stephen A. Paradies	Non-Executive Director	0.94	0.12
Michael Ray B. Aquino	Non-Executive Director	0.94	-
Roel Z. Castro	Non-Executive Director	0.94	-
Joselito H. Sibayan	Independent Director	0.94	0.12
Valentino S. Bagatsing	Independent Director	0.94	0.12

### Compensation of Officers

The Officers of the Company are regular employees remunerated with compensation package consisting of a 13-month base pay. They also receive whatever additional remuneration, if any, that the Board of Directors of the Company may approve and extend to its managerial, supervisory and regular employees.

The aggregate compensation paid or incurred in 2025 and 2024, and estimated to be paid in 2026, to the Officers and Members of the Board of Directors of the Company are as follows:

	<u>Year</u>	<u>(in Million ₱)</u>			<u>Total</u>
		<u>Salary/ Directors' Fee</u>	<u>Bonus</u>	<u>Other Annual Compensation</u>	
Directors	2026 (est.)	₱12.0	-	-	₱12.0
	2025	12.0	-	-	12.0
	2024	10.6	-	-	10.6
CEO and Four Most Highly Compensated Officers as a Group	2026 (est.)	₱57.4	-	-	₱57.4
	2025	54.7	-	-	54.7
	2024	49.6	-	-	49.6
Aggregate Compensation of All Officers and Directors as a Group	2026 (est.)	₱69.4	-	-	₱69.4
	2025	66.7	-	-	66.7
	2024	60.2	-	-	60.2

The aggregate compensation for the CEO and four most highly compensated officers as a group paid in 2025 and 2024 and estimated to be paid in 2026, presented above, are for Luis R. Sarmiento (CEO), Rodolfo A. Palma, Eric C. Andal, Emelita C. Fabro and Billy G. Torres.

The Board has approved a Stock Incentive Plan (SIP) for officers, managers and other persons who have contributed to the success and profitability of the Company and its subsidiaries and affiliates. The SIP is further explained in Item 8 on Compensation Plans below. This SIP and its retroactive application to 2025 is one of the items submitted for approval of the stockholders in this 30 April 2026 Annual Stockholders Meeting.

### Employment Contracts and Termination of Employment and Change-In-Control Arrangements

The contractual relationship between the Officers and the Company are as that of employer employee. The remuneration the Officers receive from the Company is solely in the form of salaries and bonuses.

### Warrants and Options Outstanding: Repricing

The Directors and Officers of the Company do not hold any outstanding warrants or options.

## **Item 7. Independent Public Accountant**

The auditing firm of Sycip Gorres Velayo & Co. (SGV & Co) has been the Company's Independent Public Accountant since 2011. SGV & Co. is nominated as the Company's Independent Public Accountant for the ensuing year in the April 30, 2026 Annual Stockholders' Meeting.

For the calendar year 2025, Mr. Jose Pepito E. Zabat III signed the Company's Audited Financial Statements, a copy of which is attached to this Information Statement. Mr. Zabat III has been designated as the certifying partner of SGV & Co. to the Company in compliance with SRC Rule 68.1 (3)(b)(IV).

Representatives of SGV & Co. are expected to be present at the stockholders meeting to have an opportunity to make a statement if they desire to do so, and be available to answer appropriate questions from the stockholders.

## **External Audit Fees and Services**

### Audit and Audit-Related Fees

In 2025 and 2024, the audit was basically engaged for the purposes of the external auditor expressing an opinion on the financial statements of the Company and its Subsidiaries. In addition, they provide assistance to the Company in the preparation of its income tax return to ensure the agreement of the reported income and costs and expenses with the recorded amounts in the books. The procedures conducted include those that are necessary under Philippine Financial Reporting Standards. This, however, did not include detailed verification of the accuracy and completeness of the reported income and costs and expenses.

The total Group audit fees for the foregoing services were ₱10.5 million and ₱9.2 million in 2025 and 2024, respectively.

### Tax Fees

Professional fees paid for tax services amounting to ₱1.18 million were paid in 2025 and ₱308 thousand in 2024.

### All Other Fees

There were no other services rendered by external auditors other than the audit services and tax advisory services mentioned above.

### Audit Committee's Approval Policies and Procedures

Prior to the commencement of the work of external auditors, the external auditors present their audit program and schedule to the Company's Audit Committee. The external auditors then

present the audited financial statements of the Company to the Audit Committee after the completion of the audit.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and/or disagreements with independent accountants/external auditors on accounting and financial disclosure and no change in the Company's independent accountants during the two most recent fiscal years and subsequent interim periods.

## **Item 8. Compensation Plans**

### **Stock Incentive Plan for the Company and its operating subsidiaries (the "SIP")**

The board of directors of the Company approved on 25 June 2025 a Stock Incentive Plan (SIP) subject to a report by the Stock Incentive Committee to the Board before the implementation of the SIP. The SIP was amended by the Board on 18 February 2026 to include the category "d" grantees. The SIP is intended to improve the net worth of the grantees; allow grantees to participate directly in the Company's worth; motivate grantees toward greater productivity and to achieve or exceed their performance targets; encourage grantees to remain with the Company or its subsidiaries/affiliates; and broaden the ownership base of the Company.

The grantees under the SIP are:

- a) The Chairman, President/CEO, Senior Vice President(s), Chief Financial Officer, and other members of the Management Team;
- b) The Vice Presidents and other officers up to the AVPs of the Company;
- c) The management team and officers up to AVPs of the subsidiaries of the Company;
- d) Managers and other persons who have contributed to the success and profitability of the Company or its subsidiaries and affiliates.

The SIP shall be administered by the Stock Incentive Committee composed of three directors or officers to be appointed by the Board of Directors. The Stock Incentive Committee shall, subject to the express provision of this SIP, determine the number of shares to be granted to a grantee and other terms and conditions of the grant.

The Stock Incentive Committee shall approve the Key Performance Indicators (KPIs) and performance targets for individuals, groups and the Company, and their relative weight and the ratings which shall become the basis of determination of performance and award under this SIP.

Unissued shares or treasury shares, which together with shares already subscribed or issued under the SIP, are equivalent to three percent (3%) of the resulting total outstanding shares of the Company shall be allocated for the SIP.

The grant period is ten years from approval of the SIP by the Board, the stockholders and filing of the SIP with the Securities and Exchange Commission (SEC), unless extended by the Board.

The shares awarded to a grantee shall vest in three years: 25% on the first anniversary date of the award; 25% on the second anniversary of the award, and 50% on the third anniversary date of the award. Vesting of the shares grants to the grantee absolute beneficial title and rights over the shares, including full dividend and voting rights.

Basis for determining the number of shares which may be granted includes:

- Achieving or exceeding Individual, Group, or Company KPIs and performance targets,
- Efficient and dedicated services to the Company,
- Loyalty to the Company,
- Helping the Company achieve its objectives.

Unless the Stock Incentive Committee determines otherwise, when dividends are declared by the Company, the number of shares subject of an award shall be increased by the number equal in value to the dividends the grantee would have received in respect of an award had the shares awarded to him/her vested at the time of the dividend declaration.

Grantees cannot assign, sell or encumber their unvested shares or rights to other employees or to third parties. In the event of retirement of a grantee, the unvested shares shall automatically vest in full. In the event of death or total disability of a grantee, the outstanding unvested shares shall vest in full and the shares will be released to the designated heirs of the grantee.

The unvested shares shall be forfeited upon cessation from the service of the grantee by termination or resignation, with or without cause.

A grantee shall be responsible for any tax liability that may accrue as a consequence of a grant/award and vesting of shares under the SIP. The Company or its subsidiary/affiliate may withhold the appropriate amount of tax from the grantees remuneration, or may sell a part of the vested shares to raise the funds necessary to pay the tax due.

Shareholder approval is sought for the SIP as described above. No further stockholder approval will be sought for the issuance of shares under the SIP.

## **C. ISSUANCE AND EXCHANGE OF SECURITIES**

### **Item 9. Authorization or Issuance of Securities Other than for the Exchange**

No action is to be taken with respect to the authorization or issuance of securities of the Company other than for the Exchange.

### **Item 10. Modification of Exchange Securities**

No action is to be taken with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one class of securities in exchange for outstanding securities of another class.

**Item 11. Financial and Other Information Related to Items 9 and 10**

No action is to be taken with respect to the matters under Items 9 and 10.

**Item 12. Mergers, Consolidations and Acquisitions and Similar Matters**

No action is to be taken with respect to any merger, consolidation, acquisitions, other similar matters.

**Item 13. Acquisition or Disposition of Property**

No action is to be taken with respect to any acquisition or disposition of property.

**Item 14. Restatement of Accounts**

No action is to be taken with respect to a restatement of accounts.

**D. OTHER MATTERS****Item 15. Action with Respect to Reports**

The Company will seek approval by the stockholders of the 2025 Audited Financial Statement contained and discussed in the annual report attached and made part of the Information Statements. As referred to in Item 18 below, the stockholders will also be asked to approve and ratify all the acts, contracts, investments, and resolutions of the Board of Directors and of management since the last annual meeting held on April 30, 2025 as they appear in the minutes of board meetings and in the reports and disclosures filed with the SEC and the PSE.

Actions for this Meeting are to be taken on the approval of the following:

1. Approval of the Minutes of the Stockholders' Meeting held on April 30, 2025, summarized as follows:
  - a. Approval of the minutes of the Stockholders' Meeting held last May 31, 2024;
  - b. Approval of the Annual Report, together with the Audited Financial Statements and notes thereto, for fiscal year ended December 31, 2024;
  - c. Approval and ratification of all acts, contracts, investments, and resolutions of the Board of Directors and Management since the Annual Stockholders' Meeting on May 31, 2024 up to April 30, 2025;
  - d. Election of the Directors of the Company, including Independent Directors, including the meritorious justification for extending for another year the term of Joselito Sibayan as Independent Director beyond the 9 years maximum period; and
  - e. Appointment of SGV & Co. as external auditors for the year 2025.
2. Approval of the Company's audited financial statements for 2025;

3. Ratification of the acts, contracts, investments, and resolutions of Directors, Committees, and Officers of the Company since the last annual stockholders meeting in 2025;
4. Approval of Stock Incentive Plan, and its retroactive application to 2025;
5. Amendment of the By-laws;
6. Election of Directors; and
7. Appointment of external auditors for the year 2026.

The acts of the Board of Directors and Officers for ratification are those entered into in the ordinary course of business and those appearing in the minutes of meetings, Company reports and those covered disclosures such as:

- Membership in the relevant committees such as Nomination, Compensation, Audit, Enterprise Risk Management and Related Party Transactions;
- Designation of authorized signatories;
- Financing activities;
- New projects;
- Funding support for projects; and
- Appointments in compliance with corporate governance policies

The following reports are available for download and/or viewing on the Company website [www.apexmines.com](http://www.apexmines.com) and on the Company Disclosures section at the PSE Edge portal [edge.pse.com.ph](http://edge.pse.com.ph):

- 2025 Annual Report on SEC Form 17-A
- Sustainability Report (as Annex to SEC Form 17-A)
- Audited Consolidated Financial Statements as of December 31, 2025

#### **Item 16. Matters Not Required to be Submitted**

There are no matters or actions to be taken up in the meeting that will not require the vote of the stockholders, except the report of the President and CEO.

#### **Requirements under Section 49 of the Revised Corporation Code of the Philippines**

1. Description of the voting and voting tabulation procedures used in the previous Annual Stockholders Meeting held on 30 April 2025:

Every resolution for approval of the stockholders in the meeting was introduced by a motion duly seconded through the online platform of the virtual meeting. The Chairman asked if there was any objection to every motion. Since there were no objections on each of the motions, all the motions were carried without a vote. The number of votes indicated in the minutes of the meeting are based on proxies submitted as explained in item 4 below.

2. Description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given:

The stockholders were given the opportunity to ask questions during the Annual Stockholders Meeting held on 30 April 2025 and the company answered the questions that were asked. The questions and answers can be found in the minutes of the annual stockholders' meeting as disclosed in the company website and may be viewed through this link: <https://www.apexmines.com/wp-content/uploads/2025/05/APX-Minutes-of-Annual-Stockholders-Meeting-30-April-2025.pdf>

3. The following are the matters discussed and resolutions reached for the 2025 Annual Stockholders Meeting held on 30 April 2025:

- 1) Approval of the Minutes of the Stockholders' Meeting held on 31 May 2024.
- 2) Approval of Audited Financial Statements for 2024.
- 3) Approval and ratification of all acts, contracts, investments, and resolutions of the Board of Directors and Management since the last annual stockholders' meeting.
- 4) Election of the members of the Board of Directors, including Independent Director Joselito Sibayan whose extension as Independent Director beyond the 9 year maximum term was approved for meritorious justification.
- 5) Appointment of Sycip Gorres Velayo and Co., as External Auditors for 2025.

4. A record of the voting results for each agenda item

AGENDA ITEMS	VOTING RESULTS*		
	APPROVING	DISSENTING	ABSTAINING
1) Approval of the Minutes of the Stockholders' Meeting held on 31 May 2024	4,625,655,573	-	-
2) Approval of the Audited Financial Statements for 2024	4,625,655,573	-	-
3) Approval and ratification of all acts, contracts, investments, and resolutions of the Board of Directors and Management since the last annual stockholders' meeting	4,625,655,573	-	-
4) Election of the members of the Board of Directors			
(i) Jose Eduardo Alarilla	4,620,214,573	5,441,000	-
(ii) Luis R. Sarmiento	4,625,655,573	-	-
(iii) Stephen A. Paradies	4,618,225,573	1,989,000	5,441,000
(iv) Michael Ray C. Aquino	4,623,666,573	1,989,000	-
(v) Roel Z. Castro	4,618,225,573	1,989,000	5,441,000

(vi) Joselito H. Sibayan as independent director beyond the 9 years maximum, for meritorious justification	4,620,214,573	5,441,000	-
(vii) Valentino S. Bagatsing as independent director	4,620,214,573	5,441,000	-
(5) Appointment of Sycip Gorres Velayo and Co., as External Auditors for 2025	4,625,655,573	-	-

\*Every resolution for approval of the stockholders in the meeting was introduced by a motion duly seconded through the online platform of the virtual meeting. The Chairman asked if there was any objection to every motion. Since there were no objections, all the motions were carried without a vote. The number of votes indicated here are the votes on the resolution from: (a) votes of proxies with instructions; (b) votes submitted through the online voting platform of the virtual meeting; and (c) votes of the Chairman as holder of proxies, which would have been counted if there was a voting on the resolution

#### 5. List of directors, officers and stockholders who attended the meeting

Stockholders representing 4,625,655.573 shares out of 6,227,887,491 outstanding shares or 74.27% were present in person or by proxy for the annual stockholders' meeting on 30 April 2025 conducted virtually via [www.apexmines.com/2025ASM](http://www.apexmines.com/2025ASM)

The Directors and Officers who attended the meeting were as follows:

##### Directors:

1. Jose Eduardo J. Alarilla
2. Luis R. Sarmiento
3. Joselito H. Sibayan – Independent Director
4. Valentino S. Bagatsing – Independent Director
5. Stephen G. Paradies
6. Michael Ray C. Aquino
7. Roel Z. Castro

##### Officers:

1. Luis R. Sarmiento - President & Chief Executive Officer
2. Billy G. Torres – SVP-CFO, Treasurer & Compliance Officer
3. Eric S. Andal – VP for Exploration & Geology
4. Emelita C. Fabro – VP for Corporate Administration
5. Rodulfo A. Palma – VP for Legal & Mine Compliance
6. Silverio Benny J. Tan – Corporate Secretary
7. Jonas S. Khaw – Assistant Corporate Secretary

The stockholders and PCD Beneficial Owners who were present in person or by proxy during the Annual Stockholders' Meeting on 30 April 2025 were as follows:

##### **Name**

- |                                       |               |               |
|---------------------------------------|---------------|---------------|
| 1. Prime Strategic Holdings, Inc.     | 9. Sarmiento  | 17. Marimon   |
| 2. Monte Oro Resources & Energy, Inc. | 10. Paradies  | 18. Tan       |
| 3. Lakeland Village Holdings, Inc.    | 11. Sibayan   | 19. Fernando  |
| 4. Devoncourt Estate Holdings, Inc.   | 12. Bagatsing | 20. Chua      |
| 5. Deutsche Bank AG Manila            | 13. Aquino    | 21. Khaw      |
| 6. HSBC Securities Services           | 14. Castro    | 22. Vera Cruz |
| 7. Standard Chartered Bank            | 15. Tan       | 23. Pahudpod  |
| 8. Alarilla                           | 16. Soriano   |               |

6. Such other items that the Commission may require in the interest of good corporate governance and the protection of minority stockholders

As a publicly-listed Philippine corporation, the Company conforms to the corporate governance rules, requirements, and regulations of the SEC, PSE and all pertinent government regulatory bodies.

The Company filed a copy of its 2024 Integrated Annual Corporate Governance Report (I-ACGR) to the Philippine SEC on 30 May 2025 and is posted in the Company's website at <https://www.apexmines.com/wp-content/uploads/2026/03/APX-2024-Integrated-Annual-Corporate-Governance-Report.pdf>. The I-ACGR for 2025 will be filed with the SEC before May 31, 2026.

7. List of material information on the current stockholders and their voting rights

Material information on the current stockholders and voting rights were provided during the Annual Stockholders' Meeting on 30 April 2025 and in Items 2 and 19 of this SEC Form 20-IS. The Corporate Secretary informed the stockholders that stockholders as of record date of 31 March 2025 were entitled to vote in the Annual Stockholders' Meeting on 30 April 2025.

8. Detailed, descriptive, balanced and comprehensive assessment of the corporation's performance, which shall include information on any material change in the corporation's business, strategy, and other affairs

The board of directors regularly assess the Company's performance, and the results of such assessment are reported in the Company's annual reports (SEC Form 17-A) and quarterly reports (SEC Form 17-Q) which contains management's discussion and analysis of the Company's financial position and results of operations for any given year or quarter.

9. Financial report for the preceding year, which shall include financial statements duly signed and certified in accordance with the Code and the rules the Commission may prescribe, a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees

The audited financial statements of the Company as of December 31, 2025 was attached as Annex B in last year's Information Statement.

10. An explanation of the dividend policy and the fact of payment of dividends or the reasons for non-payment thereof

In 2022, the Board of Directors approved a dividend policy to declare as cash dividend an amount equivalent to ten percent (10%) of the net income of the Group per its consolidated audited financial statement for each year provided there is sufficient unrestricted retained earnings to cover the cash dividends. Below are the dividends declared by the Parent Company in 2025, 2024 and 2023:

Board of Approval Date	Dividend per common share	Dividend Type	Record Date	Payment Date
March 17, 2025	₱0.06944	Cash, Regular	April 4, 2025	April 25, 2025
March 17, 2025	₱0.06944	Cash, Special	April 4, 2025	April 25, 2025
April 15, 2024	₱0.054155	Cash, Regular	April 30, 2024	May 15, 2024
April 15, 2024	₱0.027278	Cash, Special	April 30, 2024	May 15, 2024
April 28, 2023	₱0.053621	Cash, Regular	May 15, 2023	June 5, 2023

11. Director's qualifications and relevant experience, length of service in the corporation, trainings and continuing education attended, and their board representation in other corporations

Please see Item 5 of this Report.

12. A director attendance report, indicating the attendance of each director at each of the meetings of the board and its committees and in regular or special stockholder meeting

Below is the attendance of directors during board (BOD) and committee meetings in 2025

Name of Director	No. of BOD Meetings Present	Total No. of BOD Meetings	% Present in BOD Meetings	No. of BOD Committee Meetings Present	Total No. of BOD Committee Meetings	% Present in BOD Committee Meetings
Jose Eduardo J. Alarilla	5	5	100%	1	1	100%
Luis R. Sarmiento	5	5	100%	1	1	100%
Joselito H. Sibayan	5	5	100%	2	2	100%
Stephen A. Paradies	5	5	100%	2	2	100%
Valentino S. Bagatsing	5	5	100%	2	2	100%
Michael Ray B. Aquino	5	5	100%	1	1	100%
Roel Z. Castro	5	5	100%	1	1	100%

13. Appraisal and performance reports for the board and the criteria and procedure for assessment

To determine and measure the effectiveness of the Board of Directors, the Company is guided by its Manual on Corporate Governance which is available on the Company website: <http://www.apexmines.com/wpcontent/uploads/2017/06/Apex-Corp-Governance-Manual-2017-FINAL.pdf>. The Board conducts an annual self-assessment of its performance, including the performance of the Chairman, individual

members and committees. It has also established an internal self-rating and evaluation system.

14. A director compensation report prepared in accordance with this Code and the rules the Commission may prescribed

Please see Item 6 of this Report.

15. Director disclosures on self-dealings and related party transactions

On director disclosure on self-dealings, the Company follows the SEC rule requiring Directors and Officers to report their dealings in Company shares within five (5) trading days from the date of the Company share-related transactions. The Company discloses to the PSE and SEC the ownership (direct and indirect) and any acquisition or disposal of the Company's securities by Directors, Officers and controlling shareholders of the Company pursuant to the PSE Revised Disclosures and the Securities Regulations Code. Directors and Officers are likewise prohibited from buying or selling securities of the Company during the period within which material non-public information is obtained and up to two (2) full trading days after the price sensitive information is disclosed. The Company also discloses purchases of its shares from the market within the same day or before the start of the next trading day. On related party transactions, see discussion on Related Party Transactions in Note 15, *Related Party Transactions*, of the Annual Audited Consolidated Financial Statements.

16. The profiles of directors nominated or seeking election or re-election

Please see Item 5 of this Report.

#### **Item 17. Amendment of Charter, By-Laws or Other Documents**

Stockholder approval is hereby sought for the amendment of the following provisions of the Amended By-laws of APX (the "Amendments").

The Amendments will have no effect on the business, operations and/or capital structure of APX.

The Amendments were approved by the board of directors of APX on 17 March 2026 and disclosed to the PSE and SEC on the same date.

<b>SECTION</b>	<b>FROM</b>	<b>TO</b>	<b>REASON</b>
<b>Article II, Section 4</b>	(4) NOTICE OF THE TIME and place of any meeting of the stockholders shall be given by mailing written or printed notice of the same, at least fifteen (15) days prior to the	Section 4. NOTICE OF THE TIME and place of any meeting of the stockholders shall be given, by <b><u>mail, courier, telephone, text/short messaging service, by electronic forms of communications, digital tools, applications, and platforms, including Zoom, Viber, Telegram, electronic mail and other forms of modern</u></b>	To allow APX to avail of modern modes of communications which are faster and cost effective than traditional mail in sending notices to its stockholders for stockholder meetings

	<p>meeting with postage pre-paid to each stockholder of record of the corporation entitled to vote at such meeting, and addressed to the stockholders' last known post office address or to the address appearing on the corporate books of the corporation. (As amended on August 27, 1997)</p>	<p><b><u>communications, or such other modes as the Securities and Exchange Commission (SEC), law or regulation may allow, to each stockholder of record at their last known address or number in the records of the Corporation, or the notice may be published in a newspaper of general circulation prior to the date of the meeting, or in such manner as the Securities and Exchange Commission may allow</u></b></p> <p><b><u>The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called.</u></b></p> <p><b><u>When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. Any business that might have been transacted on the original date of the meeting may be transacted at the reconvened meeting.</u></b></p> <p><b><u>For this purpose all stockholders shall submit to the office of the corporate secretary of the Corporation a phone number, mobile phone number and/or electronic mail address where the Corporation may be able to communicate with them for sending notices of meetings, reports, correspondence and other communications.</u></b></p>	<p>and encourage their participation therein.</p>
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<p><b>Article III, Section 4</b></p>	<p>(4) REGULAR MEETING of the Board of Directors may be held without notice at the office of the corporation on the last Wednesday of each month or at such other place and time within or without the Philippines as the Board of Directors may from time to time designate.</p>	<p>(4) REGULAR MEETING of the Board of Directors shall be held <b><u>on such dates and at places or meeting platforms as may be fixed by the Board of Directors, provided that there should be at least four (4) regular board meetings in one year.</u></b></p>	<p>To allow the Board of Directors of APX the flexibility to schedule regular board meetings as the business of the Company may require,</p>
<p><b>Article III, Section 5</b></p>	<p>(5) SPECIAL MEETING of the Board of Directors may be called at any time by the President or in his absence by the Executive Vice President</p>	<p>(5) SPECIAL MEETING of the Board of Directors may be called at any time by the <b>Chairman of the Board</b>, the President, <b>or any officer when there is need to secure board resolutions or board actions that the business of the Corporation may require.</b></p>	<p>To expand the triggers for special board meetings based on actual need for board resolutions.</p>
<p><b>Article III, Section 6</b></p>	<p>(6) NOTICE of all special meetings of the Board of Directors shall be given to each director by two (2) days service of the same, personally or in writing.</p>	<p>(6) NOTICE of all <b><u>regular or special meetings of the Board of Directors, specifying the date, time and place or platform of the meeting, shall be communicated by the Secretary to each director by personal delivery, by mail, courier, telephone, text/short messaging service, by electronic forms of communications, digital tools, applications, and platforms, including Zoom, Viber, Telegram, electronic mail and other forms of modern communications.</u></b></p> <p><b><u>A director may waive this requirement, either expressly or impliedly.</u></b></p>	<p>To allow APX to avail of modern modes of communications which are faster and cost effective than traditional mail in sending notices to its directors.</p>
<p><b>Article III, Section 10</b></p>	<p><i>No provision.</i></p>	<p><b><u>(10) CONDUCT OF MEETINGS - . Meetings of the</u></b></p>	<p>To give APX flexibility in the</p>

		<p><b><u>Board of Directors shall be presided over by the Chairman of the Board, or in his absence the Vice-Chairman, or in the absence of the latter, the President or if none of the foregoing is present and acting, by any other director chosen by the Board. The Secretary shall act as secretary of every meeting; if not present, the Assistant Secretary shall take the minutes. The Chairman of the meeting shall appoint a secretary of the meeting if the Secretary or the Assistant Secretary is not present to take the minutes.</u></b></p> <p><b><u>Participation of directors, including voting, at board meetings and committee meetings can be in person, through remote communication, such as videoconferencing, teleconferencing, other electronic forms of communication, digital tools, applications, and platforms, including Zoom, Viber, Telegram, electronic mails and other forms of modern communications, where the presence or participation of each Director can be recorded, or verified or determined with reasonably certainty.</u></b></p> <p><b><u>Participation and voting by a director in a board meeting cannot be done by proxy.</u></b></p>	<p>manner of conduct of its board meetings and committee meetings to avail of modern forms and platforms for communications and meetings, including digital and electronic forms of communications and meetings which are more convenient and cost effective than traditional physical meetings, and minimize the need to physically travel for a physical face-to-face meeting. .</p>
<p><b>Article III, Section 11</b></p>	<p><i>No provision.</i></p>	<p><b><u>(11) EXECUTIVE COMMITTEE - There shall be an Executive Committee to be composed of the Chairman of the Board, the President and Chief Executive Officer and a third</u></b></p>	<p>To allow an Executive Committee to act quickly when necessary when the Board of Directors is unable to meet to</p>

		<p><b><u>member who shall be a member of the Board of Directors who shall be designated by the Board.</u></b></p> <p><b><u>The Executive Committee may act, by majority vote of all its members, on such specific matters within the competence of the board, including appointments of officers, approval of contracts, application for or renewal of registrations, permits, licenses, authorizations, appointments or designation of representatives authorized signatories for any transaction involving the Corporation, and other actions requiring board approvals, except with respect to the Reserved Matters.</u></b></p> <p><b><u>The following are Reserved Matters which cannot be delegated to the Executive Committee: (a) approval of any action for which shareholders' approval is also required; (b) filling of vacancies in the board; (c) amendment or repeal of bylaws or the adoption of new bylaws; (d) amendment or repeal of any resolution of the board which by its express terms is not amendable or repeatable; (e) distribution of cash dividends to the shareholders; and (f) other matters which the board of directors may exclude from the authority of the Executive Committee.</u></b></p> <p><b><u>The Executive Committee shall provide to the Board of Directors a list of the resolutions and matters that it had approved, and shall explain the same to the</u></b></p>	<p>address an urgent matter requiring board level approval. Also to allow the Executive Committee to handle routine matters without need for the Board itself to meet on the same. .</p>
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		<b><u>board if any director requests for such explanation.</u></b>	
<b>Article IV, Section 6</b>	(6) The President shall be the Chief Executive Officer of the company. In addition to such duties as may be imposed upon him by the board of directors he shall act as chairman at and call to order all meetings of the stockholders of the Company. . . .	6) The President shall be the Chief Executive Officer of the company. In addition to such duties as may be imposed upon him by the board of directors he shall act as chairman of the meetings of the stockholders of the Company <b>in the absence of the Chairman of the Board.</b> . . .	To make the Chairman of the Board the presiding officer of all stockholders' meetings, which is the normal practice in corporations. The President/ CEO should preside over stockholders meeting only if the Chairman of the Board is absent.
<b>Article VI, Section 1</b>	(1) DIVIDENDS may be declared by the Board of Directors and paid out of the annual net profits of the corporation or out of its assets in excess of its capital and liabilities subject to conditions and limitations imposed by law. The company will every year give a bonus of five percent (5) of the net profit before tax and that 40% thereof be given as bonus to be equally distributed to the directors and 60% thereof to be given to the officers and staff members.	(1) DIVIDENDS may be declared by the Board of Directors and paid out of the <b>unrestricted retained earnings</b> of the corporation. The company <b>may</b> every year give a bonus of <b>not more than</b> five percent (5) of the net profit before tax and that 40% thereof <b>may</b> be given as bonus to be equally distributed to the directors and 60% thereof <b>may</b> be given to the officers and staff members.	To align the provision on dividend declaration with the provision of the Revised Corporation Code (RCC). And to give the Board of Directors the flexibility to determine the amount of dividend declarations as well as the amount of bonus to the directors and bonus to officers and staff.

## **Item 18. Other Proposed Actions**

### Ratification of All Acts, Contracts, Investments and Resolutions of the Board of Directors and Management since the Last Annual Stockholders' Meeting

As a matter of corporate policy, management seeks the approval and ratification by the stockholders of all acts, contracts, investments and resolutions of the Board of Directors and management since the last annual stockholders' meeting. These are reflected in the minutes of the meetings of the Board of Directors, in the regular reports and disclosures to the Securities and Exchange Commission, and to the Philippine Stock Exchange, including the Company's 2025 annual report.

## **Item 19. Voting Procedures**

All stockholders who have registered to join the online stockholders meeting will receive via email an ID and password which will allow them to access a pro-forma digital ballot containing the agenda items which need stockholders' approval. The digital ballot should be filled up and submitted on or before April 27, 2026 by email to [2026APEX@apexmining.com](mailto:2026APEX@apexmining.com).

Every resolution for approval of the stockholders in this meeting will be introduced by a motion duly seconded through the online platform of the virtual meeting. The Chairman will then ask if there is any objection to the motion. If there is no objection, the motion will be carried without voting. If there is an objection to the motion, the house will be divided, and the voting on the resolution will be conducted.

The Voting procedures shall be as follows:

- For all items, except for Election of Directors, the registered stockholder has the option to vote: Yes, No, or Abstain. The vote is considered cast for all the registered Stockholder's shares.
- If the stockholder wants to cumulate his votes in the Election of Directors, the stockholder: (i) may vote such number of shares owned by it for as many persons as there are Directors to be elected; or (ii) may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares; or (iii) may distribute them on the same principle among as many candidates as may be seen fit.
- In the event of a voting, the Company's stock transfer agent and Office of the Corporate Secretary will tabulate all votes received and will validate the results.
- Except for the Election of Directors, all the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting. For the Election of Directors, the top seven (7) nominees with the most number of votes are elected.

The following votes: (a) votes of proxies with instructions; (b) votes submitted through the digital ballot sent for virtual meeting; and (c) votes of the Chairman as holder of proxies, will be counted if there is a voting on the resolution.

## **Item 20. Proxies**

Stockholders who cannot join the online stockholders meeting but who wish to vote on items in the agenda, may send a proxy with specific instructions in favor of the Chairman.

They may also vote *in absentia* through an absentee ballot that can be requested from the Corporate Secretary. Their votes will be duly counted.

### **Undertaking to Provide Annual Reports**

**Upon the written request of the stockholder, the Company undertakes to furnish said stockholder a copy of the Company's Annual Report on SEC Form 17-A, as filed with the SEC free of charge. Any written request shall be addressed to:**

**Teresa L. Pacis**

AVP – Corporate Communications

**Apex Mining Co., Inc.**

3304B West Tower, Tektite Towers  
Exchange Road, Ortigas Center, Pasig City

Attached herewith are the following:


- Annex A is the Management Report of the Company
- Annex B is the audited financial statement of the Company as of December 31, 2025
- Annex C is the Certification that no directors or officers are connected with any government agencies or its instrumentalities
- Annex D is the Certification of Qualification of Independent Directors

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report are true, complete and correct. This report is signed in the City of Makati on April 1, 2026.

For and on behalf of the Board of Directors of  
**Apex Mining Co., Inc.**

By:

  
**Silverio Benny J. Tan**  
Corporate Secretary

## ANNEX A

### MANAGEMENT REPORT

#### Corporate Information and Business Development

Apex Mining Co., Inc. (the “Parent Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 26, 1970 under the name Apex Exploration & Mining Company until 1978 when this was changed to its present name, Apex Mining Co., Inc.

The Parent Company was incorporated primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in gold, silver, copper, lead, zinc brass, iron, steel and all kinds of ores, metals and minerals.

The Parent Company currently operates the Maco Mines in Maco, Davao de Oro, Philippines. Its registered business and principal office address is 3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Philippines.

On March 7, 1974, the Parent Company listed its shares in the Philippine Stock Exchange (PSE).

In 1991, the Parent Company ceased operation of the Maco mine due to the prolonged depressed gold price.

In 2005, Crew Gold Corporation (Crew Gold), a Canadian company, and its associated Philippine company, Mapula Creek Gold Corporation (Mapula), acquired 28% and 45% of the Parent Company’s shares, respectively, from the Puyat group. In 2006, Crew Gold organized Teresa Crew Gold Philippines, Inc. (Teresa) as a subsidiary to support the rehabilitation of the Parent Company’s mining properties and the refurbishing of the Maco mine’s processing plant.

In January 2009, Teresa commenced operations of the Maco mine. In October 2009, Crew Gold sold its holdings in Teresa and Mapula to Mindanao Gold Ltd. (Mindanao Gold), a special purpose company owned by Abracadabra Speculative Ventures, Inc. (ASVI) of Malaysia.

In November 2011, Monte Oro Resources & Energy, Inc. (MORE), a Philippine company, acquired an initial 5% ownership in the Parent Company, the proceeds of which were used for capital expenditures for the existing mine and mill, and for exploration drilling program of the Maco mine properties. In December 2011, the Philippine Securities & Exchange Commission approved the merger of Teresa and the Parent Company, with the Parent Company as the surviving entity effective on January 1, 2012.

In October 2013, MORE management was voted to take over management of the operation of the Parent Company by the stockholders. In April 2014, MORE acquired substantial ownership in the Parent Company held by Mapula. At this point, MORE became the significant shareholder, controlling 46.5% of the Parent Company.

In October 2014, the Parent Company acquired 100% ownership of MORE, and Prime Strategic Holdings, Inc. (PSHI) and other MORE shareholders used the proceeds of the sale of their shares

in MORE to subscribe to new shares in the Parent Company and in the process acquire control of the Parent Company, diluting to a small minority the shareholdings of Mindanao Gold and Mapula.

In March 2022, PSHI completed a mandatory tender offer after acquiring the controlling interest of Devoncourt Estates, Inc. and Lakeland Village Holdings, Inc. (collectively holding 14.43% shares of the Parent Company) and bringing its total direct and indirect shareholdings with the Parent Company to 54.75%.

In April 2024, PSHI and Mindanao Gold completed a special block sale transaction through the PSE, increasing PSHI's total direct and indirect shareholdings in the Parent Company to 63.85%. Subsequently, in March 2025, PSHI acquired additional shares of the Parent Company, further increasing its total shareholdings to 64.62%.

In December 2025, PSHI completed the acquisition of ownership and control offshore of Mindanao Gold, which holds 30,224,308 unlisted shares of the Parent Company. As a result, PSHI's total direct and indirect shareholdings in the Company increased to 65.11%.

*Itogon-Suyoc Resources, Inc.*

In June 2015, the Parent Company acquired 98% of the shares of Itogon-Suyoc Resources, Inc. (ISRI), a Philippine mining company. The Parent Company acquired the remaining 2% of ISRI in August 2016.

*Asia-Alliance Mining Resources Corp.*

In February 2023, the Parent Company acquired Asia Alliance Mining Resources Corporation (AAMRC), a mining company which has interests, by virtue of a Notice of Award issued by the Philippine Mining Development Corporation (PMDC) as the highest bidder for the Joint Operating Agreement over copper mines and mining claims covering 20,237 hectares, situated in the Municipalities of Mabini, Maco and Maragusan, Davao de Oro covered by the North Davao Mining Corporation application FTAA-XI-14. AAMRC signed a joint operating agreement with PMDC for such tenement. Based on the Area Status and Clearance dated 10 February 2022 issued by the Department of Environment and Natural Resources Region XI, the mining claims area has been amended to 19,135.12 hectares.

## **Business of Issuer**

### Products

The Parent Company's Maco mine and ISRI's Sangilo mine produce bullions containing gold and silver. All of the production of both mines are sold to Heraeus Ltd. in Hong Kong.

### Competition

Competition among mining companies is nonexistent as each mining company operates in its own individual areas or tenements granted to them by the Philippine government. The competition is in obtaining a mining license, such as Mineral Production Sharing Agreement (MPSA) from the government. A mining company with no MPSA, mining patents or other forms of tenement will not be able to operate.

### Development Activities

Expenditures for the development activities in Maco mine by the Parent Company and in the last three calendar years and its percentage to revenue are shown in the following table:

Year	Development Cost	Revenue	Percentage
2025	₱1,159,181,834	₱18,705,360,108	6%
2024	1,095,402,880	13,373,652,603	8%
2023	1,109,745,206	10,696,327,705	10%

### Sources of Materials and Supplies

Operating materials and supplies, and equipment and maintenance parts are provided by a number of suppliers both domestic and foreign.

### Employees

Total Parent Company and ISRI's manpower headcount as of December 31, 2025 is 1,964 and 796, respectively. The table below summarizes the distribution of manpower count as to division and rank.

Division/Department	Parent Company's Manpower				ISRI Sangilo's Manpower			
	R&F	Supv	Mgr	Total	R&F	Supv	Mgr	Total
Mine Division	731	141	12	884	292	10	1	303
Mill Division	137	31	7	175	72	18	4	94
Geology Division	112	48	5	165	41	12	2	55
Technical Division	329	106	16	451	140	37	8	185
Other Support Services & Admin	107	140	42	289	83	57	19	159
<b>Total</b>	<b>1,416</b>	<b>466</b>	<b>82</b>	<b>1,964</b>	<b>628</b>	<b>134</b>	<b>34</b>	<b>796</b>

*R&F – Rank-and-file*

*Supv – Supervisor*

*Mgr – Manager*

### Status of Operations

#### A. Mining Properties

##### *Maco Mine*

On December 22, 2005, the Mines and Geosciences Bureau (MGB) approved the Parent Company's application for a Mineral Production Sharing Agreement (MPSA) covering 679.02 hectares of land situated in Maco, Davao de Oro. On June 25, 2007, the MGB approved the Parent Company's second application for an MPSA covering an additional 1,558.50 hectares of land near the area covered by the first mineral permit.

As of December 31, 2025, the Parent Company holds valid and subsisting MPSA Nos. 225-2005-XI and 234-2007-XI, which have terms of 25 years from the effective date.

##### *ISO Certification*

The Parent Company's Maco Mines has three certifications granted in March 2018 by Certification International, namely:

- ISO 9001:2015 for Quality Management System
- ISO 14001:2015 for Environmental Management System, and
- ISO 45001:2018 Occupational Health and Safety

The scope of the certifications includes exploration underground mining, milling and recovery of gold and silver using carbon-in-leach process; mine waste and mill trails management; and all support services.

### *Itogon Mines*

ISRI is the holder of four (4) Patented Mineral Claims and APSA 103 covering the Sangilo Mine in Itogon, Benguet and MPSA No. 152-2000-CAR covering the Suyoc Mine in Mankayan, Benguet.

The Sangilo mine has completed the rehabilitation and refurbishment of its mining and milling facilities and declared the commencement of its commercial operations on July 31, 2020. Suyoc Mine continues its resource validation and exploration activities while doing some rehabilitation of its facilities.

### *ISO Certification*

The Sangilo and Suyoc Mines were certified to ISO 14001:2015 Environmental Management System by TÜV Rheinland in April 2017. The scope of certification for the Sangilo Mine covered exploration, mining, and mineral processing, while the Suyoc Mine certification covered mineral exploration and project development activities.

In 2023, both mines transitioned to an Integrated Management System (IMS). Three certifications were subsequently granted by NQA Philippines, Inc.:

- ISO 9001:2015 for Quality Management System
- ISO 14001:2015 for Environmental Management System
- ISO 45001:2018 for Occupational Health and Safety Management System

These certifications were granted on May 30, 2023.

Under the Integrated Management System, the Sangilo Mine is certified for the mining and processing of gold and silver ore, while the Suyoc Mine is certified for the exploration of gold and silver resources.

The parent company and ISRI retain third party contractors for security, janitorial, drilling and heavy equipment operator. They also hire small scale miners in the Big-Brother, Small-Brother (BBSB) Program for small/narrow veins deposit.

### *Paracale Gold Project*

MORE wholly owns Paracale Gold Limited (PGL), an Isles of Man company, which wholly owns Coral Resources Philippines, Inc. (CRPI) and has a 40% interest in Bulawan Mineral Resources Corporation (BMRC). PGL has advances to, and an option to buy over the other 60% shareholdings, in BMRC.

The mine project of PGL is located in Jose Panganiban, Camarines Norte. BMRC handles all tenements while CRPI is the owner/operator of a mineral processing plant. BMRC holds 25 tenements in various stages of application. It is currently working on the processing and approval of pending applications, plus alternative options such as Special Mines Permits and ores from legal small scale mining operations.

On February 14, 2025, two of these tenements – EP-006-2008-V and EP-007-2008-V – were granted the second renewal. On December 12, 2025, the Mines and Geosciences Bureau (MGB) approved the conversion of EXPA-000237-V into an exploration permit, EP 030-2025-V. Additionally, four other tenements have been endorsed to the MGB Central Office for final evaluation before their conversion into Exploration Permits.

In 2025, CRPI was granted a mineral processing permit effective July 1, 2025, until July 1, 2030.

#### *Mongolia Project*

The Khar At Uui Gold Project is registered under the joint venture company Erdeneminas LLC, which is owned 51% by Minas de Oro Mongol LLC (Minas), a wholly-owned subsidiary of MORE, and 49% by Erdenejas LLC, a Mongolian exploration company. The project is currently under continued care and maintenance.

#### *Sierra Leone Project*

The Gori Hills project located in the Republic of Sierra Leone in West Africa is owned by MORE through Monte Oro Mining Co., Ltd. (MOMCL) which holds the tenements for the project and MORE Minerals SL (MMSL), previously engaged in artisanal mining and gold trading. In 2021, MOMCL received a notice that its tenement license was revoked by the National Mineral Agency.

MORE has an interest in Gold Mines of Uganda Ltd. (GMU) in the form of advances made to this company which were subsequently converted into equity in GMU. GMU owns significant gold related assets and gold resources in Uganda. GMU and MORE has a Memorandum of Agreement (MA) whereby both parties agree to combine their mineral interest in Africa and work towards creating a mining company that will be listed and marketed to international investors, and to enable GMU raise capital funding through the listing. The two licenses of the Uganda project were renewed last September 9, 2020, with a tenure of 3 years subject to a 4-year extension. The Fundraising activities of GMU was not successful and it has suspended operations.

#### *Myanmar Project*

The Modi Tuang Gold Project is located in the Yementhin Township, Mandalay Division, southeast of Mandalay and north of Yangon, Myanmar. The Project is controlled by National Prosperity Gold Production Group Ltd. (NPGPL) in which the Parent Company has a 3.92% equity interest through MORE. The company's operations remain suspended following dispute with the government on license terms.

#### *Asia-Alliance Mining Resources, Corp.*

On February 10, 2023, the Parent Company acquired 1,900,000 shares, representing 100% ownership of Asia-Alliance Mining Resources, Corp (AAMRC), a mining company which has interest, by virtue of a Joint Operating Agreement with Philippine Mining Development Corporation (PMDC), over mining claims in Mabini, Maco and Maragusan, Davao De Oro.

Pursuant to a one-year Authority to Verify Minerals, AAMRC has conducted exploration and verification activities in the project area.

### A. Oil and Gas

#### *Service Contract (SC)*

MORE has a 30% participating interest in Service Contract 72 (SC 72), a service contract for gas located in the West Philippine Sea covering the Sampaguita offshore gas field northwest of Palawan. Forum (GSEC 101) Ltd. (Forum) holds the remaining 70% participating interest and is the operator of the SC.

The Philippine government lifted its moratorium on oil and gas exploration in disputed areas of the West Philippine Sea in October 2020, allowing exploration activities to resume over

the block. The consortium has 20 months or until June 2022 to drill two commitment wells under sub-phase 2. Failure to comply with the minimum work commitment for each sub-phase shall terminate the service contract. Any failure or delay in the performance of obligations and duties shall be excused to the extent attributable to force majeure. In 2021, the consortium started its preparations for the drilling of two commitment wells in the first half of 2022.

On April 6, 2022, Forum received a directive from the DOE to put on hold all exploration activities for SC 72 until such time that the Security, Justice, and Peace Coordinating Cluster (SJPCC) has issued the necessary clearance to proceed. Forum immediately complied with the directive by suspending its activities in SC 72.

In its April 8, 2022 reply to the DOE, Forum expressed willingness to resume activities immediately. However, Forum also stated that if no written confirmation from the DOE is received by April 10, 2022 that Forum can resume its activities on April 11, 2022, Forum will consider the suspension of work issued by the DOE to be indefinite and a force majeure event that will entitle Forum to be excused from the performance of its respective obligations and to the extension of the exploration period under SC 72.

In the absence of any letter from the DOE informing Forum to resume operations, Forum submitted a letter to the DOE on April 11, 2022 affirming a declaration of force majeure under SC 72 beginning April 6, 2022. Forum then undertook the termination of its service and supply agreements with several contractors. In the same letter, Forum stated that it is entitled to an extension of the period for exploration under SC 72 due to the recent declaration of force majeure.

On October 11, 2022, in response to Forum's letter dated April 11, 2022, the DOE granted the following:

- i. Declaration of force majeure for SC 72 from April 6, 2022 until such time as the same shall be lifted by the DOE;
- ii. The total expenses that were incurred as a result of the DOE directive to suspend SC 72 activities will be part of the approved recoverable costs, subject to DOE audit, and
- iii. The suspension has nullified all the work done since the lifting of force majeure on October 14, 2020. Hence, SC 72 shall, in addition to the period in item i above, be entitled to an extension of the exploration period corresponding to the number of days that the contractors actually spent in preparation for the activities that were suspended by the suspension order issued by the DOE on April 6, 2022 (the Extension).

On November 22, 2022, Forum filed a reply letter with respect to item iii, seeking confirmation that the Extension will also cover all the time spent on all activities that are related or connected to, in support of, or necessary or desirable to enable Forum to perform its obligations and work commitments under SC 72. These include the time spent in planning the procurement of goods and services, securing permits and approvals, coordination with JV partners and the DOE, the time spent by external consultants doing work on behalf of SC 72, etc. Total cancellation fees capitalized as deferred oil and gas exploration cost as a result of the force majeure declaration amounted to ₱13.8 million.

On March 30, 2023, the DOE further affirmed that the entire period from when the force majeure was lifted to when it was re-imposed (October 14, 2020 to April 6, 2022) will be credited back to SC 72. Consequently, once the force majeure is lifted, Forum will have twenty (20) months to drill the two (2) commitment wells. While the consortium has expressed its readiness to drill the commitment wells, the government approval of the same has yet to be secured. The Service Contract remain under Moratorium in 2025.

## B. Others

### *Solid Waste Management*

MORE owns 52% of International Cleanenvironment Systems, Inc. (ICSI) which has a Build-Operate-Transfer contract with the Philippine government through the DENR to manage, rehabilitate and introduce ecologically friendly technologies for waste disposal, recycling and energy generation which agreement is yet to be put in operation.

ICSI was a subject of an agreement to sell between MORE and A. Brown Co., Inc. (ABCI) whereby MORE shall sell its 52% ownership in ICSI to ABCI payable within 12 months and which was further extended to May 31, 2021. The agreement to sell did not materialize until expiration of agreement in 2021.

## **Corporate Governance**

The Company, its Board of Directors, officers and employees strive, through good corporate governance, to enhance the value of the Company and optimize over time the returns to its shareholders by:

- a. Sound, prudent, and effective management,
- b. Efficient and effective management information system,
- c. Effective risk management,
- d. Reliable financial and operational information,
- e. Cost effective and profitable business operations, and
- f. Compliance with laws, rules, regulations and contracts.

### Measures being undertaken by the company to fully comply with the adopted leading practices on good corporate governance

The following are measures that the Company has undertaken or will undertake to fully comply with the adopted leading practices on good governance:

#### 1. Manual of Corporate Governance

On June 1, 2017, the Board approved a new Manual of Corporate Governance of the Company. Our Compliance Officer will continue to coordinate with the Philippine SEC with respect to compliance requirements, monitor compliance with the manual and report any governance-related issues to the Board. The Company commits itself to principles and best practices of governance in the attainment of corporate goals.

## 2. Board of Directors

The Company's Board has the expertise, professional experience, and background that allow for a thorough examination and deliberation of the various issues and matters affecting the Group. The Board is responsible for the Company's overall management and direction. The Board will meet regularly on a quarterly basis, or more frequently as required, to review and monitor the Company's project development, future results of operations and financial position. The Company's Amended Articles of Incorporation provide that the Board shall consist of seven (7) directors where two (2) members are Independent Directors: Mr. Joselito H. Sibayan and Mr. Valentino S. Bagatsing. Except for Mr. Luis R. Sarmiento and Mr. Jose Eduardo J. Alarilla, all other members of the Board non-executive Directors. The Company's directors are elected at the Annual Stockholders' Meeting. They shall hold office until the next succeeding annual meeting and until their respective successors have been elected and qualified. Several directors and key officers of the Company attended the corporate governance seminar held on 5 December 2025. Independent Director Sibayan attended a corporate governance seminar on 5 November 2026, while Independent Director Bagatsing attended seminars on 23 and 26 June 2026, and 28 August 2026.

## 3. Audit Committee

The Company's Audit Committee is responsible for assisting the Board with its fiduciary responsibilities by providing an independent and objective assurance to its management and stockholders of the continuous improvement of its risk management systems, business operations and the proper safeguarding and use of its resources and assets. It provides a general evaluation and assistance in the overall improvement of its risk management, control and governance processes. The Committee is composed of three (3) Board members, including two (2) independent directors, one of whom serves as the committee chairman. The Committee reports to its Board and is required to meet at least four (4) times a year. As of the date of this report, the Audit Committee Chairman is Mr. Valentino S. Bagatsing who serves with Mr. Joselito H. Sibayan and Mr. Stephen A. Paradies as members.

## 4. Nomination Committee

The Board organized the Nomination Committee to review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors. As of the date of this report, the Nomination Committee Chairman is Mr. Joselito H. Sibayan who serves with Mr. Stephen A. Paradies and Mr. Roel Z. Castro as members.

## 5. Compensation Committee

A Compensation Committee was organized by the Board to establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Company's culture, strategy and the business environment in which it operates. As of the date of this report, the Compensation

Committee Chairman is Mr. Jose Eduardo J. Alarilla, who serves with Mr. Michael Ray B. Aquino and Mr. Valentino S. Bagatsing as members.

6. Enterprise Risk Management Committee

An Enterprise Risk Management Committee was organized to help the Board assess and manage the Company's identified risks that may affect its operations. As of the date of this report, the Enterprise Risk Management Committee Chairman is Mr. Luis R. Sarmiento, with Mr. Joselito H. Sibayan, Mr. Stephen A. Paradies and Mr. Roel Z. Castro as members.

7. Executive Officers

The Company's Management Team are responsible for the day-to-day management and operations of the mining operations. The registered address of the Company's executive officers for the moment is at 3304B West Tower, Tektite Towers, Exchange Road, Pasig City., Philippines.

8. Related Party Transaction Committee

The Related Party Transactions Committee ensures transparency, fairness, and compliance in all material Related Party Transactions of the Corporation. The Related Party Transaction Committee identifies, evaluates, and monitors related party relationships, assesses transactions for fairness and potential risks, oversees the implementation of RPT policies, and ensures proper disclosure and reporting to the Board and regulatory agencies. The Committee is composed of three (3) Board members, including two (2) independent directors, one of whom serves as the committee chairman. The Related Party Transaction Committee Chairman is Mr. Stephen A. Paradies who serves with Mr. Valentino S. Bagatsing and Mr. Joselito H. Sibayan as members.

9. Management and Reporting Structure

The Board together with the management has developed a reporting structure based on the approved organizational structure of the mining operations. The reporting structure, which clearly segregates the different operations and functions, will define the responsibilities of each department and will incorporate the proper check and balance within the organization.

10. Continuing Improvements for Corporate Governance

The Company will continue to improve its corporate governance, systems and processes to enhance adherence to practices of good corporate governance. The Board has conducted an annual self-assessment of its performance, including the performance of its individual members for the year 2025. It has also established an internal self-rating and evaluation system. For the rating system, rates follow a scale of 1 to 5, 1 being the lowest and 5 being the highest. Questionnaires were provided to each of the Directors wherein they check for each item the rating that corresponds to their personal assessment. An additional portion for comments and/or suggestions is also allotted at the end of the Questionnaire.

Evaluation system established by the Company to measure or determine the level of compliance of the Board of Directors and top level management with its Manual of Corporate Governance

To determine and measure the effectiveness of the Board and its compliance with the CG Manual, the Board of Directors has a Board Self-Assessment System. This annual Self-Assessment covers the performance of the Board and its individual members. In the Self-Assessment, each director provides a rating on whether the Board ensures the Company's faithful compliance with all applicable laws, regulations and best business practices. The directors and key officers of the Company also attended in 2025 a corporate governance seminar held by SEC accredited providers. The Company also complies with the annual submission of the SEC Integrated Annual Corporate Governance Report ("I-ACGR") which is a tool for disclosure by a publicly listed company ("PLC") of its compliance or non-compliance with the SEC's recommendations in the Code of Corporate Governance for PLCs.

Deviation from the Company's Manual of Corporate Governance.

There are no deviations from the Company's Manual of Corporate Governance.

Plan to improve corporate governance of the company

The Company will continue to improve its corporate governance, systems and processes to enhance adherence to practices of good corporate governance. The directors and key officers of the Company attend annually a corporate governance seminar to keep abreast of the latest corporate governance developments and best practices to help improve corporate governance of the Company

**Market for Registrant Common Equity and Related Stockholders Matters**

Market Information

The Parent Company's common shares are traded in the Philippine Stock Exchange carrying the symbol "APX".

The high and low stock prices per share for each quarter in 2025 and 2024, and for the first two months of 2026, were as follows:

Year	Period	Listed Common Shares	
		High	Low
2026	January 1 – February 28	17.68	11.62
2025	January 1 - March 31	5.45	3.45
	April 1 - June 30	7.53	5.05
	July 1 - September 30	11.10	5.69
	October 1 - December 31	13.00	8.63
2024	January 1 - March 31	3.10	2.41
	April 1 - June 30	4.20	2.66
	July 1 - September 30	4.60	3.80
	October 1 - December 31	4.36	3.16

## Stockholders

As of February 28, 2026, the Parent Company has 2,748 shareholders with 6,227,887,491 total issued and outstanding common shares.

The top 20 stockholders of the Parent Company as of February 28, 2026 follows:

	<b>Stockholder</b>	<b>Number of shares</b>	<b>% of ownership</b>
1	Prime Strategic Holdings, Inc.	3,126,209,486	50.20
2	PCD Nominee Corp. (Filipino)*	1,148,408,503	18.44
3	Monte Oro Resources & Energy, Inc.	555,133,447	8.91
4	Lakeland Village Holdings, Inc.	474,613,599	7.62
5	Devoncourt Estates Holdings, Inc.	423,904,339	6.81
6	PCD Nominee Corp. (Non- Filipino)	336,535,425	5.40
7	Mapula Creek Gold Corporation	78,033,808	1.25
8	Mindanao Gold Ltd.	30,224,308	0.49
9	Jacinto C. Ng, Jr.	14,725,217	0.24
10	Silverio Benny J. Tan	11,806,747	0.19
11	Carousel Holdings, Inc.	3,070,000	0.05
12	Diosdado M. Peralta	1,655,000	0.03
13	Roel Z. Castro	1,174,753	0.02
14	Rexlon Industrial, Corp.	1,006,525	0.02
15	Michael Ray B. Aquino	727,000	0.01
16	Mamiko Mayama	723,000	0.01
17	Stephen A. Paradies	550,900	0.01
18	Lucio W. Yan &/or Clara Yan	485,525	0.01
19	Jalandoni, Jayme, Adams & Co., Inc.	484,892	0.01
20	Ignacio R. Ortigas	311,665	0.01

\* Net of the shares actually lodged with the PCD but are presented separately in this list.

As of February 28, 2026, the public ownership level of the Parent Company is at 25.73%.

## Dividends

In 2022, the Board of Directors approved a dividend policy to declare as cash dividend an amount equivalent to ten percent (10%) of the net income of the Group per its consolidated audited financial statement for each year provided there is sufficient unrestricted retained earnings to cover the cash dividends. Below are the dividends declared by the Parent Company in 2025, 2024 and 2023:

Board of Directors Approval Date	Type	Dividend per common share	Record Date	Payment Date
March 17, 2025	Regular	₱0.06944	April 4, 2025	April 25, 2025
March 17, 2025	Special	₱0.06944	April 4, 2025	April 25, 2025

April 15, 2024	Regular	₱0.054155	April 30, 2024	May 15, 2024
April 15, 2024	Special	₱0.027278	April 30, 2024	May 15, 2024
April 28, 2023	Regular	₱0.053621	May 15, 2023	June 5, 2023

#### Recent Sales of Unregistered or Exempt Securities

No securities were sold by the Parent Company in the past three years ended December 31, 2025, which were not registered under the Securities Regulation Code. There was also no sale of reacquired securities during the same period.

## **MANAGEMENT DISCUSSION ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS 2025, 2024 AND 2023**

### Consolidated Statement of Income

#### *Consolidated Revenues*

The Group's consolidated revenues increased to ₱21.3 billion in 2025 from ₱15.1 billion in 2024 and ₱12.1 billion in 2023, representing year-on-year increases of 41% or ₱6.2 billion in 2025 and 25% or ₱3.1 billion in 2024. Revenues are derived from gold and silver sales from the Maco and Sangilo mine sites operated by the Parent Company and ISRI, respectively.

Information on the Group sales volume and realized prices for gold and silver that affect the consolidated revenue in 2025, 2024 and 2023 is as follows:

	2025	2024	Change	2023	Change
<b>Gold</b>					
Volume sold in ounces	<b>100,425</b>	104,107	-4%	106,495	-2%
Realized price/ounce, in USD	<b>\$3,531</b>	\$2,436	+45%	\$1,962	+24%
<b>Silver</b>					
Volume sold in ounces	<b>365,007</b>	350,151	+4%	346,824	+1%
Realized price/ounce, in USD	<b>\$43.04</b>	\$28.63	+50%	\$23.51	+22%

*Includes ounces produced and sold from Maco and Sangilo mine sites.*

Realized metal prices averaging \$3,531 per ounce for gold and \$43.04 per ounce for silver established a new record for the Group's annual revenue of P21.3 billion in 2025. This was higher by 41% than the previous record revenue reported in 2024 of P15.1 billion from the average prices of \$2,436 and \$28.63 per ounce for gold and silver, respectively.

The lower average ore grades resulted in a 4% decrease in gold sales volume to 100,425 ounces, compared to 104,107 ounces in 2024. In contrast, silver sales increased by 4% to 365,007 ounces, from 350,151 ounces in the previous year.

The weighted average United States Dollar (USD) to Philippine Peso (PHP) foreign exchange rates on the Group revenues in 2025, 2024 and 2023 were ₱57.62, ₱57.45 and ₱55.67, to one USD, respectively.

An analysis of the consolidated revenue variance, which comprises of sales volume, price and exchange rate variances, between the comparative years ended December 31, 2025, 2024 and 2023 of the Group are as follows:

Variance	2025 versus 2024 (in thousands of PHP)			2024 versus 2023 (in thousands of PHP)		
	Gold	Silver	Total	Gold	Silver	Total
Volume (sold)	(P515,239)	P24,432	(P490,807)	(P260,848)	P4,351	(P256,497)
Price	6,319,965	302,081	6,622,047	2,745,657	99,722	2,845,379
Exchange rate	60,791	2,838	63,629	461,021	17,687	478,708
Consolidated revenue	P5,865,518	P329,351	P6,194,869	P2,945,830	P121,760	P3,067,590

On February 6, 2024, a landslide occurred in Zone 1, Barangay Masara, Maco, Davao de Oro, resulting in death of employees, contractor and community members and temporary operational limitations at the Maco mine site. Following safety assessments and coordination with regulatory authorities, operations were gradually normalized. Despite the disruption, the Parent Company was able to recover production in the second half of the year and return to targeted operating levels, resulting in higher ore tonnage milled for the full year.

The Parent Company increased total ore milled to 954,756 tonnes, averaging 2,775 tonnes per day, representing a 6% increase from 899,002 tonnes (2,588 tonnes per day) in 2024.

Average gold head grade decreased to 3.14 grams per tonne (gpt) in 2025 from 3.61 gpt in 2024, while average silver grade likewise declined to 14.39 gpt from 15.98 gpt.

Notwithstanding lower grades, metallurgical performance improved, with gold recovery increasing to 87.83% from 85.71% and silver recovery rising to 78.13% from 74.72% in the prior year.

At ISRI, total tonnage milled amounted to 143,605 tonnes, slightly lower than 148,021 tonnes in 2024. However, operational efficiencies were realized, as both average gold grade and recovery improved to 3.21 gpt and 85.96%, respectively, compared to 3.10 gpt and 85.56% in 2024.

On a consolidated basis, the Group milled 1,098,362 tonnes in 2025, a 5% increase from 1,047,023 tonnes in 2024. Average gold recovery improved to 87.59%, compared to 85.69% in the prior year.

From the Mine Reserves and Resource Certifications of 2025, the Parent Company's Maco Mine has enough reserves and resources to continue at the targeted production rate of 3,000 tonnes per day until 2034. The exploration program for MPSA 225 and 234 continues to this day and once the updated third-party competent report on the results of exploration is completed, the Parent Company will disclose properly. The acquisition of the Asia Alliance Mining Resources Corporation gives the mine future gold resources as the extensions of existing mining veins spill over to the adjacent tenement. These gives our exploration team new ground to drill and validate.

#### *Consolidated Cost of Production*

Consolidated cost of production incurred in 2025, 2024 and 2023, amounted to P9.5 billion, P7.6 billion and P6.3 billion, respectively. Costs of production for the unsold metal products of the Group were reported as inventories in the balance sheets as of December 31, 2025 and were

charged to income statement upon sale in January 2026. A breakdown of the main components of consolidated cost of production is as follows:

- Materials used in mining and milling rose by 26% or ₱760.3 million in 2025 compared to 2024. The Group processed a total of 1,098,362 tonnes during the year which is 5% higher than the tonnage milled in the same period last year. Cost of materials used in mining and milling registered higher unit costs, both in local and imported materials, in 2025 due to inflation.

In 2024, materials used in mining and milling rose by 26% or ₱620.4 million compared to 2023. The Group processed a total of 1,047,023 tonnes which is 9% higher than the tonnage milled in 2023.

- Depreciation, depletion, and amortization expense increased by 19% or ₱266.7 million in 2025 compared to 2024, and by 10% or ₱131.7 million in 2024 compared to 2023. The increase in 2025 was primarily due to higher capital expenditures incurred in prior years for depreciable assets such as plant expansions, maintenance, infrastructure, and mine development, which is subject to depletion. Additionally, the 2025 revaluation of certain property, plant, and equipment increased their carrying amounts, contributing to a higher depreciation expense for the year. As at December 31, 2025, 2024, and 2023, the Group had invested ₱4.34 billion, ₱3.38 billion, and ₱2.98 billion, respectively, in property, plant, and equipment.
- Personnel costs were higher by 25% or ₱280.8 million in 2025 compared to 2024 due to the updating and standardization of pay grade scale, periodic adjustment of salary rates, and payment of new and additional benefits and bonus during the year. Additional contracted services were availed to support the increasing operating and expansion activities in Maco mine resulting in an increase of ₱92.9 million or 15% compared to 2024.

In 2024, personnel costs increased by 18% or ₱167.7 million compared to 2023. Contracted services also increased by 34% or ₱158.5 million year-on-year.

- Power cost, reported under “Utilities”, increased to ₱868.6 million in 2025 from ₱617.6 million in 2024 due to higher power consumption (166,687 thousand kilowatt-hours in 2025 versus 123,871 thousand kilowatt-hours in 2024). Similarly, power cost in 2024 increased from ₱509.5 million in 2023, in line with higher power consumption of 123,871 thousand kilowatt-hours in 2024 compared to 109,728 thousand kilowatt-hours in 2023.
- Indigenous People (IP) surface rights royalty & IP royalty, Social Development and Management Program (SDMP) expenses and taxes, licenses and permits, as a group, accounted for a 22% increase or ₱121.5 million in 2025 compared to 2024 and 28% or ₱119.2 million increase in 2024 compared to 2023 due to higher revenue and cost base being used in the computation of these costs.
- Repairs and maintenance increased by 30% or ₱17.2 million in 2025 compared to 2024, primarily due to the expansion of the underground fleet and increased mill plant maintenance requirements. In contrast, repairs and maintenance in 2024 decreased by 49% or ₱55.3 million compared to 2023, mainly due to the equipment replacement program in which older heavy equipment with higher maintenance costs were replaced with newer units.

- Bullion refining and transportation charges increased by 4% or ₱3.6 million in 2025 compared to 2024, mainly due to slightly higher shipment frequency and increased refining charges. In contrast, the increase in 2024 was minimal at 0.02% or ₱16,446 compared to 2023, primarily reflecting slight variations in shipment volumes and frequency.
- Insurance expense decreased by 32% or ₱18.1 million in 2025 compared to 2024, mainly due to adjustments in insurance coverage and the insured asset base. In contrast, insurance expense in 2024 increased by ₱7.0 million compared to 2023, primarily due to the increase in insurable properties arising from acquisition of new equipment during the year.

#### *Consolidated Excise Taxes*

Consolidated excise taxes are excise taxes on the market value of metals produced which amounted to ₱817.4 million, ₱602.8 million and ₱478.6 million in 2025, 2024 and 2023, respectively. The increase in the excise tax in 2025 and 2024 is attributable to the increase in revenue which is used as tax base in the computation of 4% excise tax due.

#### *Consolidated General and Administrative Expenses*

Consolidated general and administrative (G&A) expense in 2025, 2024 and 2023 amounted to ₱378.0 million, ₱471.3 million and ₱253.8 million, respectively. The individual contribution to the consolidated G&A expenses of the Group in each reporting year in millions of PHP are as follows:

	<b>2025</b>	2024	2023
Parent Company	<b>₱270.7</b>	₱332.1	₱165.3
ISRI	<b>52.4</b>	92.8	43.7
MORE and Subsidiaries	<b>54.9</b>	46.4	44.8
	<b>378.0</b>	471.3	₱253.8

Consolidated G&A expenses decreased in 2025 compared to 2024, mainly due to lower documentary stamp taxes resulting from reduced funding provided to subsidiaries during the year. This was partially offset by increased manpower at the head office to support corporate technical services and higher local taxes.

#### *Consolidated Finance Costs*

Consolidated finance costs in 2025, 2024 and 2023 amounted to ₱610.1 million ₱594.8 million and ₱559.3 million, respectively. The higher finance cost in 2025 versus 2024 versus 2023 was primarily due to new loan availment with a local bank, partly being cushioned by the effect of quarterly loan amortization payments and higher capitalization of borrowing costs based on the weighted average cost computed this year. Interest on financial liability in the amount of ₱126.4 million was also recognized in relation to the asset acquisition of AAMRC in accordance with the generally accepted accounting principle reporting guidelines.

#### *Consolidated Other Income (Charges)*

The consolidated other income/charges of the Group which is primarily from the recognition of temporary impairment of assets, recognition of realized and unrealized foreign exchange gains and losses, previous years' tax losses, provision for recoverability of input tax and settlement of deficiency taxed for the past years amounted to ₱602.3 million charges and ₱432.3 million income in 2025 and 2024, respectively.

### *Consolidated Provision for Income Tax*

The Group's current income tax were at ₱1.77 billion, ₱1.18 billion and ₱766.3 million in 2025, 2024 and 2023, respectively. The significant portion of current income tax is attributable to the Parent Company being subjected to the regular corporate income tax (RCIT) rate. From 2022 up to the present, the Parent Company availed the option to use the optional standard deduction (OSD) as its method of deduction.

The benefit from deferred income tax came from the utilization of the carryover net operating loss and the tax credits from MCIT payments in prior periods.

### *Consolidated Net Income*

The consolidated net income of the Group was ₱7.7 billion in 2025, or 77% higher from the ₱4.3 billion consolidated net income in 2024.

The Parent Company net income in 2025 amounted to ₱7.1 billion compared to the ₱4.3 billion and ₱3.5 billion net income in 2024 and 2023, respectively.

### *Consolidated Other Comprehensive Income (Loss)*

Re-measurement gains and losses on the retirement plan for 2025, 2024, and 2023 amounted to a loss of ₱27.2 million, a gain of ₱11.5 million, and a loss of ₱39.6 million, respectively. These arose from changes in the actuarial assumptions applied by an independent, third-party actuary.

In addition, the Parent Company and ISRI revalued their Property, Plant, and Equipment in 2025, resulting in a total revaluation surplus of ₱1.3 billion.

### Consolidated Statement of Financial Position

#### *Consolidated Current Assets*

Total consolidated current assets increased by 23% or ₱1.6 billion to ₱8.8 billion as of December 31, 2025 from ₱7.1 billion as of December 31, 2024 essentially due to the following:

- Cash of the Group rose by ₱131 million to ₱3.3 billion from ₱3.2 billion as of December 31, 2024 due to the net cash inflow of ₱8.7 billion from operating activities and loan availment of ₱2.3 billion, despite expenditures for capital assets, mine development, explorations costs and other noncurrent assets aggregating to ₱5.5 billion, and settlements of maturing term loan amortization, dividend payment, and acquisition of AAMRC, with an aggregate amount of ₱5.4 billion, during the year.

In 2024, cash of the group rose by ₱1.9 billion to ₱3.2 billion from ₱1.3 billion as of December 31, 2023 due to the net cash inflow of ₱5.5 billion from operating activities and loan availment of ₱5.9 billion, despite expenditures for capital assets, mine development, explorations costs and other noncurrent assets aggregating to ₱3.8 billion, and settlements of maturing term loan amortization, dividend payment, and acquisition of AAMRC, with an aggregate amount of ₱5.9 billion, during the year.

- Trade and other receivables increased by ₱1.3 billion, reaching ₱2.6 billion as of December 31, 2025, compared to December 31, 2024. This increase was primarily due to the timing of shipments, sales, and collection of proceeds from the refiner/customer. Consequently, inventories decreased by ₱263.3 million as of December 31, 2025, compared to the prior year, reflecting the timing of bullion shipments. Bullion produced during the month is

typically sold near the end of the month, with proceeds received several days into the following month.

In 2024, trade and other receivables increased by ₱384.4 million, reaching ₱1.3 billion as of December 31, 2024, compared to December 31, 2023. Inventories also increased by ₱259.8 million during the same period.

- Advances to related parties increased by ₱67.3 million to ₱69.6 million from ₱2.3 million as of December 31, 2024, primarily due to additional intercompany advances and payments made during the year.
- Other current assets comprise advances to suppliers and contractors, prepayments, and deposits with non-bank entities. The balance increased by 40%, or ₱435.6 million, to ₱1.5 billion from ₱1.1 billion as of December 31, 2024. This increase was primarily driven by higher advance payments made to suppliers and contractors, which are expected to be realized through offsetting against future billings.

#### *Consolidated Noncurrent Assets*

Total consolidated noncurrent assets increased by ₱5.1 billion to ₱30.1 billion as of December 31, 2025 from ₱25.0 billion as of December 31, 2024 due to the purchase of new equipment and software, and continuous exploration and development activities of both Maco and Sangilo mines. In addition, the revaluation of certain property, plant, and equipment in these mines further increased their carrying amounts.

In 2024, the total consolidated noncurrent assets increased by ₱2.5 billion to ₱25.0 billion as of December 31, 2024 from ₱22.5 billion as of December 31, 2023.

In 2023, Additions to deferred exploration cost include the fair value of mining rights in North Davao Project amounting to ₱3.97 billion to which the Group has interest through the acquisition of AAMRC's 100% equity interest. The fair value of the mining rights is determined using market approach based on yardstick and area-based multiples as valuation basis.

#### *Consolidated Current Liabilities*

Consolidated current liabilities were higher by ₱172.7 million to ₱6.5 billion as of December 31, 2025 from ₱6.4 billion as of December 31, 2024 due to the recognition of financial liability from the acquisition of AAMRC, higher purchase of local and imported goods and services near end of the period, net of the decrease due to the repayment of short-term loans and payments to related parties. Additionally, income tax payable increased as a result of higher taxable income.

In 2024, the current liabilities were lower by ₱1.5 billion to ₱6.4 billion as of December 31, 2024 from ₱7.9 billion as of December 31, 2023 mainly due to the conversion of loans payable with BOC from short-term to long-term.

#### *Consolidated Noncurrent Liabilities*

The Group's consolidated noncurrent liabilities decreased by ₱1.5 billion to ₱5.7 billion as of December 31, 2025 compared to December 31, 2024 due to the derecognition of financial liability from the acquisition of AARMC, quarterly loan amortization payments and reclassification to current portion of a bank term loan. These were partially offset by increases in retirement liability and deferred income tax liabilities, the latter primarily resulting from the impact of the revaluation surplus.

In 2024, the consolidated noncurrent liabilities increased by ₱2.7 billion to ₱7.2 billion as of December 31, 2024 compared to December 31, 2023 mainly due to loan availed under the Omnibus Loan and Security Agreement with PNB and BOC.

#### *Consolidated Equity*

Consolidated equity increased by ₱8.1 billion in 2025, primarily reflecting the total comprehensive income for the year, including the revaluation surplus, partially offset by dividends declared.

#### Key Performance and Financial Soundness Indicators

##### *Tonnes Mined and Milled*

Tonnage, ore grade and metal recovery determine production volume. The higher the tonnage, ore grade and recovery, the more metals are produced.

Please refer to the “Operations” section of Part I, Item I of this report for details on tonnes mine and milled, and production highlights.

##### Financial Ratios

Management has identified the following financial ratios as significant in assessing the Group’s performance:

Financial Ratio	Formula	December 31	
		2025	2024
Gross profit margin	$\frac{\text{Gross profit}}{\text{Revenue}}$	<b>55.56%</b>	49.81%
Return on assets	$\frac{\text{Net income}}{\text{Total assets}}$	<b>21.61%</b>	14.63%
Return on equity	$\frac{\text{Net income}}{\text{Total equity}}$	<b>26.77%</b>	21.03%
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	<b>1.34 : 1</b>	1.12 : 1
Debt-to-equity ratio	$\frac{\text{Total debt}}{\text{Total equity}}$	<b>0.43 : 1</b>	0.66 : 1
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	<b>1.36 : 1</b>	1.6 : 1
Debt service coverage ratio	$\frac{\text{EBITDA}}{\text{Loan principal plus interest payments}}$	<b>6.91x</b>	5.1x

The gross profit margin in 2025 is higher compared to 2024 due higher realized metal prices.

The increase in the return on assets and return on equity in 2025 is due to a higher net income.

The Group's current ratio improved from 2024 to 2025, reflecting a stronger liquidity position. This increase was primarily driven by the growth in current assets, particularly cash, trade and other receivables, and other current assets, which outpaced the relatively stable level of current liabilities.

The debt-to-equity ratio decreased, driven by the increase in equity from earnings and the recognition of revaluation surplus, alongside a reduction in total liabilities. The asset-to-equity ratio likewise declined compared to the prior period, reflecting the growth in equity from earnings and revaluation surplus, notwithstanding the significant expansion in the Group's total assets.

Debt service coverage ratio increased due to a higher Groups' EBITDA in 2025 compared to 2024.

#### Material Event/s and Uncertainties

To the best of the Company's knowledge, there are:

- a. no known trends, events or uncertainties that would have any material impact on liquidity and revenue of the Company, except for climate change related risks such as landslides which may cause disruptions in the Maco operations;
- b. no known events which may trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation;
- c. no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period except for the corporate guarantee issued by the Company to secure a bank loan of ISRI, and domestic standby letter of credit with the sellers for the acquisition of Asia-Alliance Mining Resources Corporation;
- d. no material commitments for capital expenditures, general purpose of such commitments, and expected sources of funds for such expenditures.
- e. no significant elements of the items of income and expenses in the financial performance of the Company other than those described in the Company's audited financial statements.
- f. no seasonal aspects of the Company's operations that have a material effect on the Company's financial statements. There is no one period materially significant, whether higher or lower, than the periods during the year.

**Annex B:**  
**Audited Consolidated Financial Statements as of December 31, 2025**



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**FW: Your BIR AFS eSubmission uploads were received**

---

**From** Pepe Gaspar <pcgaspar@apexmining.com>  
**Date** Tue 3/24/2026 7:45 PM  
**To** Ryan Angelo De Guzman <rrdeguzman@apexmining.com>  
**Cc** Billy Torres <bgtorres@apexmining.com>

Fyr.



Pepe C. Gaspar  
Apex Mining Co., Inc.  
3304B West Tower Teklote Towers  
Exchange Road, Ortigas Center, Pasig City  
Email: [pcgaspar@apexmining.com](mailto:pcgaspar@apexmining.com)  
Website: [www.apexmines.com](http://www.apexmines.com)

---

**From:** eafs@bir.gov.ph <eafs@bir.gov.ph>  
**Sent:** Tuesday, March 24, 2026 7:42 PM  
**To:** Pepe Gaspar <PCGASPAR@APEXMINING.COM>  
**Cc:** Pepe Gaspar <PCGASPAR@APEXMINING.COM>  
**Subject:** Your BIR AFS eSubmission uploads were received

**Caution:** This email originated from outside of the organization. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Hi APEX MINING CO., INC.,

**Valid files**

- EAFS000284138RPTTY122025.pdf
- EAFS000284138AFSTY122025.pdf
- EAFS000284138ITRTY122025.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-77D97E6G0311PV42QQZWYWR3X0NQNXSRX2**  
Submission Date/Time: **Mar 24, 2026 07:42 PM**  
Company TIN: **000-284-138**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

4	0	6	2	1					
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**COMPANY NAME**

A	P	E	X		M	I	N	I	N	G		C	O	.	,		I	N	C	.		A	N	D		S	U	B	S
I	D	I	A	R	I	E	S																						

**PRINCIPAL OFFICE ( No. / Street / Barangay / City / Town / Province )**

3	3	0	4	B		W	e	s	t		T	o	w	e	r	,		T	e	k	t	i	t	e					
T	o	w	e	r	s	,		E	x	c	h	a	n	g	e		R	o	a	d	,		O	r	t	i	g	a	s
C	e	n	t	e	r	,		P	a	s	i	g		C	i	t	y												

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A C F S	C R M D	N / A

**COMPANY INFORMATION**

Company's Email Address	Company's Telephone Number	Mobile Number
Corpsec@apexmining.com	8706-2805	+63 908 893 7925
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
2,747	4/30	12/31

**CONTACT PERSON INFORMATION**

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Billy G. Torres	bgtorres@apexmining.com	8706-2805	+639088937925

**CONTACT PERSON'S ADDRESS**

**3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City**

**NOTE 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2:** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.





**STATEMENT OF MANAGEMENT’S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

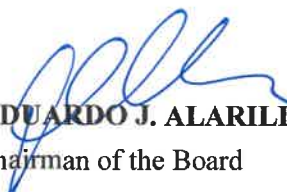
The management of **Apex Mining Co., Inc. and its Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In Preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group’s financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholder, has audited the consolidated financial statements of the Group in accordance with the Philippine Standard on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
**JOSE EDUARDO J. ALARILLA**  
Chairman of the Board

  
**LUIS R. SARMIENTO**  
President & Chief Executive Officer

  
**BILLY G. TORRES**  
SVP-CFO, Treasurer & Compliance Officer

*Signed this 17<sup>th</sup> day of March 2026*

SUBSCRIBED AND SWORN to before this 17 MAR 2026, affiant(s) exhibiting to me their respective Passports, to wit:

Names	Passport No
Jose Eduardo J. Alarilla	P5730156A
Luis R. Sarmiento	P80058718
Billy G. Torres	P6369014A

**FERDINAND D. AYAHAO**  
Notary Public  
For and in Pasig City and the Municipality of Pateros  
Commission No. 122 (2026-2027) valid until 12/31/2027  
NCLB Exemption No. VIII-DEPC03234, until 04/14/28  
Poll No. 46377; IBP LRN 02459; OR. 535886; 06/21/2001  
TIN: 23-011-785; PTR 4918763AA; 01/09/26; Pasig City  
Unit 5, West Tower FSE, Exchange Road  
Pasig City, Pasig City, NCR, 1605 Philippines.

Doc No. 185  
Page No. 38  
Book No. 18  
Series of 2026



## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and the Stockholders  
Apex Mining Co., Inc.  
3304B West Tower, Tektite Towers, Exchange Road  
Ortigas Center, Pasig City

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Apex Mining Co., Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of consolidated financial statements of public interest entities in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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



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

### ***Recoverability of Deferred Exploration Costs***

As at December 31, 2025, the carrying value of the Group's deferred exploration costs amounted to ₱7.69 billion, net of allowance for impairment losses of ₱0.62 billion. The deferred exploration costs pertain to the expenditures incurred by the Group for its various projects. Under PFRS 6, *Exploration for and Evaluation of Mineral Resources*, these deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. The ability of the Group to recover its deferred exploration costs would depend on the commercial viability of the exploration projects. We considered this as a key audit matter because of the materiality of the amounts involved, and the significant judgment required in assessing whether there is any indication of impairment.

The Group's disclosures about deferred exploration costs are included in Note 11 to the consolidated financial statements.

### ***Audit Response***

We obtained management's assessment on whether there is any indication that deferred exploration costs may be impaired. We inspected the summary of the status of each exploration project as at December 31, 2025, as certified by the Group's geology division manager, the type of expenses incurred, and assessed whether ongoing exploration activities exist to support the continued capitalization of these assets under the Group's accounting policies. We inspected contracts and agreements, inquired with management whether further evaluation is required in advance of a development decision and that such exploration is continuing, made reference with existing drilling results and inspected the approved budget for continuing the exploration and development costs. We inspected the licenses/permits of each exploration project to determine that the period for which the Group has the right in the specific area has not expired, will not expire in the near future, and will be renewed (or have been applied for renewal) accordingly. We also inquired about the existing concession areas that are expected to be abandoned or any exploration activities that are planned to be discontinued in those areas.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

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



In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audits of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



The engagement partner on the audit resulting in this independent auditor's report is Jose Pepito E. Zabat III.

SYCIP GORRES VELAYO & CO.

*Jose Pepito E. Zabat*

Jose Pepito E. Zabat III

Partner

CPA Certificate No. 85501

Tax Identification No. 102-100-830

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 85501-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,

with extension up to audit of 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-060-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765157, January 2, 2026, Makati City

March 17, 2026



**APEX MINING CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4)	₱3,332,630,624	₱3,201,158,327
Trade and other receivables (Note 5)	2,561,200,665	1,294,510,081
Inventories (Note 6)	1,289,132,342	1,552,478,881
Advances to related parties (Note 15)	69,563,414	2,304,109
Other current assets (Note 7)	1,520,957,478	1,085,344,672
<b>Total Current Assets</b>	<b>8,773,484,523</b>	<b>7,135,796,070</b>
<b>Noncurrent Assets</b>		
Property, plant and equipment (Note 10)	19,430,569,521	15,119,602,080
Deferred exploration costs (Note 11)	7,692,376,294	6,677,730,421
Financial assets measured at fair value through other comprehensive income (FVOCI) (Note 9)	6,500,000	7,000,000
Intangible assets (Note 12)	20,837,629	9,629,201
Deferred income tax asset - net (Note 27)	-	51,875,834
Other noncurrent assets (Note 13)	2,899,795,318	3,090,028,864
<b>Total Noncurrent Assets</b>	<b>30,050,078,762</b>	<b>24,955,866,400</b>
<b>TOTAL ASSETS</b>	<b>₱38,823,563,285</b>	<b>₱32,091,662,470</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables (Note 14)	₱2,226,137,271	₱2,031,855,670
Loans payable - net of noncurrent portion (Note 18)	2,846,171,688	2,618,354,384
Advances from related parties (Note 15)	-	374,858,016
Financial liability - current (Note 1)	996,134,176	925,572,825
Income tax payable	477,420,166	422,528,686
<b>Total Current Liabilities</b>	<b>6,545,863,301</b>	<b>6,373,169,581</b>
<b>Noncurrent Liabilities</b>		
Loans payable - net of current portion (Note 18)	3,655,032,960	4,610,970,065
Financial liability - net of current portion (Note 1)	1,162,140,082	2,172,478,970
Provision for retirement benefits (Note 16)	546,077,284	435,187,194
Provision for mine rehabilitation and decommissioning (Note 17)	21,537,096	20,830,866
Deferred income tax liabilities - net (Note 27)	362,373,454	-
<b>Total Noncurrent Liabilities</b>	<b>5,747,160,876</b>	<b>7,239,467,095</b>
<b>Total Liabilities</b>	<b>12,293,024,177</b>	<b>13,612,636,676</b>
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Issued capital stock (Note 19)	6,227,887,491	6,227,887,491
Additional paid-in capital (APIC) (Note 19)	634,224	634,224
Treasury shares (Note 19)	(2,081,746,680)	(2,081,746,680)
Revaluation surplus on property, plant and equipment (Note 10)	1,381,655,439	166,099,883
Remeasurement loss on financial asset at FVOCI (Note 9)	(341,342,240)	(340,842,240)
Remeasurement gain on retirement plan (Note 16)	1,859,622	29,040,911
Currency translation adjustment on foreign subsidiaries	(13,696,063)	(1,125,434)
Retained earnings (Note 19)	21,363,394,963	14,486,728,092
	26,538,646,756	18,486,676,247
<b>Non-controlling Interests</b> (Note 19)	<b>(8,107,648)</b>	<b>(7,650,453)</b>
<b>Total Equity</b>	<b>26,530,539,108</b>	<b>18,479,025,794</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱38,823,563,285</b>	<b>₱32,091,662,470</b>

See accompanying Notes to Consolidated Financial Statements.



**APEX MINING CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

	Years Ended December 31		
	2025	2024	2023
<b>REVENUES</b>			
Gold	<b>₱20,432,456,939</b>	₱14,566,454,830	₱11,621,108,228
Silver	<b>905,097,761</b>	575,747,049	453,986,367
	<b>21,337,554,700</b>	15,142,201,879	12,075,094,595
<b>COST OF PRODUCTION</b> (Note 21)	<b>(9,483,307,036)</b>	(7,599,661,042)	(6,348,914,480)
<b>EXCISE TAXES</b>	<b>(817,343,762)</b>	(602,807,446)	(478,617,442)
<b>FINANCE COSTS</b> (Note 26)	<b>(610,083,545)</b>	(594,812,655)	(559,265,484)
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b> (Note 22)	<b>(378,019,214)</b>	(471,339,322)	(253,808,256)
<b>OTHER CHARGES</b> - net (Note 23)	<b>(602,337,554)</b>	(432,329,837)	(351,457,769)
<b>INCOME BEFORE INCOME TAX</b>	<b>9,446,463,589</b>	5,441,251,577	4,083,031,164
<b>BENEFIT FROM (PROVISION FOR) INCOME TAX</b> (Note 27)			
Current	<b>(1,768,761,713)</b>	(1,182,258,329)	(766,341,085)
Deferred	<b>(13,660,002)</b>	65,665,279	56,044,407
	<b>(1,782,421,715)</b>	(1,116,593,050)	(710,296,678)
<b>NET INCOME</b>	<b>₱7,664,041,874</b>	₱4,324,658,527	₱3,372,734,486
<b>Net income (loss) attributable to:</b>			
Equity holders of the Parent Company	<b>₱7,664,499,069</b>	₱4,325,133,410	₱3,408,994,699
Non-controlling interests	<b>(457,195)</b>	(474,883)	(36,260,213)
	<b>₱7,664,041,874</b>	₱4,324,658,527	₱3,372,734,486
<b>BASIC/DILUTED EARNINGS PER SHARE</b> (Note 20)	<b>₱1.35</b>	₱0.76	₱0.60

*See accompanying Notes to Consolidated Financial Statements.*



**APEX MINING CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31		
	2025	2024	2023
<b>NET INCOME</b>	<b>₱7,664,041,874</b>	₱4,324,658,527	₱3,372,734,486
<b>OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX</b>			
<i>Item that will be reclassified to profit or loss in subsequent periods</i>			
Exchange differences on translation of foreign subsidiaries	(12,570,629)	(1,395,549)	10,711,436
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Revaluation surplus on property, plant and equipment, net of tax (Note 10)	1,260,761,621	–	–
Remeasurement gain (loss) on retirement plan, net of tax (Note 16)	(27,181,289)	11,544,525	(39,616,899)
Remeasurement gain (loss) on financial asset at FVOCI (Note 9)	(500,000)	–	1,000,000
	<b>1,220,509,703</b>	10,148,976	(27,905,463)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱8,884,551,577</b>	₱4,334,807,503	₱3,344,829,023
<b>Total comprehensive income (loss) attributable to:</b>			
Equity holders of the Parent Company	₱8,885,008,772	₱4,335,282,386	₱3,381,089,236
Non-controlling interests	(457,195)	(474,883)	(36,260,213)
	<b>₱8,884,551,577</b>	₱4,334,807,503	₱3,344,829,023

*See accompanying Notes to Consolidated Financial Statements.*



**APEX MINING CO., INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023**

	Attributable to Equity Holders of the Parent Company										Total
	Capital stock (Note 19)	Additional paid-in capital (Note 19)	Treasury shares (Note 19)	Revaluation surplus (Note 10)	Remeasurement loss on financial asset at FVOCI (Note 9)	Remeasurement gain (loss) on retirement plan (Note 16)	Currency translation adjustment on foreign subsidiaries	Retained earnings (Note 19)	Subtotal	Non-controlling interests (Note 19)	
Balances at January 1, 2023	₱6,227,887,491	₱634,224	(₱2,081,746,680)	₱226,025,835	(₱341,842,240)	₱57,113,285	(₱10,441,321)	₱7,464,658,813	₱11,542,289,407	₱29,084,643	₱11,571,374,050
Net income	-	-	-	-	-	-	-	3,408,994,699	3,408,994,699	(36,260,213)	3,372,734,486
Other comprehensive income (loss)	-	-	-	-	1,000,000	(39,616,899)	10,711,436	-	(27,905,463)	-	(27,905,463)
Total comprehensive income	-	-	-	-	1,000,000	(39,616,899)	10,711,436	3,408,994,699	3,381,089,236	(36,260,213)	3,344,829,023
Dividends (Note 19)	-	-	-	-	-	-	-	(310,035,402)	(310,035,402)	-	(310,035,402)
Transfer of portion of revaluation surplus realized through depreciation, depletion and disposal, net of tax (Note 10)	-	-	-	(35,347,094)	-	-	-	35,347,094	-	-	-
Balances at December 31, 2023	₱6,227,887,491	₱634,224	(₱2,081,746,680)	₱190,678,741	(₱340,842,240)	₱17,496,386	₱270,115	₱10,598,965,204	₱14,613,343,241	(₱7,175,570)	₱14,606,167,671

	Attributable to Equity Holders of the Parent Company										Total
	Capital stock (Note 19)	Additional paid-in capital (Note 19)	Treasury shares (Note 19)	Revaluation surplus (Note 10)	Remeasurement gain (loss) on financial assets at FVOCI (Note 9)	Remeasurement gain (loss) on retirement plan (Note 16)	Currency translation adjustment on foreign subsidiaries	Retained earnings (Note 19)	Subtotal	Non-controlling interests (Note 19)	
Balances at December 31, 2023	₱6,227,887,491	₱634,224	(₱2,081,746,680)	₱190,678,741	(₱340,842,240)	₱17,496,386	₱270,115	₱10,598,965,204	₱14,613,343,241	(₱7,175,570)	₱14,606,167,671
Net income	-	-	-	-	-	-	-	4,325,133,410	4,325,133,410	(474,883)	4,324,658,527
Other comprehensive income (loss)	-	-	-	-	-	11,544,525	(1,395,549)	-	10,148,976	-	10,148,976
Total comprehensive income	-	-	-	-	-	11,544,525	(1,395,549)	4,325,133,410	4,335,282,386	(474,883)	4,334,807,503
Dividends (Note 19)	-	-	-	-	-	-	-	(461,949,380)	(461,949,380)	-	(461,949,380)
Transfer of portion of revaluation surplus realized through depreciation, depletion and disposal, net of tax (Note 10)	-	-	-	(24,578,858)	-	-	-	24,578,858	-	-	-
Balances at December 31, 2024	₱6,227,887,491	₱634,224	(₱2,081,746,680)	₱166,099,883	(₱340,842,240)	₱29,040,911	(₱1,125,434)	₱14,486,728,092	₱18,486,676,247	(₱7,650,453)	₱18,479,025,794



Attributable to Equity Holders of the Parent Company

	Capital stock (Note 19)	Additional paid-in capital (Note 19)	Treasury shares (Note 19)	Revaluation surplus (Note 10)	Remeasurement gain (loss) on financial assets at FVOCI (Note 9)	Remeasurement gain (loss) on retirement plan (Note 16)	Currency translation adjustment on foreign subsidiaries	Retained earnings (Note 19)	Subtotal	Non-controlling interests (Note 19)	Total
<b>Balances at December 31, 2024</b>	<b>¥6,227,887,491</b>	<b>¥634,224</b>	<b>(¥2,081,746,680)</b>	<b>¥166,099,883</b>	<b>(¥340,842,240)</b>	<b>¥29,040,911</b>	<b>(¥1,125,434)</b>	<b>¥14,486,728,092</b>	<b>¥18,486,676,247</b>	<b>(¥7,650,453)</b>	<b>¥18,479,025,794</b>
Net income	-	-	-	-	-	-	-	7,664,499,069	7,664,499,069	(457,195)	7,664,041,874
Other comprehensive income (loss)	-	-	-	1,260,761,621	(500,000)	(27,181,289)	(12,570,629)	-	1,220,509,703	-	1,220,509,703
<b>Total comprehensive income</b>	-	-	-	<b>1,260,761,621</b>	<b>(500,000)</b>	<b>(27,181,289)</b>	<b>(12,570,629)</b>	<b>7,664,499,069</b>	<b>8,885,008,772</b>	<b>(457,195)</b>	<b>8,884,551,577</b>
Dividends (Note 19)	-	-	-	-	-	-	-	(833,038,263)	(833,038,263)	-	(833,038,263)
Transfer of portion of revaluation surplus realized through depreciation, depletion and disposal, net of tax (Note 10)	-	-	-	(45,206,065)	-	-	-	45,206,065	-	-	-
<b>Balances at December 31, 2025</b>	<b>¥6,227,887,491</b>	<b>¥634,224</b>	<b>(¥2,081,746,680)</b>	<b>¥1,381,655,439</b>	<b>(¥341,342,240)</b>	<b>¥1,859,622</b>	<b>(¥13,696,063)</b>	<b>¥21,363,394,963</b>	<b>¥26,538,646,756</b>	<b>(¥8,107,648)</b>	<b>¥26,530,539,108</b>

See accompanying Notes to Consolidated Financial Statements.



**APEX MINING CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years Ended December 31		
	2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	₱9,446,463,589	₱5,441,251,577	₱4,083,031,164
Adjustments for:			
Depreciation, depletion and amortization (Note 24)	1,705,960,888	1,437,206,722	1,305,423,422
Finance costs (Note 26)	610,083,545	594,812,655	559,265,484
Provisions for impairment losses on:			
Input VAT (Notes 13 and 23)	284,943,640	112,131,442	153,188,407
Deferred exploration costs (Notes 11 and 23)	10,484,118	2,891,262	30,307,458
Advances to GMU (Notes 13 and 23)	–	112,124,250	–
Nontrade receivables (Notes 13 and 23)	–	–	75,517,940
Unrealized foreign exchange (gain) loss - net	94,746,439	(154,724,410)	22,279,743
Movement in provision for retirement benefits (Note 16)	47,481,135	23,754,449	27,077,194
Interest income (Note 23)	(1,948,828)	(11,333,687)	(14,612,809)
Revaluation loss on property, plant and equipment (Notes 10 and 23)	422,999	–	–
Loss (gain) on change in estimate on provision for mine rehabilitation and decommissioning (Notes 17 and 23)	(280,421)	912,476	–
Gain on sale of property, plant and equipment	(17,500)	–	–
Gain on sale of mining rights (Notes 23)	–	–	(120,084,817)
Operating income before working capital changes	12,198,339,604	7,559,026,736	6,121,393,186
Decrease (increase) in:			
Trade and other receivables	(1,266,690,584)	(384,444,420)	94,107,950
Inventories	263,346,539	(259,781,026)	312,153,725
Other current assets	(435,612,806)	(155,012,655)	(434,581,338)
Increase in trade and other payables	186,885,592	254,845,688	325,971,616
Net cash generated from operations	10,946,268,345	7,014,634,323	6,419,045,139
Interest paid	(514,171,795)	(471,253,715)	(490,717,449)
Income taxes paid	(1,700,210,231)	(1,030,859,812)	(725,607,626)
Interest received	1,948,828	11,333,687	14,612,809
Net cash flows from operating activities	8,733,835,147	5,523,854,483	5,217,332,873
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>			
Additions to:			
Property, plant and equipment (Note 10)	(4,336,109,224)	(3,377,817,896)	(2,976,317,654)
Deferred exploration costs (Note 1 and 11)	(1,025,129,991)	(355,236,101)	(394,641,159)
Intangible assets (Note 12)	(13,952,497)	(11,018,473)	(3,884,664)
Proceeds from:			
Proceeds from disposal of property, plant and equipment	56,263	–	–
Sale of mining rights (Note 23)	–	–	120,084,817
Sale of long lead items (LLI) (Note 8)	–	–	48,506,850
Increase in other noncurrent assets	(94,710,094)	(157,624,703)	(498,825,601)
Increase in advances to related parties	(67,259,305)	–	–
Net cash flows used in investing activities	(5,537,104,848)	(3,901,697,173)	(3,705,077,411)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availment of loans (Note 18)	2,335,066,862	5,858,343,000	–
Payments of:			
Loans (Note 18)	(3,114,115,992)	(3,779,905,573)	(962,157,621)
Financial liability (Note 1)	(1,103,805,000)	(1,064,095,000)	–
Dividends (Note 19)	(816,506,263)	(453,140,197)	(264,986,303)
Advances from related parties	(374,858,016)	(541,153,984)	–
Net cash flows provided (used in) financing activities	(3,074,218,409)	20,048,246	(1,227,143,924)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>122,511,890</b>	<b>1,642,205,556</b>	<b>285,111,538</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>8,960,407</b>	<b>216,893,639</b>	<b>53,203,872</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>3,201,158,327</b>	<b>1,342,059,132</b>	<b>1,003,743,722</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)</b>	<b>₱3,332,630,624</b>	<b>₱3,201,158,327</b>	<b>₱1,342,059,132</b>

See accompanying Notes to Consolidated Financial Statements.



# **APEX MINING CO., INC. AND SUBSIDIARIES**

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## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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### **1. Corporate Information, Status of Operations and Authorization to Issue the Consolidated Financial Statements**

#### Corporate Information

Apex Mining Co., Inc. (the “Parent Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 26, 1970, primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in gold, silver, copper, lead, zinc, brass, iron, steel, and all kinds of ores, metals and minerals. The Parent Company’s shares are listed in the Philippine Stock Exchange (PSE) carrying the trading symbol “APX”. The Parent Company has three (3) wholly-owned subsidiaries, Itogon-Suyoc Resources, Inc. (ISRI), Monte Oro Resources & Energy, Inc. (MORE) and Asia Alliance Mining Resources Corporation (AAMRC). As at December 31, 2025 and 2024, the Parent Company has 2,747 and 2,744 stockholders, respectively.

The Parent Company’s registered business and principal office address is 3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Philippines.

On December 29, 2025, Prime Strategic Holdings, Inc. (PSHI), completed the acquisition of ownership and control offshore of Mindanao Gold Ltd., a Labuan, Malaysia Company, which holds 30,224,308 unlisted shares of the Parent Company. As a result, PSHI’s total direct and indirect shareholdings in the Parent Company increased to 65.11%. The Parent Company’s ultimate parent company is Razon & Co., Inc. PSHI and the ultimate parent company are domiciled in the Philippines.

#### *Acquisition of AAMRC*

On December 5, 2022, the Parent Company and previous shareholders of AAMRC (collectively referred to as the “Sellers”) entered into a Share Purchase Agreement (SPA) where the Parent Company shall purchase 1,900,000 shares, representing 100% equity interest in AAMRC, including all the rights, title and interest by virtue of a Notice of Award issued by Philippine Mining Development Corporation (PMDC) as the highest bidder for the Joint Operating Agreement (JOA) over copper mines and mining claims covering 19,135 hectares, situated in the Municipalities of Mabini, Maco and Maragusan, Davao de Oro, also known as the North Davao Project, covered by application for Financial and Technical Assistance Agreement (FTAA)-XI-14, for US\$81.50 million where US\$5.50 million is payable upon execution of the SPA and US\$76.00 million shall be paid in four (4) equal annual installments of US\$19.00 million over the next four (4) years starting on the first anniversary of Deed of Absolute Sale (DOAS) and every year thereafter.

Furthermore, under the SPA, the Parent Company shall advance to AAMRC total commitment fees of US\$32.50 million due to PMDC where initial commitment fee amounting to US\$28.50 million (out of the total commitment fees of US\$32.5 million) shall be paid at least two (2) business days prior to the scheduled date of execution of the Compromise Agreement and JOA between AAMRC and PMDC, while the remaining US\$4.00 million shall be paid in four (4) equal annual installment payments of US\$1.00 million starting the second year from signing of the JOA. These commitment fees are advances on the royalty fee under JOA to be applied or credited against the future royalty fees due to PMDC at not more than 20% of the total amount of the royalty fee due in each one (1) year period (see Note 13).



On February 10, 2023, as the closing conditions of the SPA were complied, the DOAS between the Parent Company and the Sellers were completed, and all the rights as shareholder were transferred to the Parent Company from the Sellers. The Parent Company took control of AAMRC on the said date.

The transaction was accounted for as an asset acquisition. The fair value of the consideration as at February 10, 2023, acquisition date, amounted to US\$81.50 million or ₱3.89 billion. The amounts recognized as at February 10, 2023 for each major class of AAMRC's identifiable assets and liabilities are as follows:

<b>Assets</b>	
Cash	₱125,977
Advances for royalties (Note 13)	1,678,145,664
Mining rights (Note 11)	3,968,852,322
<b>Total assets</b>	<b>5,647,123,963</b>
<b>Liabilities</b>	
Accounts payables	78,069,812
Due to Parent Company*	1,678,145,664
<b>Total liabilities</b>	<b>1,756,215,476</b>
<b>Net assets acquired</b>	<b>₱3,890,908,487</b>

\*Eliminated at consolidated financial statements.

On February 10, 2024, the Parent Company paid US\$19.00 million to the Sellers in relation to the SPA entered on December 5, 2022.

On February 29, 2024, the Parent Company made additional advance payment to AAMRC for royalty amounting to US\$1.00 million or ₱56.34 million related to the royalty fee under JOA and credited against the future royalty fees due to PMDC (see Note 13).

On January 8, 2025 and December 18, 2025, the Parent Company made additional advance payment for royalty to PMDC amounting to ₱55.90 million and ₱58.79 million, respectively.

As at December 31, 2025 and 2024, the Parent Company has outstanding financial liability related to the asset acquisition as follows:

	2025		2024	
	In US\$	In PhP	In US\$	In PhP
Current	US\$16,943,939	₱996,134,176	US\$16,000,913	₱925,572,825
Noncurrent	19,767,649	1,162,140,082	37,556,902	2,172,478,970
	<b>US\$36,711,588</b>	<b>₱2,158,274,258</b>	<b>US\$53,557,815</b>	<b>₱3,098,051,795</b>

The Parent Company's payment of financial liability in 2025 and 2024 amounted to ₱1.10 billion.

In 2025 and 2024, accretion expense recognized related to the financial liability amounted to ₱126.40 million and ₱178.97 million, respectively (see Note 26).



### Status of Operations

Significant developments in the Parent Company's and its subsidiaries' (collectively referred to as the "Group") operations are as follows:

a. Mining

#### *Maco Mines*

The Parent Company's Maco Mine holds valid and subsisting Mineral Production Sharing Agreements (MPSA) No. 225-2005-XI covering 679.02 hectares and MPSA No. 234-2007-XI covering 1,558.50 hectares situated in Maco, Davao de Oro, which have terms of 25 years from the effective date.

#### *ISO Certification*

The Maco mine has three (3) certifications:

- ISO 9001:2015 for Quality Management System;
- ISO 14001:2015 for Environmental Management System; and
- ISO 45001:2018 for Occupational Health and Safety Management Systems

The scope of the certifications includes exploration underground mining, milling, and recovery of gold and silver using carbon-in-leach process, mine waste and mill trails management, and all support services, subject to satisfactory results of annual audits.

#### *Itogon and Suyoc Mines*

ISRI, an entity incorporated in the Philippines, is the holder of four (4) Patented Mineral Claims covering the Sangilo Mine in Itogon, Benguet and MPSA No. 152-2000-CAR covering the Suyoc Mine in Mankayan, Benguet.

The Sangilo Mine has completed the rehabilitation and refurbishment of its mining and milling facilities and declared the commencement of its commercial operation on July 31, 2020 at 200 tonnes per day (TPD), while the Suyoc Mine continues its resource validation and exploration.

On May 19, 2022, Sangilo Mine was granted an amended Environmental Compliance Certificate (ECC) with increased operating capacity of 500 tonnes per day (TPD).

Both the Sangilo and Suyoc mines are ISO 14001-2015 certified for environmental management system granted by TÜV Rheinland Philippines Inc., approved on March 31, 2020. The ISO certification is valid until March 30, 2023. After the expiration of the ISO 14001-2015 certification, ISRI decided to upgrade to Integrated Management System wherein three (3) certifications were granted by NQA Philippines, Inc., namely ISO 14001-2015 Environmental Management System, ISO 9001-2015 Quality Management System, and 45000-2018 Occupational Health & Safety Management System. These certifications were approved on May 30, 2023, and are valid until May 30, 2026. Sangilo mine certifications are for the mining and processing of gold and silver ore, while the Suyoc mine is for the exploration of gold and silver ore.

#### *Paracale Gold Project*

Paracale Gold Limited (PGL), through its subsidiary, Bulawan Mineral Resources Corporation (BMRC), oversees eight (8) mining tenements both directly and thru a Royalty Agreement with Option to Purchase (RAWOP) arrangements. These tenements are located across different areas of Jose Panganiban, Paracale, and Labo in Camarines Norte.



On February 14, 2025, two of these tenements—EP-006-2008-V and EP-007-2008-V—were granted the second renewal. Additionally, four (4) other tenements—EXPA-000102-A-V, EXPA-000237-V, EXPA-000251-V, and EXPA-000253-V—have been endorsed to the Mines and Geosciences Bureau (MGB) Central Office for final evaluation before their conversion into Exploration Permits. For EXPA-0000254-V, BMRC has yet to secure area clearance from the Tourism Department prior to its conversion. On December 12, 2025, EXPA 000237-V has been converted into an exploration permit, EP 030-2025-V. As of December 31, 2025, 4 tenements have been endorsed to MGO CO – EXPA-00236-V (former APSA 20-V), EXPA-00102-V-A, EXPA-000253-V (former AMPSA-V-095) and EXPA-000251 (former AMPSA-V-096).

In November 2024, EXPA-000236-V (formerly APSA-0020), where the Coral Resources Philippines, Inc. (CRPI) Gold Processing Plant site is located, was reinstated to BMRC and is expected to undergo conversion process into Exploration Permit. In 2025, CRPI was granted a mineral processing permit effective July 1, 2025 until July 1, 2030.

Meanwhile, CRPI which owns and operates a Mineral Processing Plant, pursued the issuance of a Mineral Processing Permit (MPP) by the MGB Regional Office V, following approval of the required Environmental Protection and Enhancement Program (EPEP), Final Mine Rehabilitation and Decommissioning Plan (FMRDP), Social Development and Management Program (SDMP), and Feasibility Study.

PGL has likewise authorized small-scale mining activities within EXPA-000236-V through a Minahang Bayan declaration, with Mambulao Miner Mining & Quarrying Services (MMMQS) as proponent. With the approval of their Small-Scale Mining Contract and ECC in November 2024, MMMQS with PGL's assistance has embarked on the conduct of mining activities.

#### *Mongolia Project*

The Khar At Uui Gold Project is registered under the joint venture company Erdeneminas LLC, which is owned 51% by Minas de Oro Mongol LLC (Minas), a wholly-owned subsidiary of MORE, and 49% by Erdenejas LLC, a Mongolian mining company. The project is under continued care and maintenance.

#### *Sierra Leone and Uganda Projects*

The Gori Hills Project located in the Republic of Sierra Leone in West Africa is owned 90% by MORE through Monte Oro Mining Co., Ltd. (MOMCL) which holds the tenements for the project, and MORE Minerals SL (MMSL), previously engaged in artisanal mining and gold trading. In 2021, it received a notice that its tenement license was revoked by the National Mineral Agency.

MORE has an interest in the Gold Mines of Uganda Ltd. (GMU) in the form of advances made to the latter. GMU owns significant gold related assets and gold resources in Uganda. GMU and MORE has a Memorandum of Agreement (MoA) whereby both parties agreed to combine their mineral interests in Africa and work towards creating a mining company that will be listed and marketed to international investors, and to enable GMU raise capital funding through the listing. As of the report date, the MoA is not yet consummated between both parties.

The two (2) licenses of Uganda project were renewed on September 9, 2020 with a tenure of three (3) years subject to a 4-year extension. The fundraising activities of GMU was not successful and it has suspended operations.



*Myanmar Project*

The Modi Tuang Gold Project is located in the Yementhin Township, Mandalay Division, South East of Mandalay and North of Yangon, Myanmar. The project is controlled by National Prosperity Gold Production Group Ltd. (NPGPGL) in which the Group has a 3.92% equity interest. As at December 31, 2025, the operation is still suspended due to dispute with the Myanmar government on the license terms.

*North Davao Project*

The North Davao Project is located in the Municipalities of Maco, Mabini, Maragusan, Nabunturan and Mawab, all in Davao De Oro Province, Philippines and is covered by the application for FTAA denominated as AFTA 14-X1. By virtue of the JOA with PMDC, AFTA 14-XI was assigned to AAMRC with the approval of DENR-MGB.

Pursuant to a 1-year Authority to Verify Minerals (ATVM), AAMRC has conducted exploration and verification activities in the project area.

In 2025, AAMRC completed the validation of remaining North Davao Mining Corporation (NDMC) reserves in Amacan, resulting in updates to the project's resource base and supporting improvements in geological confidence and overall project assessment. Validation work in Hijo was also completed, with further exploration required to support formal resource estimation.

During the year, AAMRC concluded community assemblies across all 24 barangays covered by AFTA-000014-XI as part of the Free, Prior and Informed Consent (FPIC) process. Baseline studies for the Environmental Impact Assessment (EIA) were likewise finalized to support the application for an ECC. Following the expiration of the ATVM in April 2025, permitting efforts focused on securing the remaining regulatory approvals in preparation for planned project development in late 2026.

b. Oil and Gas

On April 6, 2022, Forum (GSEC 101) Ltd. (Forum) received a directive from the Department of Energy (DOE) to put on hold all exploration activities for SC 72 until such time that the Security, Justice, and Peace Coordinating Cluster (SJGCC) has issued the necessary clearance to proceed. Forum immediately complied with the directive by suspending its activities in SC 72.

In its April 8, 2022 reply to the DOE, Forum expressed willingness to resume activities immediately. However, Forum also stated that if no written confirmation from the DOE is received by April 10, 2022 that Forum can resume its activities on April 11, 2022, Forum will consider the suspension of work issued by the DOE to be indefinite and a *force majeure* event that will entitle Forum to be excused from the performance of its respective obligations and to the extension of the exploration period under SC 72.

In the absence of any letter from the DOE informing Forum to resume operations, Forum submitted a letter to the DOE on April 11, 2022 affirming a declaration of *force majeure* under SC 72 beginning April 6, 2022. Forum then undertook the termination of its service and supply agreements with several contractors. In the same letter, Forum stated that it is entitled to an extension of the period for exploration under SC 72 due to the recent declaration of *force majeure*.



On October 11, 2022, in response to Forum's letter dated April 11, 2022, the DOE granted the following:

- i. Declaration of *force majeure* for SC 72 from April 6, 2022 until such time as the same shall be lifted by the DOE;
- ii. The total expenses that were incurred as a result of the DOE directive to suspend SC 72 activities will be part of the approved recoverable costs, subject to DOE audit, and
- iii. The suspension has nullified all the work done since the lifting of *force majeure* on October 14, 2020. Hence, SC 72 shall, in addition to the period in item 1 above, be entitled to an extension of the exploration period corresponding to the number of days that the contractors actually spent in preparation for the activities that were suspended by the suspension order issued by the DOE on April 6, 2022 (the Extension).

On November 22, 2022, Forum filed a reply letter with respect to item iii, seeking confirmation that the Extension will also cover all the time spent on all activities that are related or connected to, in support of, or necessary or desirable to enable Forum to perform its obligations and work commitments under SC 72. These include the time spent in planning the procurement of goods and services, securing permits and approvals, coordination with JV partners and the DOE, the time spent by external consultants doing work on behalf of SC 72, etc. In 2022, total cancellation fees capitalized as deferred oil and gas exploration cost as a result of the *force majeure* declaration amounted to ₱13.8 million.

On March 20, 2023, the DOE further affirmed that the entire period from when the *force majeure* was lifted to when it was re-imposed (October 14, 2020 to April 6, 2022) will be credited back to SC 72. Consequently, once the *force majeure* is lifted, Forum will have 20 months to drill the two (2) commitment wells. While the consortium has expressed its readiness to drill the commitment wells the government approval of the same has yet to be secured. The Service Contract remains under Moratorium in 2025.

On November 21, 2025, the DOE approved SC 72 2026 WP&B that Forum submitted on October 27, 2025. The approved WP&B classified only general and administrative expenses and SC payments as firm budgets. The implementation of the SP 2 work commitment comprising the drilling of two (2) wells, will be contingent upon the lifting of the *force majeure* imposed by the DOE in April 2022.

c. Solid Waste Management

MORE owns 52% of International Cleanenvironment Systems, Inc. (ICSI) which has a Build-Operate-Transfer (BOT) contract with the Philippine government through the Department of Environment and Natural Resources (DENR) to manage, rehabilitate, and introduce ecologically friendly technologies for waste disposal, recycling and energy generation which agreement is yet to be put in operation. As of date, ICSI has not yet commenced its commercial operation (see Note 12).

Authorization to issue the Consolidated Financial Statements

The accompanying consolidated financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, were authorized for issuance by the Parent Company's Board of Directors (BOD) on March 17, 2026.



## 2. Basis of Preparation, Statement of Compliance and Material Accounting Policy Information

### Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for inventories which are valued at lower of cost and net realizable value and property, plant, and equipment, which are carried at revalued amounts, and for financial assets measured at FVOCI. The consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.

### Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31 of each year. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

The Parent Company's principal subsidiaries and their nature of business, country of incorporation and effective percentage of ownership are as follows:

	Nature of business	Country of incorporation	Effective percentage of ownership	
			2025	2024
ISRI	Mine exploration and development, and gold trading	Philippines	<b>100.00</b>	100.00
AAMRC	Mine exploration and development, and gold and copper trading	Philippines	<b>100.00</b>	100.00
MORE	Mine and oil exploration and development	Philippines	<b>100.00</b>	100.00
MORE's Subsidiaries:				
Minas	Mine exploration and development, and gold trading	Mongolia	<b>100.00</b>	100.00
PGL	Mine exploration and development	Isle of Man	<b>100.00</b>	100.00
CRPI*	Mine exploration and development	Philippines	<b>100.00</b>	100.00
BMRC*	Mine exploration and development	Philippines	<b>100.00</b>	100.00
MMSL	Mine exploration and development, and gold trading	Sierra Leone	<b>90.00</b>	90.00
MOMCL	Mine exploration and development, and gold trading	Sierra Leone	<b>90.00</b>	90.00
ICSI	Solid waste management	Philippines	<b>52.00</b>	52.00

\*Indirect ownership through PGL

### New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.



The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

#### Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements.

#### *Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

#### *Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

#### *Deferred effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

#### Material Accounting Policy Information and Financial Reporting Policies

##### Presentation of Consolidated Financial Statements

The Group has elected to present all items of recognized income and expenses in two statements: a statement displaying components of profit or loss in the consolidated statements of income and a second statement beginning with profit or loss and displaying components of OCI in the consolidated statements of comprehensive income.

The financial statements of the foreign subsidiaries are translated at closing exchange rates with respect to the consolidated statement of financial position and the average exchange rates for the year with respect to the consolidated statement of income. Resulting translation differences are included in equity under “currency translation adjustment on foreign subsidiaries” and consolidated statement of comprehensive income. Upon disposal of the foreign subsidiaries, accumulated exchange differences are recognized in the consolidated statement of income as a component of the gain or loss on disposal.



### Financial Instruments - Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

##### *Initial Recognition and Measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely for payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

As at December 31, 2025 and 2024, the Group has no financial assets at FVTPL.

##### *Subsequent Measurement*

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

##### *Financial Assets at Amortized Cost (Debt Instruments)*

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding. The details of these conditions are outlined below:

##### *Business Model Assessment*

The Group determined the business model at the level that best reflects how it manages its financial assets to achieve business objective.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.



*The SPPI test*

The Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are SPPI on the amount outstanding. In such cases, the financial assets are required to be measured at FVTPL.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group’s financial assets at amortized cost include cash with banks and cash equivalents, trade and other receivables, advances to related parties, advance to GMU, mine rehabilitation fund (MRF), and nontrade receivable under “Other noncurrent assets”.

*Financial Assets Designated at FVOCI (Equity Instruments)*

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial Liabilities

*Initial Recognition and Measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables.

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

This category includes the Group’s trade and other payable, accrued liabilities, financial liability and loans payable.



### *Subsequent Measurement*

After initial recognition, payables are subsequently measured at amortized cost using the EIR method.

### Impairment of Financial Assets

The Group recognizes an allowance for ECLs for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For other receivables (not subject to provisional pricing) due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by PFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognizes a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For any other financial assets carried at amortized cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one (1) year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.



## Derecognition of Financial Assets and Financial Liabilities

### *Financial Assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group’s continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on asset measured at fair value, the extent of the Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

### *Financial Liabilities*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statements of income.

## Offsetting of Financial Instruments

Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to set off the recognized amounts and the Group intends to either settle on a net basis, or to realize the asset and the liability simultaneously.

The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

## Fair Value Measurement

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 29.



Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

### Business Combinations

#### *Acquisition Method*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition-date fair value, and any resulting gain or loss is recognized in the consolidated statement of income. It is then considered in the determination of goodwill or gain from acquisition.



Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the fair value of the identifiable net assets acquired and liabilities assumed. Any excess of the fair values of the net assets acquired over the aggregate consideration transferred, after reassessment of identification of all the assets acquired and liabilities assumed, then the gain is recognized in the consolidated statement of income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is subject to impairment testing annually.

#### *Asset Acquisitions*

If an acquisition of an asset or group of assets does not constitute a business, the Group shall identify and recognize the individual assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible asset in PAS 38, *Intangible Assets*) and liabilities assumed. The acquisition cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the acquisition date. Such transaction or event does not give rise to goodwill.

#### Inventories

Inventories, which consist of gold and silver bullions, gold buttons, metals in-circuit, ore stockpile, and materials and supplies used in the Group's operations are physically measured or estimated and valued at the lower of cost and net realizable value (NRV). Cost is the purchase cost (including those incurred in bringing each product to its present location and condition) and is determined using the moving average method. NRV is the estimated future sales price of the product that the entity expects to realize when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

#### *Mine Products Inventory*

Gold and silver bullion pertains to dore, a mixture of gold and silver in cast bar. Metals in-circuit pertain to ores that were already fed to the mill and have undergone crushing and milling but are still in process for subsequent smelting to produce dore bullion. Ore that have been mined but are yet to undergo milling are classified as ore stockpile.

#### *Materials and Supplies*

Materials and supplies inventories are held for use in production of gold and silver bullion. It comprise all costs of purchase and other costs incurred in bringing the materials and supplies to their present location and condition. Materials and supplies inventories are written down if the cost of gold and silver bullion is expected to exceed its NRV.

#### Leases

##### *Determination of Whether an Arrangement Contains a Lease*

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

##### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases that are considered of low value lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.



### Property, Plant, and Equipment

Following initial recognition at cost, property, plant and equipment is carried at revalued amounts, which represent fair value at date of revaluation less any subsequent accumulated depreciation, depletion and impairment losses.

The initial cost of property, plant and equipment comprises the purchase price or construction cost, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the property, plant and equipment to its working condition and location for its intended use. Such cost includes the cost of replacing parts of such property, plant and equipment, if the recognition criteria are met. All other repairs and maintenance are charged to current operations during the financial period in which these are incurred.

Valuations are performed frequently enough to ensure that the fair value of a revalued property, plant and equipment does not significantly differ from its carrying amount. Any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount. The increase of the carrying amount of an asset as a result of a revaluation is credited directly to OCI, unless it reverses a revaluation decrease previously recognized as an expense, in which case it is credited in profit or loss. A revaluation decrease is charged directly against any related revaluation surplus, with any excess being recognized as an expense in profit or loss.

Deferred income tax is provided on the temporary difference between the carrying amount of the revalued property, plant and equipment and its tax base. Any taxable temporary differences reflect the tax consequences that would follow from the recovery of the carrying amount of the asset through sale (non-depreciable assets) and through use (depreciable assets), using the applicable tax rate.

Each year, the Group transfers, from the revaluation surplus reserve to retained earnings, the amount corresponding to the difference, net of tax, between the depreciation and depletion charges calculated based on the revalued amounts and the depreciation charge based on the assets' historical costs.

Construction in-progress is stated at cost, which includes cost of construction and other direct costs less any impairment in value. Construction in-progress is not depreciated nor depleted until such time as the relevant assets are completed and put into operational use.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

<u>Type of Asset</u>	<u>Estimated Useful Life in Years</u>
Buildings and improvements	5 to 33
Mining and milling equipment	5 to 20
Power equipment	10 to 13
Roads and bridges, and land improvements	2 to 19
Exploration equipment and others	3 to 15

The assets' estimated residual values, estimated recoverable reserves and useful lives are reviewed and adjusted, if appropriate, at each reporting end of the reporting period.

Property, plant and equipment are depreciated or depleted from the moment the assets are available for use and after the risks and rewards are transferred to the Group. Depreciation and depletion cease when the assets are fully depreciated or depleted, or at the earlier of the period that the item is classified as held-for-sale (or included in the disposal group that is classified as held-for-sale) in



accordance with PFRS 5, *Noncurrent Assets Held-for-Sale and Discontinued Operations*, and the period the item is derecognized.

#### *Development Costs and Mine and Mining Properties*

When it has been established that a mineral deposit is commercially mineable, development sanctioned, and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), amounts previously carried under deferred exploration costs are tested for impairment and transferred to mine development costs.

Subsequent expenditures incurred to develop a mine on the property prior to the start of mining operations are stated at cost and are capitalized to the extent that these are directly attributable to an area of interest or those that can be reasonably allocated to an area of interest, which may include costs directly related to bringing assets to the location and condition for intended use, less any impairment in value. These costs are capitalized until assets are already available for use or when the Group has already achieved commercial levels of production at which time, these costs are transferred to mine and mining properties.

Commercial production is deemed to have commenced when management determines that the completion of operational commissioning of major mine and plant components is completed, operating results are being achieved consistently for a period of time and that there are indicators that these operating results will be continued.

Depreciation of equipment used in exploration are part of deferred exploration costs.

Upon start of commercial operations, mine development costs are transferred as part of mine and mining properties. These costs are subject to depletion, which is computed using the units-of-production method based on proven and probable reserves. Mine and mining properties include the initial estimate of provision for mine rehabilitation and decommissioning.

Mine development costs, including construction in-progress incurred from an already operating mine area, are stated at cost and included as part of mine and mining properties. These pertain to expenditures incurred in sourcing new resources and converting them to reserves, which are not depleted or amortized until such time as these are completed and become available for use.

The carrying value of mine and mining properties transferred from mine development costs represents total expenditures incurred to date on the area of interest.

Any proceeds from sale of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management shall be recognized in profit or loss.

The Group applies the cost model in accounting for mine development costs and mine and mining properties.

#### Deferred Exploration Costs

Expenditures for mine and oil exploration work prior to drilling are charged to the consolidated statement of income. Deferred exploration costs represent capitalized expenditures related to the acquisition and exploration of mine and mining properties, including acquisition of property rights, which are stated at cost and are accumulated in respect of each identifiable area of interest, less any impairment in value.



The Group classifies deferred exploration costs as tangible or intangible according to the nature of the asset acquired or cost incurred and applies the classification consistently. Certain deferred exploration costs are treated as intangible (e.g., license and legal fees), whereas others are tangible (e.g., submersible pumps). To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is part of the cost of the intangible asset. However, using a tangible asset to develop an intangible asset does not change a tangible asset into an intangible asset.

Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

#### Intangible Assets

Intangible assets, which consist of acquired computer software licenses and other licenses, are capitalized on the basis of the costs incurred to acquire and bring to use the said software. These costs are amortized on a straight-line basis over their estimated useful lives of 3 to 25 years.

Intangible assets of the Group also include franchise cost for the implementation of the solid waste management project.

#### Other Noncurrent Assets

Other noncurrent assets include cash advances to third parties, input VAT, deposits, MRF, national transmission lines, and advances for royalties of the Group. These are carried at historical cost and classified as noncurrent since the Group expects to utilize these assets beyond 12 months from the end of the reporting period.

#### *Value-added Tax (VAT)*

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

#### Impairment of Nonfinancial Assets

##### *Property, Plant and Equipment, Intangible Assets, and Nonfinancial Other Current and Noncurrent Assets*

The Group assesses at each reporting date whether there is an indication that property, plant and equipment, intangible assets, and nonfinancial other current and noncurrent assets may be impaired when events or changes in circumstances indicate that the carrying values of the said assets may not be recoverable. If any such indication exists and if the carrying value exceeds the estimated recoverable amount, the assets or CGUs are written down to their recoverable amounts. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the consolidated statement of income in those expense categories consistent with the function of the impaired asset.



An assessment is made at each end of the reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, depletion and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation, depletion and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

The Group also provides allowance for impairment losses on mine and mining properties when these can no longer be realized. A valuation allowance is provided for unrecoverable costs of mine and mining properties based on the Group's assessment of the future prospects of a project. Full provision is made for the impairment unless it is probable that such costs are expected to be recouped through successful mine operations of the area of interest, or alternatively, by its sale. If the project does not prove to be viable or is abandoned, all revocable costs associated with the project and the related impairment provisions are written off.

#### *Deferred Exploration Costs*

An impairment review is performed when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, in the reporting period in which this is determined. Deferred exploration costs are carried forward provided that at least one of the following indicators is met:

- such costs are expected to be recouped in full through successful exploration of the area of interest or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations, in relation to the area, are continuing, or planned for the future.

#### Interest in Joint Arrangements

PFRS Accounting Standards defines a joint arrangement as an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

#### *Joint Operations*

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement.

In relation to its interests in joint operations, the Group recognizes its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly



#### Provision for Mine Rehabilitation and Decommissioning

Mine rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities and mine properties. The Group assesses its mine rehabilitation provision at each reporting date. The Group recognizes a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes dismantling and removing structures; rehabilitating mines and tailings dams; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming, and revegetating affected areas. The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the mining operation's location.

When the liability is initially recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Any rehabilitation obligations that arise through the production of inventory are recognized as part of the related inventory item. Additional disturbances which arise due to further development/construction at the mine are recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Costs related to restoration of site damage (subsequent to start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognized in profit or loss as extraction progresses.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognizing an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognized as part of an asset measured in accordance with PAS 16, *Property, Plant and Equipment*. Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statements of income. If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. For mature mines, if the estimate for the revised mine assets net of rehabilitation provision exceeds the recoverable value, that portion of the increase is charged directly to expense. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.

The periodic unwinding of the discount is recognized in profit or loss as part of finance costs. For closed sites, changes to estimated costs are recognized immediately in profit or loss.

#### Retirement Benefits Costs

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.



Defined benefit costs comprise the following:

- service cost
- net interest on the net defined benefit liability or asset
- remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which these arise. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements recognized in OCI after the initial adoption of Revised PAS 19 are not closed to any other equity account.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can these be paid directly to the Group. Fair value of plan assets is based on market price information.

When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditures required to settle a defined benefit obligation is recognized as a separate asset at fair value when, and only when, reimbursement is virtually certain.

#### Treasury Shares

Treasure shares pertain to the Parent Company's own shares that are held by MORE.

#### Earnings Per Share

##### *Basic*

Basic earnings per share is calculated by dividing the consolidated net income attributable to ordinary stockholders of the Parent Company by the weighted average number of common shares outstanding during the year, excluding common shares purchased by the Parent Company and held as treasury shares.



### *Diluted*

Diluted earnings per share is calculated by dividing the consolidated net income attributable to ordinary stockholders of the Group by the weighted average number of common shares outstanding, adjusted for any stock dividends declared during the year plus weighted average number of ordinary shares that would be issued on the conversion of all potentially dilutive common shares during the period.

### Revenue Recognition from Mine Products

The Group sends its unrefined dore to a refiner for processing into marketable metals. While it has possession of the materials, control does not automatically transfer to the refiner, unless the Group elects that the material is for sale to the refiner when a deal confirmation is drawn for the details of the sale (e.g., metal contents and the London Bullion Market Association (LBMA) prices to be applied), which confirmation is considered as the enforceable contract between them. Control passes to the buyer refiner upon deal confirmation is drawn, at which point revenue is recognized. For transactions involving a Bill-and-Hold arrangement, the Group recognizes revenue once the risks and rewards of ownership have transferred to the buyer. This occurs when: (1) it is probable that delivery will be made; (2) the goods are on hand, identified and ready for delivery to the buyer at the time the revenue is recognized; (3) the buyer specifically acknowledges the deferred delivery instructions; and (4) usual payment terms apply.

### *Interest Income*

Interest income is recognized as the interest accrues using the EIR method.

### Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs and expenses are recognized in the consolidated statement of income in the period these are incurred.

### *Cost of Production*

Cost of production is recognized when incurred in the normal course of business. It is comprised mainly of mining and milling costs, contracted services, depreciation, depletion and amortization, personnel costs, power and utilities, rentals, marketing and others, which are provided in the period when the goods are delivered.

### *Excise Taxes*

Excise taxes pertain to the taxes due from the Group for its legal obligation arising from its mine products. Excise taxes are recognized upon extraction of the mineral ore.

### *General and Administrative Expenses*

General and administrative expenses pertain to costs associated in the general administration of the day-to-day operations of the Group. These are recognized when incurred.

### Borrowing Cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Capitalization of borrowing costs commences when the activities to prepare the assets are in-progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recorded.



When funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. When surplus funds are temporarily invested, the income generated from such temporary investment is deducted from the total capitalized borrowing costs.

When the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period. All other borrowing costs are recognized in the consolidated statement of income in the period in which these are incurred.

### Income Taxes

#### *Current Income Tax*

Current income tax liabilities for the current and prior year periods are measured at the amount expected to be paid to the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the financial reporting date.

#### *Deferred Income Tax*

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

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, carry-forward benefits of unused net operating loss carry-over (NOLCO) and excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) to the extent that it is probable that sufficient future taxable income will be available against which the deductible temporary differences, unused NOLCO and excess of MCIT over RCIT can be utilized.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that the sufficient future taxable income will allow the deferred income tax assets to be recovered.

Deferred income tax assets are measured at the tax rate that is expected to apply to the period when the asset is realized based on tax rate and tax laws that has been enacted or substantively enacted as at the reporting date.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of income.

#### *Uncertainty over income tax treatments*

The Group assesses at the end of each reporting period whether it has any uncertain tax treatments by reviewing the assumptions about the examination of tax treatments by the taxation authority, determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, and considering changes in relevant facts and circumstances. The Group then evaluates how likely is it that a certain tax treatment will be accepted by the taxation authority. If it is probable that the



taxation authority will accept a certain tax treatment, the Group concludes that it has no uncertain tax treatment and will measure tax amounts in line with the income tax filings.

If it is not probable that the taxation authority will accept a certain tax treatment, the Group measures tax amounts based on the 'most likely amount' method (better predicts uncertainty if the possible outcomes are binary or are concentrated on one value) or 'expected value' method (better predicts uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value). The Group presents uncertain tax liabilities as part of current tax liabilities or deferred tax liabilities.

#### Operating Segments

The Group's operating businesses are recognized and managed according to the nature of the products or services offered, with each segment representing a strategic business unit that serves different markets.

Segment assets include operating assets used by a segment and consist principally of operating cash, trade and other receivables, deferred exploration cost, and property, plant and equipment, net of allowances and provisions.

Segment liabilities include all operating liabilities and consist principally of trade and other payables and accrued expenses.

Segment revenue, expenses and profit include transfers between business segments. The transfers are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in the consolidation.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the President and Chief Executive Officer of the Parent Company who makes strategic decisions.

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### **3. Summary of Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcome can differ from these estimates.

#### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those including estimations and assumptions, which have the most significant effect on the amount recognized in the consolidated financial statements.



#### *Identifying a Business Combination*

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process together significantly contribute to the ability to create outputs.

If the assets acquired and liabilities assumed constitute a business, the Group shall recognize the identifiable assets acquired and liabilities assumed at their fair values at acquisition date. Any excess of acquisition cost over the fair values of the assets acquired and liabilities assumed is recognized as goodwill (otherwise as gain from a bargain purchase).

If the assets acquired and liabilities assumed does not constitute a business, the Group shall recognize acquisition cost that shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the acquisition date. No goodwill is recognized.

The Group has determined that the assets acquired and liabilities assumed from the acquisition of AAMRC did not constitute a business (see Note 1).

#### *Determination and Classification of a Joint Arrangement*

Judgment is required to determine when the Group has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement. Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement.

Specifically, the Group considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:
  - a. The legal form of the separate vehicle
  - b. The terms of the contractual arrangement
  - c. Other facts and circumstances (when relevant)

This assessment often requires significant judgment, and a different conclusion on joint control and whether the arrangement is a joint operation or a joint venture, may materially impact the accounting treatment for each assessment.

The Group is a member of SC 72 consortium which is entered into with the Philippine Government through a service contract. As at December 31, 2025 and 2024, the Group's joint arrangement is in the form of joint operation.

#### Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainties at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

#### *Provision for ECL on Trade and Other Receivables, Advances to Related Parties, Advances to GMU, Advances for Land Acquisition and Nontrade Receivable*

The Group uses the general approach model as impairment requirement of PFRS 9 based on ECL. An assessment of the ECL relating to trade and other receivables, advances to related parties, advances to



GMU and nontrade receivable under “Other noncurrent asset” is undertaken upon initial recognition and each financial year by examining the financial position of the related party and counter party and the market in which the related party and counter party operate applying the general approach of the ECL impairment model of PFRS 9. The general approach of the ECL impairment model involves exercise of significant judgment. Key areas of judgment include: defining default; determining assumptions to be used in the ECL model such as timing and amounts of expected net recoveries from defaulted accounts; debtor’s capacity to pay, and incorporating forward-looking information in calculating ECL.

Total carrying value of trade and other receivables, advances to related parties, advances to GMU, advances for land acquisition and nontrade receivable amounted to ₱2.61 billion and ₱1.27 billion as at December 31, 2025 and 2024, respectively. These are net of allowance for impairment losses amounting to ₱303.16 million as at December 31, 2025 and 2024 (see Notes 5, 13, and 15).

#### *Estimation of Allowance for Inventory Losses and Obsolescence*

The Group maintains an allowance for inventory losses and obsolescence at a level considered adequate to reflect the excess of cost of inventories over their NRV. NRV of inventories are assessed regularly based on prevailing estimated selling prices of inventories and the corresponding cost of disposal. Increase in the NRV of inventories will increase cost of inventories but only to the extent of their original acquisition costs.

As at December 31, 2025 and 2024, the carrying amounts of inventories amounted to ₱1.29 billion and ₱1.55 billion, respectively, net of allowance for inventory losses and obsolescence amounting to ₱153.87 million and ₱149.11 million, respectively (see Note 6). In 2025 and 2024, the Group recognized provision for inventory losses and obsolescence amounting to ₱4.77 million and ₱101.40 million, respectively. While in 2023, the Group recognized reversal of allowance for inventory losses and obsolescence amounting to ₱37.32 million (see Note 6).

#### *Assessment of the Recoverability of Deferred Exploration Costs*

The application of the Group’s accounting policy for deferred exploration costs requires judgment in determining whether future economic benefits are likely, either from future exploitation or sale, or where activities have reached a stage that permits a reasonable assessment of the existence of mineral ore resources and/or reserves. The determination of a resource is itself an estimation process that has varying degrees of uncertainty depending on a number of factors, which estimate directly impacts the determination of how much ore reserves could eventually be developed to justify further investment in and capitalization of exploration expenditures. The capitalization policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether economically viable extraction operations can be established. Estimates and assumptions made may change if and when new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that recovery is unlikely, the amount capitalized is written off in profit or loss in the period when such new information becomes available.

In 2025, 2024 and 2023, the Group recognized provision for impairment losses amounting to ₱10.48 million, ₱2.89 million and ₱30.31 million, respectively (see Note 23).

As at December 31, 2025 and 2024, the carrying values of the deferred exploration costs amounted to ₱7.69 billion and ₱6.68 billion, respectively, net of allowance for impairment amounting to ₱622.39 million and ₱611.91 million, respectively (see Note 11).

#### *Estimation of Fair Values, Useful Lives and Residual Values of Property, Plant and Equipment*

The Group estimates the fair values, useful lives and residual values of property, plant and equipment based on the results of assessment of independent appraisers accredited by PSE and SEC. Fair values and estimated useful lives of the property, plant and equipment are reviewed periodically and are



updated if expectations differ from previous estimates due to physical wear and tear, technical and commercial obsolescence and other limits on the use of the assets.

Property, plant and equipment at revalued amounts as at December 31, 2025 and 2024 has net book values amounting to ₱19.43 billion and ₱15.12 billion, respectively, while property, plant and equipment at cost as at December 31, 2025 and 2024 has net book values amounting to ₱17.59 billion and ₱14.90 billion, respectively (see Note 10).

*Estimation of Depletion Rate*

Depletion rates used to amortize depletable mine and mining properties are annually assessed based on the latest estimate of recoverable ore reserves. The Group estimates its ore reserves in accordance with local regulatory guidelines provided under the Philippine Mineral Reporting Code, duly reviewed and certified by an external mining engineer.

Depletion rates used to amortize depletable mine and mining properties in 2025, 2024 and 2023 were 9%, 13%, and 11%, respectively. Depletion costs amounted to ₱302.42 million, ₱303.00 million and ₱412.54 million in 2025, 2024 and 2023, respectively. As at December 31, 2025 and 2024, the carrying values of depletable mine and mining properties amounted to ₱3.34 billion and ₱3.32 billion, respectively, net of accumulated depletion amounting to ₱5.12 billion and ₱4.82 billion, respectively (see Note 10).

*Estimation of Impairment of Nonfinancial Assets, including Property, Plant and Equipment, Intangible Assets, and Other Current and Noncurrent Assets*

The Group evaluates whether property, plant and equipment, intangible assets, and nonfinancial other current and noncurrent assets have suffered any impairment either annually or when circumstances indicate that related carrying amounts are no longer recoverable. The recoverable amounts of these assets have been determined based on either VIU or fair value, if said information is readily available. Estimation of VIU requires the use of estimates on cost projections, non-proprietary club shares, gold and silver prices, foreign exchange rates and mineral reserves, which are determined based on an approved mine plan, fluctuations in the market and assessment of either internal or third-party geologists, who abide by certain methodologies that are generally accepted within the industry. Fair value is based on the results of assessment done by independent appraisers engaged by the Group. The approach utilizes prices recently paid for similar assets with adjustments made to the indicated market price to reflect condition and utility of the appraised assets relative to the market comparable.

Aggregate net book values of property, plant and equipment, intangible assets, and nonfinancial other current and noncurrent assets amounted to ₱22.07 billion and ₱17.94 billion as at December 31, 2025 and 2024, respectively (see Notes 7, 10, 12, and 13).

These are subjected to impairment testing when impairment indicators are present. As at December 31, 2025 and 2024, allowance for impairment loss on property, plant and equipment amounted to ₱504.56 million and ₱504.14 million, respectively (see Note 10). Impairment loss recognized in 2025, 2024 and 2023 amounted to ₱0.42 million, nil, and nil, respectively (see Note 23).

As at December 31, 2025 and 2024, allowance for impairment loss on intangibles assets amounted to ₱192.20 million (see Note 12). No impairment loss was recognized in 2025, 2024 and 2023.

As at December 31, 2025 and 2024, allowance for impairment loss on nonfinancial other noncurrent assets amounted to ₱693.36 million and ₱408.42 million, respectively. Impairment loss recognized in 2025, 2024 and 2023 amounted to ₱284.94 million, ₱112.13 million and ₱153.19 million, respectively (see Note 23).



#### *Estimation of Provision for Retirement Benefits*

The costs of defined benefit retirement as well as the present value of the provision for retirement benefits are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, retirement benefit liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each end of the reporting period.

Retirement benefits costs amounted to ₱80.38 million, ₱70.67 million and ₱93.92 million in 2025, 2024 and 2023, respectively. Provision for retirement benefits amounted to ₱546.08 million, and ₱435.19 million as at December 31, 2025 and 2024, respectively. Benefits paid in 2025 and 2024 amounted to ₱7.47 million and ₱25.46 million, respectively (see Note 16).

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit retirement liability.

Further details about the assumptions used are provided in Note 16.

#### *Estimation of Provision for Mine Rehabilitation and Decommissioning*

The Group assesses its provision for mine rehabilitation and decommissioning annually. Significant estimates and assumptions are made in determining the provision as there are numerous factors that will affect it. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in discount rates, which uncertainties may result in future actual expenditure differing from the amounts currently provided. Changes to estimated future costs are recognized in the consolidated statement of financial position by adjusting the rehabilitation asset against the corresponding liability. The provision at the end of the reporting period represents management's best estimate of the present value of the future rehabilitation and other costs required.

The Parent Company's revised Final Mine Rehabilitation and/or Decommissioning Plan (FMRDP) was approved on April 20, 2021, which consists of revised estimated mine life from three (3) to 10 years and discount rate compared to the original FMRDP that was approved on March 13, 2017.

Accretion expense amounted to ₱0.99 million and ₱0.72 million in 2025 and 2024, respectively. Effect of change in estimate on provision for mine rehabilitation amounted to (₱0.28 million) and ₱0.91 million in 2025 and 2024, respectively. As at December 31, 2025 and 2024, the provision for mine rehabilitation and decommissioning amounted to ₱21.54 million and ₱20.83 million, respectively (see Note 17).

#### *Assessment of Realizability of Deferred Income Tax Assets*

The Group reviews the carrying amounts of deferred income taxes assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

As at December 31, 2025 and 2024, the Group recognized deferred tax asset related to retirement benefits, unrealized foreign exchange losses, and provision for mine rehabilitation amounting to ₱154.88 million and ₱188.84 million, respectively. As at December 31, 2025 and 2024, unrecognized deductible temporary differences amounted to ₱2.91 billion and ₱2.56 billion, respectively (see Note 27).



#### 4. Cash and Cash Equivalents

	2025	2024
Cash on hand	₱4,157,465	₱3,153,010
Cash with banks	3,319,734,149	3,189,393,077
Short-term deposits	8,739,010	8,612,240
	<b>₱3,332,630,624</b>	<b>₱3,201,158,327</b>

Cash with banks earn interest at the respective bank deposit rates. Short-term deposits are made for varying periods, usually of up to three (3) months, depending on the cash requirements of the Group.

Interest income arising from cash with banks and short-term deposits amounted to ₱1.95 million, ₱11.33 million, and ₱14.61 million in 2025, 2024 and 2023, respectively (see Note 23).

The Group has foreign currency-denominated cash amounting to US\$23.49 million and US\$36.94 million as at December 31, 2025 and 2024, respectively (see Note 28).

#### 5. Trade and Other Receivables

	2025	2024
Trade	₱2,324,596,229	₱1,229,808,874
Advances to officers and employees	26,282,594	36,198,345
Receivable from the government	178,660,455	-
Others	53,651,215	50,492,690
	<b>2,583,190,493</b>	<b>1,316,499,909</b>
Less provision for ECL	21,989,828	21,989,828
	<b>₱2,561,200,665</b>	<b>₱1,294,510,081</b>

Trade receivables are noninterest-bearing and are generally on less than 15 days' terms. These are related to precious metal refining and transportation agreement entered into by the Group with Heraeus Limited (Heraeus), a refining company based in Hong Kong (see Note 30).

The Group has foreign currency-denominated trade and other receivables amounting to US\$38.79 million and US\$20.85 million as at December 31, 2025 and 2024, respectively (see Note 28).

Advances to officers and employees pertain to cash advances that are subject to liquidation and/or salary deduction within 10 to 30 days.

Receivable from the government represents the Parent Company's approved claims for input VAT refund from the Bureau of Customs (BOC) which is expected to be collected within 12 months after the end of the financial reporting period.

Other receivables comprise of advances for social security claims and medical benefits of employees. These said advances will be settled by the employees once their claims or benefits have been received from the related agency.

The provision for ECL on other receivables amounted to ₱21.99 million as at December 31, 2025 and 2024. The Group did not recognize any additional provision nor reversal in 2025, 2024, and 2023.



## 6. Inventories

	2025	2024
Gold and silver bullions and buttons - at cost	<b>₱80,806,401</b>	₱244,580,700
Metals in-circuit - at cost	<b>48,458,029</b>	153,811,586
Ore stockpile - at cost	<b>15,135,109</b>	42,555,577
	<b>144,399,539</b>	440,947,863
Materials and supplies - at NRV	<b>1,298,605,375</b>	1,260,636,420
Less allowance for inventory losses and obsolescence	<b>153,872,572</b>	149,105,402
	<b>1,144,732,803</b>	1,111,531,018
	<b>₱1,289,132,342</b>	₱1,552,478,881

Cost of inventories recognized as part of cost of production amounted to ₱3.74 billion, ₱2.98 billion, and ₱2.36 billion in 2025, 2024 and 2023, respectively (see Note 21).

Cost of materials and supplies recognized as part of general and administrative expenses in 2025, 2024 and 2023 amounted to ₱7.90 million, ₱26.56 million, and ₱5.67 million, respectively (see Note 22).

Movements in allowance for inventory losses and obsolescence pertaining to materials and supplies are as follows:

	2025	2024	2023
Beginning balances	<b>₱149,105,402</b>	₱47,702,461	₱85,025,491
Provision	<b>4,767,170</b>	101,402,941	-
Reversal	-	-	(37,323,030)
Ending balances	<b>₱153,872,572</b>	₱149,105,402	₱47,702,461

## 7. Other Current Assets

	2025	2024
Advances to suppliers and contractors	<b>₱1,411,918,710</b>	₱997,651,736
Prepayments	<b>64,751,207</b>	45,705,398
Others	<b>44,287,561</b>	41,987,538
	<b>₱1,520,957,478</b>	₱1,085,344,672

Advances to suppliers and contractors comprise mainly of advance payments made by the Group relating to the services, materials, and supplies necessary in the operations. These are noninterest-bearing and will be realized through offsetting against future billings from suppliers and contractors.

Prepayments include licenses and premiums on insurance policies covering the Group's heavy equipment, vehicles, plant and employees and payments made for gold insurance

Others pertain to deposits made by the Group to non-bank entities including service professionals.



## 8. Assets Held-for-Sale

On May 27, 2022, Forum, on behalf of the SC 72 Joint Venture, and Nido Petroleum Philippines Pty Ltd (“Nido”), technical operator of SC 54 and SC 6B, signed a Term Sheet wherein Nido agreed to purchase most of the SC 72 long lead items (LLIs) such as wellheads, casings and accessories, conductor, drill bits, etc. for US\$2.9 million, to be paid in tranches within 12 months.

On June 10, 2022, a Sale and Purchase Agreement (SPA) was executed with Nido to formalize the transaction. Nido paid the first tranche amounting to US\$400 thousand in mid-June 2022. The second and third tranches amounting to US\$500 thousand each were paid on September 7 and October 7, 2022, respectively. The balance of US\$1.5 million due on or before June 10, 2023.

On November 25, 2022, Forum submitted a request to the DOE for approval to sell the LLIs, and which the latter approved on December 15, 2022. The proceeds from the sale of the LLIs will be deducted from the SC 72 historical costs, subject to DOE’s validation.

As at December 31, 2022, MORE’s 30% share in LLIs amounting to ₱48.51 million was classified as “Assets held-for-sale” in the consolidated statement of financial position, while initial payments received amounting to ₱23.42 million were recorded as part of “Trade and Other Payables”.

In May 2023, an amendment to SPA was signed, granting Nido an extension to settle the remaining balance of the purchase price. Following Nido’s full payment of the balance in October 2023, a Deed of Absolute Sale was executed, finalizing the transfer of ownership of LLIs to Nido.

## 9. Financial Assets Measured at FVOCI

Rollforward analysis of equity securities for the years ended December 31, 2025 and 2024 follow:

	2025	2024
Cost	<b>₱347,842,240</b>	₱347,842,240
Change in fair value of equity instrument		
financial assets:		
At the beginning of the year	<b>(340,842,240)</b>	(340,842,240)
Changes of fair value recognized in OCI	<b>(500,000)</b>	–
At the end of the year	<b>(341,342,240)</b>	(340,842,240)
	<b>₱6,500,000</b>	₱7,000,000

As at December 31, 2025 and 2024, financial assets at FVOCI pertains to MORE’s investment in National Prosperity Gold Production Group Ltd. (NPGPGL) and ISRI’s investment in Baguio Country Club (BCC) golf shares.

NPGPGL is a private entity in Myanmar, in which the Group holds a 3.92% ownership interest costing ₱344.64 million as at December 31, 2025 and 2024. The operations of NPGPGL were suspended due to dispute with the Myanmar government on the license terms. In 2018, the Group recognized remeasurement loss on the financial asset at FVOCI amounting to ₱344.64 million, thus as at December 31, 2025 and 2024, the fair value of the financial asset at FVOCI for MORE’s investment in NPGPGL amounted to nil. No dividend was recognized by MORE from NPGPGL in 2025 and 2024.

As at December 31, 2025 and 2024, the fair value of the financial asset at FVOCI of ISRI’s investment in BCC shares amounted to ₱6.50 million and ₱7.00 million, respectively.



10. Property, Plant and Equipment

	2025							
	Buildings and improvements	Mining and milling equipment	Power equipment	Roads and bridges, and land improvements	Exploration equipment and others	Mine and mining properties	Construction in-progress	Total
<b>At revalued amounts:</b>								
Balances at beginning of year	₱713,543,002	₱10,518,190,676	₱947,972,274	₱1,391,951,834	₱865,361,097	₱12,985,527,181	₱2,492,097,244	₱29,914,643,308
Additions	211,508,505	1,237,468,950	62,175,564	15,320,911	255,171,259	1,205,076,681	1,349,387,354	4,336,109,224
Capitalized borrowing cost (Note 18)	–	–	–	–	–	47,479,948	10,316,109	57,796,057
Capitalized depreciation (Note 24)	–	–	–	–	–	113,906,406	–	113,906,406
Reclassifications from construction in-progress	69,057,895	238,861,841	79,401,342	11,369,750	18,862,603	–	(417,553,431)	–
Revaluation	186,144,404	456,124,123	22,071,903	876,176,375	80,223,936	–	–	1,620,740,741
Disposals and write-off	–	(3,744,500)	–	–	(5,634,728)	–	–	(9,379,228)
<b>Balances at end of year</b>	<b>1,180,253,806</b>	<b>12,446,901,090</b>	<b>1,111,621,083</b>	<b>2,294,818,870</b>	<b>1,213,984,167</b>	<b>14,351,990,216</b>	<b>3,434,247,276</b>	<b>36,033,816,508</b>
<b>Accumulated depreciation and depletion:</b>								
Balances at beginning of year	422,487,683	6,900,468,570	710,614,605	932,775,601	507,759,189	4,816,796,664	–	14,290,902,312
Depreciation and depletion (Note 24)	91,208,788	1,115,803,404	75,039,383	117,084,110	115,572,173	302,415,367	–	1,817,123,225
Disposals and write-off	–	(3,744,500)	–	–	(5,595,965)	–	–	(9,340,465)
<b>Balances at end of year</b>	<b>513,696,471</b>	<b>8,012,527,474</b>	<b>785,653,988</b>	<b>1,049,859,711</b>	<b>617,735,397</b>	<b>5,119,212,031</b>	<b>–</b>	<b>16,098,685,072</b>
<b>Allowance for impairment:</b>								
Balances at beginning of year	286,367	3,318,744	–	159,229,430	425,535	–	340,878,840	504,138,916
Impairment loss	–	–	422,999	–	–	–	–	422,999
<b>Balances at end of year</b>	<b>286,367</b>	<b>3,318,744</b>	<b>422,999</b>	<b>159,229,430</b>	<b>425,535</b>	<b>–</b>	<b>340,878,840</b>	<b>504,561,915</b>
<b>Net book values</b>	<b>₱ 666,270,968</b>	<b>₱4,431,054,872</b>	<b>₱325,544,096</b>	<b>₱1,085,729,729</b>	<b>₱595,823,235</b>	<b>₱9,232,778,185</b>	<b>₱3,093,368,436</b>	<b>₱19,430,569,521</b>



2024

	Buildings and improvements	Mining and milling equipment	Power equipment	Roads and bridges, and land improvements	Exploration equipment and others	Mine and mining properties	Construction in-progress	Total
At revalued amounts:								
Balances at beginning of year	₱629,954,421	₱9,003,629,945	₱753,019,842	₱1,256,199,314	₱741,618,967	₱11,750,446,166	₱2,264,014,986	₱26,398,883,641
Additions	52,941,642	1,350,076,858	10,961,595	35,862,225	117,106,931	1,095,402,880	715,465,765	3,377,817,896
Capitalized borrowing cost (Note 18)	–	–	–	–	–	61,660,755	15,933,076	77,593,831
Capitalized depreciation (Note 24)	–	–	–	–	–	78,017,380	–	78,017,380
Reclassifications from construction in-progress	30,646,939	182,153,313	183,990,837	99,890,295	6,635,199	–	(503,316,583)	–
Disposals and write-off	–	(17,669,440)	–	–	–	–	–	(17,669,440)
Balances at end of year	713,543,002	10,518,190,676	947,972,274	1,391,951,834	865,361,097	12,985,527,181	2,492,097,244	29,914,643,308
Accumulated depreciation and depletion:								
Balances at beginning of year	353,396,308	6,005,950,952	654,429,788	856,860,219	426,319,995	4,513,798,267	–	12,810,755,529
Depreciation and depletion (Note 24)	69,091,375	912,187,058	56,184,817	75,915,382	81,439,194	302,998,397	–	1,497,816,223
Disposals and write-off	–	(17,669,440)	–	–	–	–	–	(17,669,440)
Balances at end of year	422,487,683	6,900,468,570	710,614,605	932,775,601	507,759,189	4,816,796,664	–	14,290,902,312
Allowance for impairment:								
Balances at beginning and end of year	286,367	3,318,744	–	159,229,430	425,535	–	340,878,840	504,138,916
Net book values	₱290,768,952	₱3,614,403,362	₱237,357,669	₱299,946,803	₱357,176,373	₱8,168,730,517	₱2,151,218,404	₱15,119,602,080



In 2025, the Group revalued its property, plant and equipment based on the estimated fair values determined by an independent appraiser duly accredited by PSE and SEC. The valuations were derived using either the market approach or the cost approach, depending on the nature of the asset and the availability of market data. Under the market approach, fair value is established by comparing the asset with similar or substitute properties and analyzing relevant market transactions and data. Under the cost approach, fair value is estimated by determining the current replacement or reproduction cost of the asset, taking into account prevailing market prices for materials, labor, contractor's margins, professional fees, and other related costs, and then deducting allowances for physical depreciation and obsolescence.

The Group assessed that the current use of the buildings and improvements, mining and milling equipment, power equipment, roads bridges and land improvements and exploration equipment and others is their highest and best use.

Construction in-progress consists mainly of expenditures and other construction projects such as Tailings Management Facility, drainage tunnels, etc. at different stages of completion as at December 31, 2025 and 2024.

Movement in revaluation surplus in equity is as follows:

	2025	2024
Balances at beginning of year	<b>₱166,099,883</b>	₱190,678,741
Additions	<b>1,260,761,621</b>	–
Realized portion through depreciation, net of tax (Note 19)	<b>(45,206,065)</b>	(24,578,858)
Balance at end of year	<b>₱1,381,655,439</b>	₱166,099,883

Total revaluation surplus is not available for distribution to stockholders until this is realized through depreciation and disposal.



If the property, plant and equipment were carried at cost less accumulated depreciation and accumulated impairment loss, the amounts would be as follows:

2025								
	Buildings and improvements	Mining and milling equipment	Power equipment	Roads and bridges and land improvements	Exploration equipment, and others	Mine and mining properties	Construction in-progress	Total
<b>At cost:</b>								
Balances at end of year	₱950,377,312	₱12,492,904,459	₱1,166,472,744	₱1,390,277,401	₱1,184,599,967	₱14,351,990,216	₱3,220,804,001	₱34,757,426,100
<b>Accumulated depreciation and depletion:</b>								
Balances at end of year	525,001,216	8,460,486,257	804,007,309	1,077,156,371	678,638,733	5,119,212,031	-	16,664,501,917
<b>Allowance for impairment:</b>								
Balances at end of year	286,367	3,318,744	422,999	159,229,430	425,535	-	340,878,840	504,561,915
<b>Net book values</b>	<b>₱425,089,729</b>	<b>₱4,029,099,458</b>	<b>₱362,042,436</b>	<b>₱153,891,600</b>	<b>₱505,535,699</b>	<b>₱9,232,778,185</b>	<b>₱2,879,925,161</b>	<b>₱17,588,362,268</b>
2024								
	Buildings and improvements	Mining and milling equipment	Power equipment	Roads and bridges and land improvements	Exploration equipment, and others	Mine and mining properties	Construction in-progress	Total
<b>At cost:</b>								
Balances at end of year	₱669,810,912	₱11,020,318,168	₱1,024,895,838	₱1,363,586,740	₱916,200,833	₱12,985,527,181	₱2,278,653,969	₱30,258,993,641
<b>Accumulated depreciation and depletion:</b>								
Balances at end of year	433,792,428	7,348,427,353	728,967,926	960,072,258	568,662,528	4,816,796,664	-	14,856,719,157
<b>Allowance for impairment:</b>								
Balances at end of year	286,367	3,318,744	-	159,229,430	425,535	-	340,878,840	504,138,916
<b>Net book values</b>	<b>₱235,732,117</b>	<b>₱3,668,572,071</b>	<b>₱295,927,912</b>	<b>₱244,285,052</b>	<b>₱347,112,770</b>	<b>₱8,168,730,517</b>	<b>₱1,937,775,129</b>	<b>₱14,898,135,568</b>



The cost of fully depreciated property, plant and equipment that are still being used amounted to ₱4.73 billion and ₱4.07 billion as at December 31, 2025 and 2024, respectively.

The Group capitalized borrowing cost amounting to ₱10.32 million and ₱15.93 million for construction in-progress, ₱47.48 million and ₱61.66 million for mine development costs in 2025 and 2024, respectively. The rate used by the Parent Company to determine the amount of borrowing costs eligible for capitalization was 7.24% and 6.51% in 2025 and 2024, respectively. The rate used by ISRI was 8.52% and 8.66% in 2025 and 2024, respectively (see Note 18).

Breakdown of mine and mining properties and mine development cost is shown below:

2025					
Depletable					
	Mine and mining properties	Mine rehabilitation assets	Subtotal	Mine development cost	Total
<b>Cost:</b>					
Balances at beginning of year	₱8,111,891,184	₱29,259,674	₱8,141,150,858	₱4,844,376,323	₱12,985,527,181
Additions	-	-	-	1,205,076,681	1,205,076,681
Capitalized depreciation	-	-	-	113,906,406	113,906,406
Capitalized borrowing costs	982,178	-	982,178	46,497,770	47,479,948
Transfers	318,832,190	-	318,832,190	(318,832,190)	-
<b>Balances at end of year</b>	<b>8,431,705,552</b>	<b>29,259,674</b>	<b>8,460,965,226</b>	<b>5,891,024,990</b>	<b>14,351,990,216</b>
<b>Accumulated depletion:</b>					
Balances at beginning of year	4,790,009,284	26,787,380	4,816,796,664	-	4,816,796,664
Depletion	302,044,282	371,085	302,415,367	-	302,415,367
<b>Balances at end of year</b>	<b>5,092,053,566</b>	<b>27,158,465</b>	<b>5,119,212,031</b>	<b>-</b>	<b>5,119,212,031</b>
<b>Net book values</b>	<b>₱3,339,651,986</b>	<b>₱2,101,209</b>	<b>₱3,341,753,195</b>	<b>₱5,891,024,990</b>	<b>₱9,232,778,185</b>

2024					
Depletable					
	Mine and mining properties	Mine rehabilitation assets	Subtotal	Mine development cost	Total
<b>Cost:</b>					
Balances at beginning of year	₱6,835,096,228	₱29,259,674	₱6,864,355,902	₱4,886,090,264	₱11,750,446,166
Additions	-	-	-	1,095,402,880	1,095,402,880
Capitalized depreciation	-	-	-	78,017,380	78,017,380
Capitalized borrowing costs	-	-	-	61,660,755	61,660,755
Transfers	1,276,794,956	-	1,276,794,956	(1,276,794,956)	-
<b>Balances at end of year</b>	<b>8,111,891,184</b>	<b>29,259,674</b>	<b>8,141,150,858</b>	<b>4,844,376,323</b>	<b>12,985,527,181</b>
<b>Accumulated depletion:</b>					
Balances at beginning of year	4,487,010,887	26,787,380	4,513,798,267	-	4,513,798,267
Depletion	302,998,397	-	302,998,397	-	302,998,397
<b>Balances at end of year</b>	<b>4,790,009,284</b>	<b>26,787,380</b>	<b>4,816,796,664</b>	<b>-</b>	<b>4,816,796,664</b>
<b>Net book values</b>	<b>₱3,321,881,900</b>	<b>₱2,472,294</b>	<b>₱3,324,354,194</b>	<b>₱4,844,376,323</b>	<b>₱8,168,730,517</b>

The carrying amount of the Parent Company's asset retirement obligation (ARO) pertaining to mine rehabilitation assets amounted to nil as at December 31, 2025 and 2024.

As at December 31, 2025 and 2024, the carrying amount of ISRI's ARO amounted to ₱2.10 million and ₱2.47 million, respectively.



## 11. Deferred Exploration Costs

	2025	2024
Balances at beginning of year	₱7,289,636,781	₱6,934,448,200
Additions	1,080,601,850	531,324,153
Transfers	(55,471,859)	(176,135,572)
	8,314,766,772	7,289,636,781
Less allowance for impairment losses	622,390,478	611,906,360
	<b>₱7,692,376,294</b>	<b>₱6,677,730,421</b>

Deferred exploration costs consist of expenditures related to the exploration activities covered by the Group's mining tenements. Additions to deferred exploration costs include those incurred on service contracts for the exploration of the mines, drilling activities, and other direct costs related to exploration activities. The recovery of these costs depends upon the success of the exploration activities, the future development of the corresponding mining properties and the extraction of mineral products as these properties shift into commercial operations.

### *Mining Rights*

In 2023, additions to deferred exploration costs include the fair value of mining rights over North Davao Project amounting to ₱3.97 billion to which the Group has interest through the acquisition of AAMRC's 100% equity interest (see Note 1). The fair value of the mining rights is determined using market approach based on yardstick and area-based multiples as valuation bases.

The Gori Hills project located in the Republic of Sierra Leone in West Africa is owned through MOMCL which holds the tenements for the project. In 2021, it received a notice that its tenement license was revoked by the National Mineral Agency. In 2021, BMRC tenement applications were adversely affected by the freeze on issuance of new mining licenses by the Philippine government.

The Group recognized an allowance for impairment losses on deferred exploration costs amounting to ₱10.48 million, ₱2.89 million and ₱30.31 million in 2025, 2024 and 2023, respectively (Note 23).

## 12. Intangible Assets

	2025		
	Franchise	Computer Software	Total
<b>Cost:</b>			
Balances at beginning of year	₱192,202,964	₱98,439,440	₱290,642,404
Additions	–	13,952,497	13,952,497
Balances at end of year	192,202,964	112,391,937	304,594,901
<b>Accumulated amortization:</b>			
Balances at beginning of year	–	88,810,239	88,810,239
Amortization (Note 24)	–	2,744,069	2,744,069
Balances at end of year	–	91,554,308	91,554,308
<b>Allowance for impairment:</b>			
Balances at beginning and end of year	192,202,964	–	192,202,964
<b>Net book values</b>	<b>₱–</b>	<b>₱20,837,629</b>	<b>₱20,837,629</b>



	2024		
	Franchise	Computer Software	Total
Cost:			
Balances at beginning of year	₱192,202,964	₱87,420,967	₱279,623,931
Additions	–	11,018,473	11,018,473
Balances at end of year	192,202,964	98,439,440	290,642,404
Accumulated amortization:			
Balances at beginning of year	–	71,402,360	71,402,360
Amortization (Note 24)	–	17,407,879	17,407,879
Balances at end of year	–	88,810,239	88,810,239
Allowance for impairment:			
Balances at the beginning and end of year	192,202,964	–	192,202,964
Net book values	₱–	₱9,629,201	₱9,629,201

Franchise pertains to ICSI's cost of franchise for the implementation of the Solid Waste Management Project under a BOT contract with DENR. As at December 31, 2025, the BOT contract with the Philippine government is not yet implemented (see Note 1). In 2021, the Group assessed that this was no longer recoverable.

Computer software includes workbooks used for exploration activities and accounting process of the Group.

### 13. Other Noncurrent Assets

	2025	2024
Advances for royalties (Note 1)	<b>₱1,851,255,664</b>	₱1,736,565,557
Input VAT	<b>1,543,051,941</b>	1,656,483,822
Deposits	<b>121,066,754</b>	75,336,074
Advance to Gold Mines of Uganda Ltd. (GMU)	<b>112,129,250</b>	112,129,250
Advances for land acquisition	<b>93,530,149</b>	93,530,149
MRF	<b>76,001,626</b>	28,298,187
Nontrade receivable	<b>75,517,940</b>	75,517,940
Others	<b>1,776,503</b>	1,758,754
	<b>3,874,329,827</b>	3,779,619,733
Less allowance for impairment losses	<b>974,534,509</b>	689,590,869
	<b>₱2,899,795,318</b>	₱3,090,028,864

#### *Advances for Royalties*

In relation to the SPA in Note 1, in December 2022 the Parent Company advanced US\$5.50 million or ₱299.47 million to the Sellers representing the first tranche payment of the US\$81.50 million acquisition cost and US\$28.50 million or ₱1.68 billion to AAMRC representing initial commitment fee which was eventually paid to PMDC in 2023.

On February 29, 2024, the Parent Company made additional advance payment to AAMRC amounting to US\$1.00 million or ₱56.10 million related to the royalty fee under JOA and to be credited against the future royalty fees due to PMDC.

On January 8, 2025 and December 18, 2025, the Parent Company made additional advance payment for royalty to PMDC amounting to ₱58.10 million and ₱58.55 million, respectively.



Advance royalties paid to Precious Metals Mining and Development Corporation and VTN-Agno River Gold Mining Inc. amounting to ₱2.08 million as at December 31, 2025 and 2024 arose due to the agreement entered into by BMRC which required the latter to pay in advance the royalties for the Paracale Gold Project.

*Input VAT*

Input VAT represents VAT imposed on the Group by its suppliers for the acquisition of goods and services, which the Group applies for cash refund by regulatory agencies.

Movement in allowance for impairment of input VAT is as follows:

	2025	2024	2023
At beginning of the year	<b>₱408,418,530</b>	₱296,287,088	₱143,098,681
Provision (Note 23)	<b>284,943,640</b>	112,131,442	153,188,407
At end of year	<b>₱693,362,170</b>	₱408,418,530	₱296,287,088

*Advance to GMU*

Advance to GMU pertains to US\$2.03 million noninterest-bearing advances to cover exploration activities of GMU. As of December 31, 2025, no significant update and progress were noted in the project. The Group recognized impairment loss on advances to GMU amounting to nil, ₱112.12 million and nil in 2025, 2024 and 2023, respectively (Note 23).

*Deposits*

Deposits pertain to security deposits made to power suppliers of the Maco mine. Deposits also include security deposits for the use of the leases of equipment and office space rentals, which are recoverable through application against final billings from lessors.

*Advance for Land Acquisition*

Advances for the land acquisition consists of advance payments made to various landowners aggregating for the purchase of land to be used in the Group's project to construct and operate a sanitary landfill in relation to BOT contract with the Philippine government, which is not yet implemented. Hence, these advances were impaired. Allowance for impairment loss related to advances for land acquisition amounted to ₱93.53 million as at December 31, 2025 and 2024.

*MRF*

As at December 31, 2025 and 2024, the Group maintains MRFs consisting of monitoring trust, rehabilitation cash, environmental trust and final rehabilitation and decommission funds as provided in its agreements entered into with the provincial government and the Mines and Geosciences Bureau (MGB). The funds are restricted for withdrawal unless approved by MGB. The funds are only to be used for the physical and social rehabilitation, reforestation and restoration of areas and communities affected by mining activities, pollution control, slope stabilization, and integrated community development projects.

*Nontrade receivable*

Nontrade receivable refers to the advances to stockholders with minority interest. Allowance for impairment loss related to nontrade receivables amounted to ₱75.52 million as at December 31, 2025 and 2024.

*Others*

Others pertain to deposits made by the Group to non-bank entities including service professionals.



#### 14. Trade and Other Payables

	2025	2024
Trade	<b>₱1,082,537,290</b>	₱1,139,592,665
Nontrade	<b>334,768,653</b>	323,907,205
Accrued expenses	<b>263,574,790</b>	188,960,079
Accrued employee benefits	<b>113,328,125</b>	110,371,387
Payables to government agencies	<b>157,707,959</b>	107,565,562
Dividends payable	<b>75,969,064</b>	59,437,064
Retention payable	<b>58,200,439</b>	13,279,920
Advances from stockholder	<b>64,354,202</b>	64,354,202
Others	<b>75,696,749</b>	24,387,586
	<b>₱2,226,137,271</b>	₱2,031,855,670

Trade payables, accrued liabilities, and other payables are noninterest-bearing. Trade payables are payable on demand while accrued liabilities are generally settled in 30 to 60 days terms.

Nontrade payables include payables for royalties and surface rights to the indigenous people in the Parent Company's Maco mine tenements (see Note 30) and other payables that are incurred outside the Group's operations.

Accrued expenses include billings for hired services, project suppliers, professional fees, utilities, and other expenses related to operations.

Accrued employee benefits pertain to accrued leave and other benefits that are monetized to employees, and unclaimed salaries and wages.

Payables to government agencies include accruals for excise taxes due from the Group's mine operations and withholding taxes which are normally settled within 10 to 15 days after the end of each reporting month or 30 days after the end of each reporting quarter.

Retention payable pertain to withheld amounts from billings for services availed or product purchases pending the completion of certain specified conditions.

Advances from stockholder pertain to non-interest bearing cash advances for working capital requirements.

Dividends payable refers to dividends declared but not yet paid/claimed by the stockholders (see Note 19).

Other payables pertain to short-term cash advances by the Group necessary to support its operations, and the initial payment made by Nido in relation to the sale and purchase agreement of certain tangible items of SC72 (see Note 8).

#### 15. Related Party Disclosures

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Group, including holding companies and subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, voting power that gives them significant influence over the Group, its key management



personnel, directors and officers, and key management personnel. Close members of the family of these individuals, and companies associated with these individuals, also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Transactions with related parties in the normal course of business as follows:

Category	Relationship	Year	Volume/ Amount	Outstanding balance	Terms	Conditions
Cash advances to:						
<i>Prime Strategic Holdings, Inc. (PSHI)</i>	Parent	2025 2024	₱67,259,305 ₱-	₱67,259,305 ₱-	Due and demandable	Unsecured, not guaranteed
<i>MORE Coal</i>	With common stockholders	2025 2024	- -	1,186,593 1,186,593	Due and demandable	Unsecured, cash-settled
<i>MORE Oil &amp; Gas</i>	With common stockholders	2025 2024	- -	603,126 603,126	Due and demandable	Unsecured, cash-settled
<i>MORE Reedbank</i>	With common stockholders	2025 2024	- -	514,390 514,390	Due and demandable	Unsecured, cash-settled
		2025 2024	₱67,259,305 ₱-	₱69,563,414 ₱2,304,109		

Category	Relationship	Year	Volume/ Amount	Outstanding Balance	Terms	Conditions
Cash advances from:						
<i>PSHI</i>	Parent	2025 2024	₱- ₱374,858,016	₱- ₱374,858,016	Due and demandable	Unsecured, not guaranteed

- a. Advances to related parties pertain to funds obtained for its working capital requirements.
- b. Advances from PSHI pertain to advances obtained by the Group for its working capital requirements.
- c. Material related party transactions refer to any related party transaction/s, either individually or in aggregate over a 12-month period with the same related party, amounting to 10% or higher of the Group's total consolidated assets based on its latest audited financial statements.

#### Trustee Bank

The Group's retirement fund pertains only to the Parent Company's retirement fund that is being held by a trustee bank. The carrying amounts of the Parent Company's retirement fund amounted to ₱17.94 million and ₱16.85 million as at December 31, 2025 and 2024, respectively (see Note 16).

The Group's Multiemployer Retirement Plan is a noncontributory defined benefit plan covering all regular and permanent employees. Benefits are based on the employee's final plan salary and years of service.

The fund is administered by a trustee bank under the supervision of the Retirement Committee of the plan. The Retirement Committee is responsible for investment strategy of the plan.

As at December 31, 2025 and 2024, the retirement fund consists of investments in cash and short-term deposits, government bonds, and others which account for 91.27% and 95.11% 8.73% and



4.51% and 0.00% and 0.38% respectively, of its composition. The Parent Company made no contributions to the fund in 2025 and 2024 (see Note 16). There were no transactions made between the Parent Company and the retirement fund in both years.

Compensation of Key Management Personnel

The Group considers all employees holding executive positions up to the Chairman of the Board as key management personnel. There were no stock options granted to the key management personnel in 2025, 2024 and 2023. Other long-term benefits granted to key management personnel amounting to ₱21.43 million and ₱17.2 million in 2025 and 2024, respectively. The Parent Company paid salaries and other short-term benefits to key management personnel amounting to ₱91.67 million, ₱94.01 million, and ₱89.70 million in 2025, 2024 and 2023, respectively.

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**16. Provision for Retirement Benefits**

The Group's retirement fund pertains to the Parent Company and ISRI which has a multi-employer retirement plan, a funded, noncontributory defined benefit retirement plan. It accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan.

The following table summarizes the components of retirement benefits costs and liability recognized in the Group's statements of comprehensive income and the Group's statements of financial position, respectively.

The details of retirement benefits costs follow:

	2025	2024	2023
Current service cost (Note 25)	₱54,061,047	₱49,216,300	₱72,293,134
Interest cost - net (Note 26)	26,321,364	21,458,660	21,622,265
	<b>₱80,382,411</b>	<b>₱70,674,960</b>	<b>₱93,915,399</b>

Changes in defined benefits liability and fair value of plan assets in 2025 and 2024 are as follows:

2025	Defined benefits liability	Fair value of plan assets	Net defined benefit liability
<b>At January 1</b>	<b>₱452,032,362</b>	<b>₱16,845,168</b>	<b>₱435,187,194</b>
Net interest (Note 26)	27,348,919	1,027,555	26,321,364
Current service cost (Note 25)	54,061,047	-	54,061,047
Benefits paid	(7,472,416)	-	(7,472,416)
<b>Remeasurement of actuarial losses (gains):</b>			
Experience	52,977,381	-	52,977,381
Changes in financial assumptions	(15,827,040)	-	(15,827,040)
Net acquired obligation due to employee transfers	892,504	-	892,504
Remeasurement loss - return on plan assets	-	62,750	(62,750)
	<b>38,042,845</b>	<b>62,750</b>	<b>37,980,095</b>
<b>At December 31</b>	<b>₱564,012,757</b>	<b>₱17,935,473</b>	<b>₱546,077,284</b>



2024	Defined benefits liability	Fair value of plan assets	Net defined benefit liability
At January 1	₱421,201,516	₱16,072,920	₱405,128,596
Net interest (Note 26)	23,670,453	2,211,793	21,458,660
Current service cost (Note 25)	49,216,300	–	49,216,300
Benefits paid	(25,461,851)	–	(25,461,851)
Remeasurement of actuarial losses (gains):			
Experience	(17,177,711)	–	(17,177,711)
Changes in financial assumptions	583,655	–	583,655
Remeasurement loss - return on plan assets	–	(1,439,545)	1,439,545
	(16,594,056)	(1,439,545)	(15,154,511)
At December 31	₱452,032,362	₱16,845,168	₱435,187,194

Changes in defined benefits cost recognized in OCI in 2025 and 2024 are as follows:

	2025	2024
At January 1	<b>₱29,040,911</b>	₱17,496,385
Actuarial gain (loss) - defined benefit obligation	<b>(38,856,422)</b>	16,594,056
Remeasurement gain - plan asset	<b>1,768,831</b>	(1,439,545)
Income tax effect	<b>9,906,302</b>	(3,609,985)
At December 31	<b>₱1,859,622</b>	₱29,040,911

The major categories of the Parent Company's plan assets as a percentage of the fair value of total plan assets are as follows:

	2025	2024
Cash and short-term deposits	<b>91.27%</b>	95.11%
Debt instruments - government bonds	<b>8.73%</b>	4.51%
Others	<b>0.00%</b>	0.38%
	<b>100.00%</b>	100.00%

The cost of defined retirement benefits plan, as well as the present value of the retirement benefits liability are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The principal assumptions used in determining retirement benefits liability for the defined retirement plan are shown below:

	2025	2024
Discount rate	<b>6.45%</b>	6.10%
Salary increase rate	<b>4.00%</b>	5.00%
Expected average remaining life	<b>11.0</b>	11.0
Mortality rate	<b>2017 PICM</b>	2017 PICM
Disability rate	<b>The Disability Study, Period 2 Benefit 5</b>	The Disability Study, Period 2 Benefit 5



The sensitivity analyses based on reasonably possible changes in significant assumptions used in determining the retirement benefits liability as at the end of the reporting period, assuming all other assumptions were held constant, are shown below:

	2025		2024	
	Increase (decrease)	Impact	Increase (decrease)	Impact
Discount rates	7.45%	(P22,491,069)	7.10%	(P18,854,421)
	(5.45%)	26,229,657	(5.10%)	22,103,815
Salary increase rate	6.00%	P27,731,518	6.00%	P23,245,985
	(4.00%)	(24,151,403)	(4.00%)	(20,145,818)

The latest available actuarial valuation report of the Parent Company was dated March 14, 2025 representing information as at December 31, 2025.

The maturities of the undiscounted benefit payments as at December 31, 2025 and 2024 are shown below:

	2025	2024
Less than one (1) year	P95,731,915	P73,189,433
More than one (1) to five (5) years	196,470,268	148,883,397
More than five (5) to 10 years	345,041,478	326,013,206
	<b>P637,243,661</b>	<b>P548,086,036</b>

## 17. Provision for Mine Rehabilitation and Decommissioning

The Parent Company and ISRI's full provision for the future costs of rehabilitating the Maco and Sangilo mines are as follows:

	2025	2024
Balance at beginning of year	P20,830,866	P19,196,681
Accretion (Note 26)	986,651	721,709
Effect of change in estimate	(280,421)	912,476
Balance at end of year	<b>P21,537,096</b>	<b>P20,830,866</b>

The Parent Company's FMRDP on its existing MPSAs was approved by the MGB on March 13, 2017 and revised FMRDP was approved on April 20, 2021. The revised FMRDP incorporated the latest ore reserves estimate which indicates that the mine life was extended from three (3) to 10 years. These provisions have been created based on the Parent Company's internal estimates. Assumptions based on the current economic environment have been made, which management believes are reasonable bases upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions.

Actual costs will, however, ultimately depend upon future market prices for the necessary works required which will reflect market conditions at the relevant time. Furthermore, the timing of the rehabilitation and expenditure of other costs is likely to depend on when the mine ceases to produce at economically viable rates, and the timing that the event for which the other provisions provided for will occur. Discount rate as of December 31, 2025 and 2024 is 4.98%.



As at December 31, 2025 and 2024, ISRI's provision for mine rehabilitation and decommissioning amounted to ₱5.58 million and ₱5.63 million, respectively, representing the present value of rehabilitation costs relating to the Sangilo mine, which is expected to be incurred up to 2039. Effect of change in estimate in 2025 resulted to a decrease in provision for mine rehabilitation and decommissioning (see Note 10).

## 18. Loans Payable

	2025	2024
Philippine National Bank (PNB)	<b>₱3,114,216,648</b>	₱3,187,592,011
Bank of Commerce (BOC)	<b>2,186,988,000</b>	1,966,730,000
Rizal Commercial Banking Corporation (RCBC)	<b>1,200,000,000</b>	1,500,000,000
Union Bank of the Philippines (UBP)	–	575,002,438
	<b>6,501,204,648</b>	7,229,324,449
Less current portion	<b>2,846,171,688</b>	2,618,354,384
Noncurrent portion	<b>₱3,655,032,960</b>	₱4,610,970,065

### *PNB*

PNB has granted the Parent Company and ISRI the following facilities:

- On November 26, 2016, Credit Facilities consisting of Letters of Credit, Trust Receipts (TR) and Settlement Risk Lines totaling ₱500.00 million expiring on July 31, 2017. PNB granted renewal of the Credit Facilities to ₱2.00 billion with a new expiry date of July 27, 2027.

As at December 31, 2025 and 2024, the Parent Company has no outstanding unsecured TRs for its importation of machinery and equipment using the standard credit terms with PNB of 180 days.

In May 2019, ISRI was granted various credit facilities by PNB, including an Omnibus Line with a principal amount of ₱200 million and a Counterparty Line (FX Line), which consisted of a ₱2 million Pre-settlement Risk Line and a ₱100 million Settlement Risk Line. On October 11, 2024, the Omnibus Line was increased to ₱500 million with a new expiration date of July 31, 2025. In 2025, PNB granted renewal of the Omnibus Line with a new expiry date of July 31, 2026.

ISRI has outstanding unsecured TRs amounting to ₱249.72 million and ₱180.70 million for its importation of machinery and equipment using the standard credit terms with PNB of 180 days as at as at December 31, 2025 and 2024, respectively.

- On October 24, 2017, another unsecured Term Loan Facility of up to ₱2.50 billion with tenor of seven (7) years with equal quarterly principal repayment was obtained to refinance the Parent Company's short-term loans.

The Loan Agreement for this Term Loan Facility was signed by the parties on December 4, 2017, and on December 15, 2017, the Parent Company drew the full amount with the interest rate set at 6.00% per annum. As part of its affirmative covenants, the Parent Company used the proceeds to pay off the obligations with BDO Unibank, Inc. and to finance the construction of the three (3) kilometer drainage system in Maco Mine. In addition, the Parent Company at all times must maintain a consolidated Debt Service Coverage Ratio (DSCR), of at least 1.2x and a consolidated Debt-to-Equity Ratio (DER) of 70:30.



Upon maturity on December 15, 2024, the Parent Company has fully paid this Term Loan Facility.

As at December 31, 2025 and 2024, all loan covenants are complied with.

- On September 13, 2019, another unsecured Term Loan Facility of up to ₱2.00 billion with tenor of eight (8) years with equal quarterly principal repayment was obtained to finance the Parent Company's capital expenditures.

On September 26 and December 12, 2019, the Parent Company drew the first and second tranches, respectively, amounting to ₱500.00 million each with the interest rate of 6.5% per annum which will both mature on September 12, 2027. The third and fourth tranches were fully drawn in May and June 2020, respectively, amounting to ₱500.00 million each with the same interest rate.

The Parent Company has to use the proceeds of the loan exclusively for capital expenditures and must maintain at all times a consolidated DSCR of at least 1.2x and a consolidated DER of 70:30 at all times until payment in full of all amounts due to PNB.

The Parent Company has an outstanding unsecured promissory note equivalent to ₱503.41 million and ₱766.1 million as at December 31, 2025 and 2024, respectively.

As at December 31, 2025 and 2024, all loan covenants are complied with.

- On November 23, 2018, PNB granted ISRI a Term Loan Facility of up to ₱550.00 million with tenor of five (5) years with equal quarterly principal repayment to finance ISRI's 200-tonne per day development program.

The Loan Agreement for this facility was signed by the parties on November 23, 2018, and on November 27, 2018, ISRI drew the initial amount of ₱300.00 million with the interest rate set at 9.75% per annum. The second drawdown amounting to ₱125.00 million with the interest rate set at 8.26% per annum was made on May 31, 2019. On September 12, 2019, ISRI drew the remaining ₱125.00 million with the interest rate set at 6.94% per annum. Principal repayment started on July 27, 2020 and every quarter thereafter up to October 27, 2023. Included within the agreement signed by ISRI, are the affirmative covenants to use the proceeds of the loans exclusively for capital expenditures and general corporate requirements, to maintain consolidated DSCR of 1.2x starting on the first quarter after one (1) year from commercial operations date and every quarter thereafter and at all times maintain a consolidated DER of not more than 70:30.

The loan was fully paid upon its maturity on October 27, 2023.

As at December 31, 2025 and 2024, all loan covenants are complied with.

- In May 2022, the PNB granted ISRI an unsecured term loan facility of up to ₱500.00 million to finance Sangilo mine's 400 TPD development program.

The ₱500.00 million term loan facility is repayable in equal quarterly installments over five (5) years, with interest based on the 5-year Business Valuator Accredited for Litigation (BVAL) as displayed on the PDEX page, plus a minimum spread of 2% per annum, reckoned from the date of the relevant drawdown.



The Loan Agreement for this facility was signed by the parties on May 24, 2022, and on June 28, 2022, ISRI drew the total amount of ₱500.00 million with the interest rate set at 8.52% per annum. Principal repayment will start on October 27, 2022, and every quarter thereafter up to June 28, 2027. Included within the agreement signed by ISRI, are the affirmative covenants to use the proceeds of the loans exclusively for capital expenditures and general corporate requirements, to maintain consolidated DSCR of 1.2x starting on the first quarter after one (1) year from commercial operations date and every quarter thereafter and at all times maintain a consolidated DER of not more than 70:30.

ISRI has an outstanding unsecured promissory note equivalent to ₱175.00 million and ₱275.00 million as at December 31, 2025 and 2024, respectively.

As at December 31, 2025 and 2024, all loan covenants are complied with.

- On December 18, 2024, the Parent Company entered into a US\$108 million Omnibus Loan and Security Agreement (OLSA) with PNB and BOC. This term loan will convert the existing short-term borrowings with the BOC into a long-term loan and provide funding for the remaining installments of the 100% share acquisition of AAMRC. The OLSA will be drawn in three (3) annual tranches through 2026 and repaid quarterly over five years from the drawdown dates. The loan is secured by AAMRC's shares. The Parent Company is required to consistently maintain a DSCR of no less than 1.2x and a DER of 70:30.

On December 20, 2024 and December 19, 2025, Parent Company drawn the first and second tranches, respectively amounting to US\$34.00 million and US\$10.00 million each with interest rate of 8.77% and 7.98% per annum with maturity date of December 20, 2029 and December 19, 2030, respectively.

The Parent Company has an outstanding loan amounting to US\$37.20 million and US\$34.00 million as at December 31, 2025 and 2024, respectively.

As at December 31, 2025 and 2024, all loan covenants are complied with.

The Parent Company has pledged AAMRC shares as collateral which constitute 100% of the acquisition shares and 100% of the outstanding capital stock.

The loan also contain prepayment provisions which state that prepayment shall be in a minimum principal amount of US\$1.00 million and multiples of US\$0.02 million. The prepayment options on for this loan was assessed to be embedded derivatives that are clearly and closely related to the host contract, therefore, not required to be bifurcated.

#### *BOC*

As at December 31, 2024, the Parent Company has outstanding secured promissory notes amounting to US\$34.00 million or ₱2.00 billion with maturity date on December 20, 2029, carrying an interest rate of 9.51% per annum, related to OLSA. As at December 31, 2023, the Parent Company has outstanding unsecured promissory notes amounting to US\$34.00 million or ₱1.88 billion with maturity date on February 26, 2024, carrying an interest rate of 9.84% per annum.

On February 7, 2024, the Parent Company entered into a short-term loan agreement with BOC for US\$19.00 million, bearing an interest rate of 9.80% per annum, with a maturity date of June 6, 2024. Upon maturity, the Parent Company made a payment of US\$1.00 million and rolled over the remaining balance of US\$18.00 million, which subsequently matured on



September 4, 2024. On that date, the Company paid an additional US\$1.00 million and rolled over the outstanding balance of US\$17.00 million, which matured on December 3, 2024.

On February 26, 2024, the Parent Company was granted an extension on its unsecured promissory note for US\$34.00 million, with an interest rate of 9.80% per annum, originally maturing on June 25, 2024. Upon maturity, the Company made a payment of US\$1.7 million and rolled over the remaining balance of US\$32.3 million, which matured on September 23, 2024. On that date, the Parent Company made an additional payment of US\$1.7 million and rolled over the outstanding balance of \$30.6 million, which matured on December 20, 2024.

Both the US\$17.00 million and US\$30.60 million interest-bearing short-term loans were fully paid upon receipt of funds from the OLSA on December 20, 2024.

- On December 18, 2024, the Parent Company entered into a US\$108 million OLSA with PNB and BOC. The Parent Company is required to consistently maintain a DSCR of no less than 1.2x and a DER of 70:30. First and second tranches was drawn on December 20, 2024 and December 19, 2025, respectively, amounting to US\$34 million and US\$10 million each with interest rate of 8.77% and 7.98% per annum with maturity date of December 20, 2029 and December 19, 2030, respectively.

The Parent Company has an outstanding loan amounting to US\$37.2 million and US\$34 million as at December 31, 2025 and 2024, respectively

The Parent Company has pledged AAMRC shares as collateral which constitute 100% of the acquisition shares and 100% of the outstanding capital stock.

As at December 31, 2025 and 2024, all loan covenants are complied with.

The loan also contain prepayment provisions which state that prepayment shall be in a minimum principal amount of US\$1.00 million and multiples of US\$.02 million. The prepayment options on for this loan was assessed to be embedded derivatives that are clearly and closely related to the host contract, therefore, not required to be bifurcated.

#### *RCBC*

As at December 31, 2025, the Parent Company has outstanding unsecured promissory notes amounting to ₱600.00 million and ₱600.00 million with maturity date on February 27, 2026 and May 23, 2026, respectively, carrying an interest rate of 7.15% per annum for both promissory notes. While as at December 31, 2025, the Parent Company has outstanding unsecured promissory notes amounting to ₱900.00 million and ₱600.00 million with a maturity date on February 25, 2025 and May 27, 2025, respectively, carrying an interest rate of 7.15% per annum for both promissory notes.

On November 24, 2025, the Parent Company obtained a 7.15% interest-bearing short-term loan from RCBC amounting to ₱600.00 million maturing on May 23, 2026.

#### *UBP*

As at December 31, 2024, the Parent Company has outstanding US\$5.54 million and US\$4.4 million unsecured promissory notes equivalent to ₱575.0 million with maturity date of February 9 and May 26, 2025, respectively, bearing the interest rate of 6.25% per annum for both promissory notes.

The Parent Company paid the outstanding loan upon its maturity.



The Group's availment and payment of loans in 2025, 2024 and 2023 are as follows:

	2025		2024		2023	
	Availment	Payment	Availment	Payment	Availment	Payment
PNB	<b>₱1,147,146,862</b>	<b>₱1,242,971,126</b>	₱1,966,730,000	₱809,076,883	₱–	₱860,640,921
BOC	<b>587,920,000</b>	<b>390,110,900</b>	3,037,095,000	2,840,221,882	–	–
RCBC	<b>600,000,000</b>	<b>900,000,000</b>	600,000,000	–	–	–
UBP	–	<b>581,033,966</b>	254,518,000	130,606,808	–	101,516,700
	<b>₱2,335,066,862</b>	<b>₱3,114,115,992</b>	₱5,858,343,000	₱3,779,905,573	₱–	₱962,157,621

Interest expenses incurred in 2025 and 2024 in relation to the availed loans are as follows:

	2025	2024
PNB	<b>₱249,256,787</b>	₱103,590,955
BOC	<b>158,894,277</b>	263,866,817
RCBC	<b>89,851,667</b>	30,627,610
UBP	<b>16,169,064</b>	73,168,333
Subtotal	<b>514,171,795</b>	471,253,715
Capitalized borrowing costs (Note 10)	<b>(57,796,057)</b>	(77,593,831)
Interest on loans payable (Note 26)	<b>₱456,375,738</b>	₱393,659,884

The Group capitalized borrowing costs related to construction in-progress and mine development cost amounting to ₱57.80 million and ₱77.59 million in 2025 and 2024, respectively. The rate used by the Parent Company to determine the amount of borrowing costs eligible for capitalization was 7.24% and 6.51% in 2025 and 2024, respectively. The rate used by ISRI was 8.52% and 8.66% in 2025 and 2024, respectively (see Note 10).

## 19. Equity

### Capital Stock

The Parent Company has authorized capital stock of ₱12.80 billion, divided into a single class of common shares, with a par value of ₱1.00 per share as at December 31, 2025 and 2024.

### Record of Registration of Securities with the SEC

On March 7, 1974, the Parent Company listed its shares in PSE and attained the status of being a public company on the same date. The Parent Company is considered a public company under Rule 3.1 of the Implementing Rules and Regulations of the Securities Regulation Code, which, among others, defines a public corporation as any corporation with assets of at least ₱50.00 million and having 200 or more stockholders, each of which holds at least 100 shares of its equity securities.

In accordance with Revised SRC Rule 68, Annex 68-K, below is a summary of a Parent Company's track record of registration of securities:

SEC ordered rendered effective or permitted to sell	Event	Authorized capital stock balance	Issued shares	Issue/offer price
August 4, 1988	Stock dividend declaration	₱150 million	*–	₱0.01
August 31, 1988	Increase in authorized capital stock	300 million	–	–

(Forward)



SEC ordered rendered effective or permitted to sell	Event	Authorized capital stock balance	Issued shares	Issue/offer price
April 26, 1989	Pre-emptive rights offering	₱300 million	9.39 million	₱0.01
June 28, 2000	Increase in authorized capital stock	800 million	–	–
October 18, 2000	Debt-to-equity conversion transaction	800 million	459.54 million	1.00
September 10, 2010	Increase in authorized capital stock	2.8 billion	–	–
October 13, 2010	Debt-to-equity conversion transaction	2.8 billion	560.94 million	1.00
November 14, 2011	Issuance of additional shares	2.8 billion	73.34 million	3.50
January 26, 2012	Issuance of additional shares	2.8 billion	75.56 million	3.70
July 13, 2012	Issuance of additional shares	2.8 billion	198.05 million	4.40
July 16, 2012	Debt-to-equity conversion transaction	2.8 billion	72.91 million	4.40
July 20, 2012	Debt-to-equity conversion transaction	2.8 billion	37.29 million	4.40
August 27, 2013	Issuance of additional shares	2.8 billion	93.87 million	2.79
September 20, 2012	Declassification of shares	2.8 billion	–	–
January 12, 2015	Increase in authorized capital stock	12.8 billion	–	–
February 3, 2015	Issuance of additional shares	12.8 billion	2.50 billion	1.00
March 12, 2015	Issuance of additional shares	12.8 billion	1.86 billion	1.00

\*The Parent Company has no records on the number of issued shares for the transaction.

As at December 31, 2025, and 2024, the Parent Company has 2,747 and 2,744 stockholders, respectively.

Issue	Number of shares registered	Issue/offer price	Date of SEC approval	Number of holders of securities as at December 31		
				2025	2024	2023
Common shares	12,800,000,000	₱1.00 par value	January 12, 2015	2,747	2,744	2,744

Movements in the subscribed, issued and outstanding capital were as follows:

	2025		2024	
	Shares	Amount	Shares	Amount
Issued and subscribed shares at beginning and end of year	6,227,887,491	₱6,227,887,491	6,227,887,491	₱6,227,887,491
Treasury shares	(555,132,448)	(2,081,746,680)	(555,132,448)	(2,081,746,680)
Outstanding shares at end of year	5,672,755,043	₱4,146,140,811	5,672,755,043	₱4,146,140,811

#### APIC

There were no movements in APIC. As at December 31, 2025 and 2024, APIC amounted to ₱634,224.



Retained Earnings

Movements in the retained earnings are as follows:

	2025	2024
Balance at beginning of year	<b>₱14,486,728,092</b>	₱10,598,965,204
Net income attributable to the equity holders of the Parent Company	<b>7,664,499,069</b>	4,325,133,410
Dividends	<b>(833,038,263)</b>	(461,949,380)
Realization of revaluation surplus (Note 10)	<b>45,206,065</b>	24,578,858
Balance at end of year	<b>₱21,363,394,963</b>	₱14,486,728,092

*Dividends*

On April 28, 2023, the Parent Company declared a regular cash dividend amounting to ₱310.04 million equivalent to ₱0.053621 per common share. From the cash dividend declared, ₱264.99 million was paid on June 5, 2023 to stockholders of record holding shares of common stock at the close of business on May 15, 2023. Dividend payable as of December 31, 2023 amounted to ₱50.63 million.

On April 30, 2024, the Parent Company declared regular and special cash dividends amounting to ₱507.16 million equivalent to ₱0.054155 and ₱0.027278 per common share, respectively. From the cash dividends declared, ₱447.72 million was paid on May 15, 2024 to stockholders of record holding shares of common stock at the close of business on April 30, 2024. Dividend payable as of December 31, 2024 amounted to ₱59.44 million (see Note 14).

On March 17, 2025, the Parent Company declared both a regular and a special cash dividend, each amounting to ₱0.06944 per common share, for a total dividend declaration of ₱833.04 million based on ₱6.23 billion common shares outstanding. Of the total dividends declared, ₱757.07 million was paid on April 25, 2025 to stockholders of record as of April 4, 2025, while the remaining ₱75.97 million is presented as “Dividends Payable” as of December 31, 2025 (see Note 14).

On March 17, 2026, the Parent Company declared regular and special cash dividends of ₱0.24612 and ₱0.36918 per common share, respectively, for a total aggregate amount of ₱3.83 billion. The cash dividends are payable on April 27, 2026 to stockholders of record holding shares of the Parent Company’s common stock as of close of business on April 15, 2026 (see Note 33).

*Appropriation of Retained Earnings*

On March 17, 2026, the BOD approved the appropriation of retained earnings amounting to ₱12.00 billion in relation to drain tunnel, mill plant construction and other expansion projects which are expected to be completed in three (3) to four (4) years.

NCI

NCI consists of the following:

	2025	2024
NCI on net assets of:		
ICSI	<b>₱27,085,381</b>	₱27,553,816
Minas	<b>(22,133,536)</b>	(22,133,536)
MMSL	<b>(3,573,406)</b>	(3,588,780)
MOMCL	<b>(9,486,087)</b>	(9,481,953)
	<b>(₱8,107,648)</b>	(₱7,650,453)



The summarized financial information of ICSI (material NCI) is provided below:

Statements of comprehensive loss for the years ended December 31, 2025 and 2024:

	2025	2024
General and administrative expenses	<b>₱975,906</b>	₱150,524
Other charges	-	-
Loss before tax	<b>975,906</b>	150,524
Provision for income tax	-	-
Net loss	<b>975,906</b>	150,524
Attributable to:		
Equity holders of the Parent Company	<b>507,471</b>	78,272
Non-controlling interests	<b>468,435</b>	72,252

Statements of financial position as at December 31, 2025 and 2024:

	2025	2024
Current assets	<b>₱58,735,550</b>	₱58,735,550
Noncurrent assets	-	-
Current liabilities	<b>(2,674,206)</b>	(1,698,300)
Noncurrent liabilities	<b>(1,012,495)</b>	-
Total equity	<b>55,048,849</b>	57,037,250
Attributable to:		
Equity holders of the Parent Company	<b>28,625,401</b>	29,659,370
Non-controlling interests	<b>26,423,448</b>	27,377,880

## 20. Basic/Diluted Earnings Per Share

Basic earnings per share is calculated by dividing the net earnings attributable to stockholders of the Parent Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Parent Company and held as treasury shares.

Estimation of earnings per share for the years ended December 31, 2025, 2024 and 2023 when there were no potentially dilutive common shares during the respective periods are as follows:

	2025	2024	2023
Net income attributable to the equity holders of the Parent Company	<b>₱7,664,499,069</b>	₱4,325,133,410	₱3,408,994,699
Weighted average number of common shares for basic and diluted earnings per share	<b>5,672,755,043</b>	5,672,755,043	5,672,755,043
Basic and diluted earnings per share	<b>₱1.35</b>	₱0.76	₱0.60



## 21. Cost of Production

Consolidated costs of production pertaining to the Parent Company and ISRI's cost of production are as follows:

	2025	2024	2023
Materials and supplies (Note 6)	<b>₱3,736,409,843</b>	₱2,976,134,090	₱2,355,707,391
Depreciation, depletion and amortization (Note 24)	<b>1,690,167,759</b>	1,423,508,248	1,291,801,763
Personnel costs (Note 25)	<b>1,386,527,871</b>	1,105,713,070	938,001,571
Utilities	<b>868,639,062</b>	617,554,869	509,534,745
Contracted services	<b>721,935,263</b>	629,013,457	470,526,778
Taxes, permits, and licenses	<b>220,564,395</b>	184,925,370	160,770,465
Surface rights to indigenous people (IP) (Note 30)	<b>178,013,022</b>	134,436,609	104,868,172
Community development expenses	<b>168,297,430</b>	166,169,593	115,486,916
Royalties to IP (Note 30)	<b>103,231,720</b>	63,088,308	48,332,964
Bullion refining and transportation charges	<b>98,198,761</b>	94,631,487	94,615,041
Repairs and maintenance	<b>74,669,411</b>	57,472,207	112,764,749
Data and communication	<b>53,486,315</b>	36,066,895	26,175,620
Transportation and accommodation	<b>46,143,006</b>	12,432,811	10,224,256
Insurance	<b>39,092,524</b>	57,159,915	50,123,097
Professional fees	<b>38,893,789</b>	12,663,553	17,283,971
Rent (Note 30)	<b>24,880,593</b>	4,563,596	20,909,338
Employee activities	<b>16,873,218</b>	13,217,993	12,621,621
Representation and entertainment	<b>9,193,541</b>	6,294,276	1,359,998
Donations and contributions	<b>8,089,513</b>	4,614,695	7,806,024
	<b>₱9,483,307,036</b>	₱7,599,661,042	₱6,348,914,480

The amounts were distributed as follows:

	2025	2024	2023
Mining	<b>₱3,501,335,557</b>	₱2,717,992,194	₱2,801,995,377
Milling	<b>1,382,519,833</b>	1,263,124,139	920,982,854
Compliance	<b>1,118,301,155</b>	844,498,144	534,036,195
Mine overhead	<b>3,481,150,491</b>	2,774,046,565	2,091,900,054
	<b>₱9,483,307,036</b>	₱7,599,661,042	₱6,348,914,480

## 22. General and Administrative Expenses

	2025	2024	2023
Personnel costs (Note 25)	<b>₱110,664,502</b>	₱121,978,286	₱69,023,510
Professional fees	<b>82,737,691</b>	65,936,176	49,580,411
Insurance	<b>36,854,361</b>	4,072,324	1,007,691
Contracted services	<b>32,383,886</b>	36,597,618	20,837,880
Taxes, licenses and permits	<b>30,009,352</b>	128,203,824	23,743,186
Employee activities	<b>18,293,715</b>	34,511,608	35,236,470
Depreciation and amortization (Note 24)	<b>15,793,129</b>	13,698,474	13,621,659
Transportation and accommodation	<b>12,874,184</b>	1,120,895	2,795,644
Rent (Note 30)	<b>8,960,501</b>	8,145,208	5,609,351
Materials and supplies (Note 6)	<b>7,900,133</b>	26,555,853	5,669,853
Representation and entertainment	<b>5,026,168</b>	2,862,821	2,894,060
Utilities	<b>4,521,861</b>	3,934,902	4,699,616
Repairs and maintenance	<b>1,172,626</b>	4,847,784	6,560,829
Others	<b>10,827,105</b>	18,873,549	12,528,096
	<b>₱378,019,214</b>	₱471,339,322	₱253,808,256



Others pertain to community development, donations and contributions, data and communications, marketing charges, and miscellaneous expenses.

### 23. Other Income (Charges) - net

	2025	2024	2023
Provision for impairment losses on:			
Input VAT (Note 13)	<b>(₱284,943,640)</b>	(₱112,131,442)	(₱153,188,407)
Deferred exploration costs (Note 11)	<b>(10,484,118)</b>	(2,891,262)	(30,307,458)
Advances to GMU (Note 13)	–	(112,124,250)	–
Nontrade receivables	–	–	(75,517,940)
Payment for tax assessments	<b>(283,585,414)</b>	–	(171,414,746)
Foreign exchange losses - net	<b>(13,573,719)</b>	(216,893,639)	(53,203,872)
Interest income (Note 4)	<b>1,948,828</b>	11,333,687	14,612,809
Revaluation loss on property, plant and equipment (Note10)	<b>(422,999)</b>	–	–
Gain on sale of property and equipment	<b>17,500</b>	–	–
Gain on sale of mining rights	–	–	120,084,817
Miscellaneous - net	<b>(11,293,992)</b>	377,069	(2,522,972)
	<b>(₱602,337,554)</b>	(₱432,329,837)	(₱351,457,769)

### 24. Depreciation, Depletion and Amortization

	2025	2024	2023
Property, plant and equipment (Note 10)	<b>₱1,703,216,819</b>	₱1,419,798,843	₱1,295,670,527
Intangible asset (Note 12)	<b>2,744,069</b>	17,407,879	9,752,895
	<b>₱1,705,960,888</b>	₱1,437,206,722	₱1,305,423,422

The amounts were distributed as follows:

	2025	2024	2023
Cost of production (Note 21)	<b>₱1,690,167,759</b>	₱1,423,508,248	₱1,291,801,763
General and administrative expenses (Note 22)	<b>15,793,129</b>	13,698,474	13,621,659
	<b>₱1,705,960,888</b>	₱1,437,206,722	₱1,305,423,422

The Group capitalized depreciation, depletion, and amortization costs amounting to ₱113.91 million and ₱78.02 million as part of mine development costs in 2025 and 2024, respectively (see Note 10).

### 25. Personnel Costs

	2025	2024	2024
Salaries and wages	<b>₱817,206,978</b>	₱712,003,552	₱601,437,570
Other employee benefits	<b>625,924,348</b>	466,471,504	333,294,377
Retirement benefits cost (Note 16)	<b>54,061,047</b>	49,216,300	72,293,134
	<b>₱1,497,192,373</b>	₱1,227,691,356	₱1,007,025,081



The amounts were distributed as follows:

	2025	2024	2023
Cost of production (Note 21)	<b>₱1,386,527,871</b>	₱1,105,713,070	₱938,001,571
General and administrative expenses (Note 22)	<b>110,664,502</b>	121,978,286	69,023,510
	<b>₱1,497,192,373</b>	₱1,227,691,356	₱1,007,025,081

## 26. Finance Costs

	2025	2024	2023
Interest on loans payable (Note 18)	<b>₱456,375,738</b>	₱393,659,884	₱345,613,442
Accretion of interest on financial liability (Note 1)	<b>126,399,792</b>	178,972,402	191,342,327
Net interest cost on retirement benefits (Note 16)	<b>26,321,364</b>	21,458,660	21,622,265
Accretion of provision for mine rehabilitation and decommissioning (Note 17)	<b>986,651</b>	721,709	687,450
	<b>₱610,083,545</b>	₱594,812,655	₱559,265,484

## 27. Income Tax

In 2025, 2024 and 2023, the Parent Company availed the option to use the optional standard deduction (OSD) as its method of deduction, as reflected in its income tax returns. On the other hand, ISRI, MORE and AAMRC used itemized deduction.

The Group's provision for (benefit from) income tax in 2025, 2024 and 2023 are presented below. Provision for current income tax in 2025, 2024 and 2023 pertain to RCIT and MCIT for each year.

	2025	2024	2023
Current	<b>₱1,768,761,713</b>	₱1,182,258,329	₱766,341,085
Deferred	<b>13,660,002</b>	(65,665,279)	(56,044,407)
	<b>₱1,782,421,715</b>	₱1,116,593,050	₱710,296,678

Reconciliation between the provision for income tax computed at the statutory income tax rate and the provision for deferred income tax as shown in the consolidated statements of comprehensive income follows:

	2025	2024	2023
Provision for income tax computed at statutory income tax rate of 25%	<b>(₱2,361,615,897)</b>	(₱1,360,312,894)	(₱1,020,757,791)
Changes in unrecognized deferred income tax assets	<b>(87,644,279)</b>	(101,815,655)	(85,830,872)
Add (deduct) tax effects of:			
Optional standard deduction	<b>1,016,449,911</b>	661,823,616	515,756,174
Nondeductible expenses	<b>(353,985,257)</b>	(318,537,701)	(82,508,891)

(Forward)



	2025	2024	2023
Nontaxable income	<b>₱3,833,296</b>	₱-	₱-
Interest income subjected to final tax	<b>456,893</b>	2,224,664	3,053,203
Expired MCIT	<b>83,618</b>	24,920	(37,955)
Provision for tax losses	-	-	(39,970,546)
	<b>(₱1,782,421,715)</b>	(₱1,116,593,050)	(₱710,296,678)

Details of unrecognized deductible temporary differences, MCIT and NOLCO as at December 31, 2025 and 2024 are as follows:

	2025	2024
Unrealized foreign exchange losses	<b>₱219,734,065</b>	₱159,302,112
Provision for retirement benefits of a subsidiary	<b>50,190,195</b>	39,598,865
Allowance for impairment losses on:		
Input VAT	<b>693,362,170</b>	408,418,530
Deferred exploration costs	<b>622,390,478</b>	611,906,360
Property, plant and equipment	<b>504,561,915</b>	504,138,916
Intangibles	<b>192,202,964</b>	192,202,964
Inventory losses and obsolescence	<b>153,872,572</b>	149,105,402
Advances to GMU	<b>112,124,250</b>	112,124,250
Advances for land acquisition	<b>93,530,149</b>	93,530,149
Nontrade receivable	<b>75,517,940</b>	75,517,940
Receivables	<b>21,989,828</b>	21,989,828
NOLCO	<b>166,091,802</b>	184,668,779
Provision for mine rehabilitation and decommissioning cost of a subsidiary	<b>3,474,255</b>	5,626,901
MCIT	<b>84,000</b>	167,618
	<b>₱2,909,126,583</b>	₱2,558,298,614

The Group has recognized deferred income tax liabilities and assets as at December 31, 2025 and 2024 on the following:

	2025	2024
<i>Recognized in profit and loss:</i>		
Provision for retirement benefits	<b>₱123,856,779</b>	₱108,053,987
Fair value increment on deferred exploration cost and mine and mining properties	<b>(42,132,674)</b>	(46,520,370)
Unrealized foreign exchange loss - net	<b>17,024,853</b>	51,064,760
Provision for mine rehabilitation and decommissioning cost	<b>3,990,408</b>	3,800,991
	<b>102,739,366</b>	116,399,368
<i>Recognized in other comprehensive income:</i>		
Revaluation surplus on property, plant and equipment	<b>(460,551,814)</b>	(55,366,629)
Remeasurement gain on pension liability	<b>(4,561,006)</b>	(9,156,905)
	<b>(465,112,820)</b>	(64,523,534)
Net deferred tax assets (liabilities)	<b>(₱362,373,454)</b>	₱51,875,834

The Company's NOLCO incurred before taxable year 2020 can be claimed as deductions from the regular taxable income for the next three (3) consecutive taxable years from the year incurred. On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As at December 31, 2025, the Group's NOLCO that can be claimed as deduction from future taxable income are as follows:

Year incurred	Year of expiration	NOLCO
2021	2026	₱35,373,923
2023	2026	35,354,244
2024	2027	38,595,835
2025	2028	56,767,800
		<b>₱166,091,802</b>

The movements of NOLCO are as follows:

	2025	2024
Balance at beginning of the year	<b>₱184,668,779</b>	₱146,072,944
Additions	<b>56,767,800</b>	38,595,835
Expiration	<b>(75,344,777)</b>	–
Balance at end of the year	<b>₱166,091,802</b>	₱184,668,779

The Group's MCIT that can be claimed as deduction against future taxable liabilities as follows:

Year incurred	Year of expiration	MCIT
2023	2026	₱36,000
2024	2027	48,000
		<b>₱84,000</b>

The movements of the Group's MCIT are as follows:

	2025	2024
Balance at beginning of the year	<b>₱167,618</b>	₱144,538
Additions	–	48,000
Expirations	<b>(83,618)</b>	(24,920)
Balance at end of the year	<b>₱84,000</b>	₱167,618

The movements of the Group's NOLCO per subsidiary in 2025 are as follows:

	Parent & ISRI	MORE	CRPI	BMRC	AAMRC	ICSI	Total
Balances at beginning of year	₱–	₱74,543,967	₱100,009,664	₱9,213,377	₱–	₱901,771	₱184,668,779
Additions	–	20,411,548	25,820,317	3,557,885	6,863,369	114,681	56,767,800
Expirations	–	(30,643,157)	(41,483,974)	(3,131,146)	–	(86,500)	(75,344,777)
Balances at end of year	₱–	₱64,312,358	₱84,346,007	₱9,640,116	₱6,863,369	₱929,952	₱166,091,802

The movements of the Group's MCIT per subsidiary in 2025 are as follows:

	Parent & ISRI	MORE	CRPI	BMRC	AAMRC	ICSI	Total
Balances at beginning of year	₱–	₱167,618	₱–	₱–	₱–	₱–	₱167,618
Expirations	–	(83,618)	–	–	–	–	(83,618)
Balances at end of year	₱–	₱84,000	₱–	₱–	₱–	₱–	₱84,000



*Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or Republic Act No. 12253 (RA 12253)*

Republic Act No. 12253, or the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act, was signed into law on September 4, 2025 and became effective on September 20, 2025. Its Implementing Rules and Regulations (IRR) were issued on December 18, 2025, with the new fiscal regime applying to mining contractors and operators starting February 17, 2026.

RA 12253 covers large-scale metallic mining operations under mineral agreements or FTAA's. Patented mining claims segregated from the public domain and excluded from such agreements are not subject to the new taxes unless ruled otherwise by the Supreme Court.

The law defines income from metallic mining operations as gross output minus allowable deductions, including:

- Mining, milling, transport, smelting, and refining costs
- General and administrative expenses
- Environmental and community development expenses
- Lease and royalty payments
- Continuing exploration and development costs
- Necessary interest expenses (subject to related-party debt limits)
- Depreciation, depletion, and amortization
- Duties, fees, and taxes (excluding royalty and windfall profits tax)

Key fiscal provisions include:

- 5% royalty on minerals extracted within mineral reservations
- 1%–5% margin-based royalty outside mineral reservations (minimum of 0.1% if margin  $\leq$  0%)
- Windfall profits tax (1%–10%) based on the ratio of net income to gross output; corporate income tax and royalty taxes are deductible in computing the margin

Each mineral agreement or FTAA is treated as a separate taxable entity for royalty and windfall tax purposes.

The fiscal terms under RA 12253 will apply to new agreements, while existing ones remain under their original terms unless they allow automatic adoption of new laws.

As of December 31, 2025, the Bureau of Internal Revenue (BIR) has not yet issued revenue regulations needed to fully implement the changes. RA 12253 is therefore not considered substantively enacted as of that date.

RA 12253 is not considered substantively enacted as of December 31, 2025, because the transitory clause in the IRR provides that large-scale metallic mining contractors and/or operators shall be subject to the fiscal regime provided therein only on February 17, 2026.

The Group is currently assessing the impact of the amendments introduced by RA 12253 on its December 2026 consolidated financial statements based on the provisions of the IRR. The Group will reassess the impact of RA 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.



## 28. Financial Risk Management Objectives and Policies, and Capital Management

### Financial Risk Management Objectives and Policies

The Group's financial instruments consist mainly of cash and cash equivalents, receivables, trade and other payables, which arise directly from its operations, advances to and from stockholders and related parties, advance to GMU, nontrade receivable, MRF, financial asset at FVOCI, and loans payable. The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Group.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, foreign currency risk and commodity price risk. The BOD reviews and approves policies for managing each of these risks and these are summarized below.

#### *Credit Risk*

Credit risk refers to the potential loss arising from any failure by counterparties to fulfil their obligations, as and when they fall due. It is inherent to the business as potential losses may arise due to the failure of its customers and counterparties to fulfil their obligations on maturity periods or due to adverse market conditions.

The Group has a concentration of credit risk on its trade receivables, included as part of trade and other receivables, as it has only one (1) customer purchasing its gold and silver bullion under a Sale-Purchase Contract. However, management believes that credit risk on trade receivables is not significant as the Parent Company's gold and silver bullion are considered a highly traded commodity that have readily available markets.

The maximum exposure to credit risk of the Group's financial assets (cash with banks and short-term deposits, trade and other receivables, advances to related parties, advance to GMU, nontrade receivable, MRF, and financial asset measured at FVOCI) is equal to the carrying amounts of the financial assets, as at December 31, 2025 and 2024.

The following tables show the credit quality of the Group's financial assets based on their historical experience with the corresponding debtors.

#### *Credit risk under general and simplified approach*

	2025			Simplified Approach	Total
	General Approach		Stage 3		
	Stage 1	Stage 2			
Cash with banks and short-term deposits	₱3,328,473,159	₱-	₱-	₱-	₱3,328,473,159
Receivables:					
Trade	2,324,596,229	-	-	-	2,324,596,229
Others	31,661,387	-	21,989,828	-	53,651,215
Advances to related parties	69,563,414	-	-	-	69,563,414
Other noncurrent assets:					
Advance to GMU	-	-	112,129,250	-	112,129,250
Nontrade receivable	-	-	75,517,940	-	75,517,940
MRF	-	76,001,626	-	-	76,001,626
Financial asset measured at FVOCI	6,500,000	-	344,640,000	-	351,140,000
	<b>₱5,760,794,189</b>	<b>₱76,001,626</b>	<b>₱554,277,018</b>	<b>₱-</b>	<b>₱6,391,072,833</b>



	2024				Total
	General Approach			Simplified Approach	
	Stage 1	Stage 2	Stage 3		
Cash with banks and short-term deposits	₱3,198,005,317	₱-	₱-	₱-	₱3,198,005,317
Receivables:					
Trade	1,229,808,874	-	-	-	1,229,808,874
Others	28,502,862	-	21,989,828	-	50,492,690
Advances to related parties	2,304,109	-	-	-	2,304,109
Other noncurrent assets:					
Advance to GMU	-	-	112,129,250	-	112,129,250
Nontrade receivable	-	-	75,517,940	-	75,517,940
MRF	-	28,298,187	-	-	28,298,187
Financial asset measured at FVOCI	7,000,000	-	344,640,000	-	351,640,000
	₱4,465,621,162	₱28,298,187	₱554,277,018	₱-	₱5,048,196,367

### Liquidity Risk

Liquidity risk is the risk that Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group manages its liquidity based on business needs, tax, capital or regulatory considerations, if applicable, in order to maintain flexibility. The Group addresses liquidity concerns primarily through cash flows from operations and short-term borrowings.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and receivables. The Group considers its available funds and its liquidity in managing its long-term financial requirements. For its short-term funding, the Group's policy is to ensure that there are sufficient operating capital inflows to match repayments of short-term debt.

The following tables summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and financial assets used to manage liquidity risk as at December 31, 2025 and 2024.

2025	On demand	Less than three (3) months	Three (3) to 12 months	More than 12 months	Total
<b>Trade and other payables</b>					
Trade	₱1,082,537,290	₱-	₱-	₱-	₱1,082,537,290
Nontrade*	297,075,733	-	-	-	297,075,733
Accrued expenses	263,574,790	-	-	-	263,574,790
Retention fees	58,200,439	-	-	-	58,200,439
Payables to employees	113,328,125	-	-	-	113,328,125
Dividends payable	75,969,064	-	-	-	75,969,064
Advances from stockholder	64,354,202	-	-	-	64,354,202
Others	75,696,749	-	-	-	75,696,749
Financial liability**	-	1,117,010,000	-	1,117,010,000	2,234,020,000
Loans payable	-	-	2,846,171,688	3,655,032,960	6,501,204,648
Future loan interest payments	-	15,958,492	39,255,244	18,489,829	73,703,565
	₱2,030,736,392	₱1,132,968,492	₱2,885,426,932	₱4,790,532,789	₱10,839,664,605

\*Nontrade payables exclude royalties payable and surface rights payable amounting to ₱37.69 million as at December 31, 2025.

\*\*Gross contractual payments



2025	On demand	Less than three (3) months	Three (3) to 12 months	More than 12 months	Total
<b>Cash and cash equivalents</b>	<b>₱3,323,891,614</b>	<b>₱8,739,010</b>	<b>₱-</b>	<b>₱-</b>	<b>₱3,332,630,624</b>
<b>Receivables:</b>					
Trade	2,324,596,229	-	-	-	2,324,596,229
Others	31,661,387	-	-	21,989,828	53,651,215
Advances to related parties	69,563,414	-	-	-	69,563,414
<b>Other noncurrent assets:</b>					
Advance to GMU	-	-	-	112,129,250	112,129,250
Nontrade receivable	-	-	-	75,517,940	75,517,940
MRF	-	-	-	76,001,626	76,001,626
<b>Financial asset measured at     FVOCI</b>	<b>6,500,000</b>	<b>-</b>	<b>-</b>	<b>344,640,000</b>	<b>351,140,000</b>
	<b>₱5,756,212,644</b>	<b>₱8,739,010</b>	<b>₱-</b>	<b>₱630,278,644</b>	<b>₱6,395,230,298</b>

2024	On demand	Less than three (3) months	Three (3) to 12 months	More than 12 months	Total
<b>Trade and other payables</b>					
Trade	₱1,139,592,665	₱-	₱-	₱-	₱1,139,592,665
Nontrade*	297,075,733	-	-	-	297,075,733
Accrued expenses	188,960,079	-	-	-	188,960,079
Retention fees	13,279,920	-	-	-	13,279,920
Payables to employees	110,371,387	-	-	-	110,371,387
Dividends payable	59,437,064	-	-	-	59,437,064
Advances from stockholder	64,354,202	-	-	-	64,354,202
Others	24,387,586	-	-	-	24,387,586
Advances from related parties	374,858,016	-	-	-	374,858,016
Financial liability**	-	1,103,805,000	-	2,234,020,000	3,337,825,000
Loans payable	-	-	2,618,354,384	4,610,970,065	7,229,324,449
Future loan interest payments	-	48,769,407	119,662,822	70,403,170	238,835,399
	<b>₱2,272,316,652</b>	<b>₱1,152,574,407</b>	<b>₱2,738,017,206</b>	<b>₱6,915,393,235</b>	<b>₱13,078,301,500</b>

\*Nontrade payables exclude royalties payable and surface rights payable amounting to ₱26.83 million as at December 31, 2024.

\*\*Gross contractual payments

2024	On demand	Less than three (3) months	Three (3) to 12 months	More than 12 months	Total
<b>Cash and cash equivalents</b>	<b>₱3,192,546,087</b>	<b>₱8,612,240</b>	<b>₱-</b>	<b>₱-</b>	<b>₱3,201,158,327</b>
<b>Receivables:</b>					
Trade	1,229,808,874	-	-	-	1,229,808,874
Others	28,502,862	-	-	21,989,828	50,492,690
Advances to related parties	2,304,109	-	-	-	2,304,109
<b>Other noncurrent assets:</b>					
Advance to GMU	-	-	-	112,129,250	112,129,250
Nontrade receivable	-	-	-	75,517,940	75,517,940
MRF	-	-	-	28,298,187	28,298,187
<b>Financial asset measured at FVOCI</b>	<b>7,000,000</b>	<b>-</b>	<b>-</b>	<b>344,640,000</b>	<b>351,640,000</b>
	<b>₱4,460,161,932</b>	<b>₱8,612,240</b>	<b>₱-</b>	<b>₱582,575,205</b>	<b>₱5,051,349,377</b>

### Foreign Currency Risk

The Group is exposed to currency risk arising from the effect of fluctuations in foreign currency exchange rates on commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Group's functional currency.

The Group has transactional currency exposures arising from its sales and purchases in US\$. To minimize its foreign currency risk, the Group normally requires its purchases from suppliers to be denominated in its functional currency to eliminate or reduce the currency exposures. The Group does not have forward currency contracts.



The Group foreign currency-denominated financial instruments as at December 31, 2025 and 2024 are as follows:

	2025		2024	
	US\$	Php	US\$	Php
<b>Financial Assets:</b>				
Cash and cash equivalents	\$23,492,044	₱1,381,097,267	\$36,936,172	₱2,136,757,550
Trade receivables	38,789,879	2,280,456,986	20,845,261	1,205,898,349
	62,281,923	3,661,554,253	57,781,433	3,342,655,899
<b>Financial Liabilities:</b>				
Trade payables	3,043,755	178,942,333	3,395,324	196,419,493
Loans payable	53,557,815	3,148,663,930	77,940,400	4,508,852,140
Financial liability	77,940,400	4,582,116,116	53,557,815	3,098,057,796
	134,541,970	7,909,722,379	134,893,539	7,803,329,429
<b>Net financial liabilities</b>	<b>(\$72,260,047)</b>	<b>(₱4,248,168,126)</b>	<b>(\$77,112,106)</b>	<b>(₱4,460,673,530)</b>

As at December 31, 2025 and 2024, the exchange rate based on the Bankers Association of the Philippines peso to US\$1.00 was ₱58.79 and 57.85, respectively.

The sensitivity to a reasonable possible change in the US\$ exchange rate, with all other variables held constant, of the Group's income before income tax (due to changes in fair value of monetary assets and liabilities) as at December 31, 2025 and 2024 are as follows:

US\$	2025	Change in foreign exchange rates	Effect in income before tax
		₱1.07	(₱77,137,600)
		(0.73)	52,930,484
	2024	₱0.68	(₱52,698,034)
		(0.79)	60,656,762

There is no other impact on the Group's equity other than those already affecting the consolidated statements of comprehensive income.

#### *Commodity Price Risk*

The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the gold and silver it produces. The Group's policy to minimize the risk is by closely monitoring regularly the movement in metal prices and by selling on spot price basis or by the LBMA AM or PM fix, depending on the price trend which may indicate to be more favorable to the Group.

Assuming all other variables remain constant, the impact of the change in gold prices, relative to the consolidated financial statements, in 2025 and 2024 is as follows:

	Change in gold metal price	Effect on income before tax
<b>2025</b>	<b>Increase by 101%</b>	<b>₱20,636,781,508</b>
	<b>Decrease by 101%</b>	<b>(20,636,781,508)</b>
2024	Increase by 14%	₱2,039,303,676
	Decrease by 14%	(2,039,303,676)



### Capital Management

The primary objective of the Group's capital management is to maintain a strong credit rating in order to support its business, maximize stockholder value, comply with capital restrictions and requirements as imposed by regulatory bodies, including limitations on ownership over the Group's shares, requisites for actual listing and trading of additional shares, if any, and required minimum debt to base equity ratio for the Group's loan covenants. Capital pertains to equity, excluding reserve from revaluation of property, plant and equipment, and advances from related parties.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new shares. No changes were made in the objectives, policies or processes during the years ended December 31, 2025 and 2024.

The Group considers the following as its core economic capital:

	2025	2024
Issued capital stock	₱6,227,887,491	₱6,227,887,491
APIC	634,224	634,224
Treasury shares	(2,081,746,680)	(2,081,746,680)
	<b>₱4,146,775,035</b>	<b>₱4,146,775,035</b>

The Group has no externally imposed capital requirements.

## 29. Fair Value Measurements

### *Financial Assets at FVOCI*

The quoted equity instruments designated as financial assets at FVOCI as at December 31, 2025 and 2024 are classified under Level 1 of the fair value hierarchy since these are based on quoted market prices. Unquoted equity instruments are classified under Level 3 of the fair value hierarchy since these are based on significant unobservable inputs.

### *Property, Plant, and Equipment*

The fair value of property, plant and equipment is calculated using the cost approach method, which results in measurements being classified as Level 3 in the fair value hierarchy.

	Date of Valuation	Total	Fair Value Measurement		
			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>Financial asset measured at FVOCI (Note 9)</i>	<b>2025</b>	<b>₱6,500,000</b>	<b>₱6,500,000</b>	<b>₱-</b>	<b>₱-</b>
	2024	₱7,000,000	₱7,000,000	₱-	₱-
<i>Property, plant, and equipment (Note 10)</i>	<b>2025</b>	<b>19,430,569,521</b>	<b>7,594,977,699</b>	<b>-</b>	<b>11,835,591,822</b>
	2024	15,119,602,080	-	-	15,119,602,080

### *Cash and Cash Equivalents, Trade and Other Receivables, Advances to Related Parties, Trade and Other Payables, Accrued Liabilities, Payable to Employees, Retention Fees, Nontrade Receivable*

The carrying amounts of these financial instruments approximate their fair value due to the short-term nature and maturity.



*MRF, Advance to GMU, Loans Payable, Financial Liability*

The carrying amounts of these financial instruments approximate their fair values. The effect of discounting on these financial instruments is not considered significant.

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**30. Significant Agreements, Provisions and Contingencies**

*Parent Company*

*a. Agreement with Indigenous Cultural Communities (ICC) and National Commission on Indigenous Peoples (NCIP) pursuant to Republic Act 8371*

On June 16, 2004, the Parent Company, together with the ICC of Maco, Davao de Oro and the NCIP, entered into an agreement pursuant to Republic Act 8371 and its implementing rules. The agreement calls for the compliance of the Parent Company with regard to providing scholarships, health and welfare programs, payment for surface rights and for royalties to the ICCs. The payment for surface rights is at 1% percent of the gross production of the Parent Company derived from the Maco mine. The payment for royalty is based on 1% of gross income (sales less cost of sales).

In 2025, 2024 and 2023 royalties to IP recognized under “Cost of Production” amounted to ₱103.23 million, ₱63.09 million, and ₱48.33 million, respectively (see Note 21). Royalties payable presented under nontrade in trade and other payables amounted to ₱11.39 million and ₱6.07 million as at December 31, 2025 and 2024, respectively.

In 2025, 2024 and 2023 surface rights to IP recognized under “Cost of Production” amounted to ₱178.01 million, ₱134.44 million, and ₱104.87 million, respectively (see Note 21). Surface rights payable presented under nontrade in trade and other payables amounted to ₱11.40 million and ₱6.07 million as at December 31, 2025 and 2024, respectively.

*b. Operating Lease Agreement*

The Parent Company entered into several lease agreements covering various machinery and equipment used in the mining operations. Total rent expense recognized on these lease agreements amounted to ₱33.84 million, ₱12.71 million and ₱26.58 million in 2025, 2024 and 2023, respectively (see Notes 21 and 22).

*c. Refining and Transportation Agreement with Heraeus*

On April 1, 2023, the Parent Company and ISRI renewed its Refining and Transportation Agreement, covering its gold and silver bullion production with Heraeus valid until March 31, 2025.

On April 1, 2025, the Parent Company and ISRI renewed its Refining and Transportation Agreement, covering its gold and silver bullion production with Heraeus valid until March 31, 2027.

Under the agreement, title to the gold and silver bullion shall pass from the Parent Company and ISRI to Heraeus upon settlement otherwise the title shall remain with the Parent Company and ISRI. The Parent Company and ISRI may elect to sell the refined gold and silver to Heraeus, and the price for all sales shall be based on quoted metal prices in London Bullion Market Association.



*MORE*

*d. Heads of Agreement with Forum*

In 2007, MORE entered into a Heads of Agreement with Forum to execute a joint operating agreement (JOA) on GSEC 101 upon the DOE's consent to the assignment, transfer and conveyance to MORE of 30% participating interest in GSEC 101 which has since then been converted to SC 72. The Heads of Agreement provides that MORE shall pay 30% of all costs and expenses (on an accrual basis) of the joint operations under the JOA.

On October 5, 2015, the DOE approved the assignment, transfer and conveyance, of the 30% participating interest in SC 72 to MORE. Consequently, MORE and Forum as parties constituting the consortium, have embarked on the finalization of the on-going JOA on SC 72.

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### 31. Operating Segments

The Group is organized into business units on their products and activities and has three reportable business segments: the mining, oil and gas, and solid waste management segment. The operating businesses are organized and managed separately through the Parent Company and its subsidiaries according to the nature of the products provided, with each segment representing a strategic business unit that offers different products to different markets.

Net income (loss) for the year is measured consistent with consolidated net income (loss) in the consolidated statements of income.

EBITDA is measured as net income excluding interest expense, interest income, benefit from (provision for) income tax, depreciation and depletion of property, plant and equipment, amortization of intangible assets and effects of non-recurring items.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on core and net income (loss) for the year, EBITDA, exploration results, or project potential, among others.

EBITDA is not a uniform or legally defined financial measure. EBITDA, however, is presented because the Group believes it is an important measure of performance and liquidity. The Group relies primarily on the results determined in accordance with PFRS Accounting Standards and uses EBITDA only as supplementary information.

Management evaluates its computation of EBITDA to exclude the effects of non-recurring items. Management believes that this computation of EBITDA is more useful in making decisions about resource allocation and performance assessment of its reportable segments.



The following tables present revenue and profit and certain asset and liability information regarding the Group's business segments.

	2025				
	Mining	Oil and gas	Solid waste management	Eliminations	Total
<b>Revenue</b>					
External customer	₱21,337,554,700	₱-	₱-	₱-	₱21,337,554,700
Inter-segment	-	-	-	-	-
<b>Consolidated revenue</b>	<b>₱21,337,554,700</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱21,337,554,700</b>
<b>EBITDA</b>	<b>₱12,211,726,327</b>	<b>(₱76,145,289)</b>	<b>(₱975,906)</b>	<b>(₱90,460,524)</b>	<b>₱12,044,144,608</b>
Finance cost	610,083,545	-	-	-	610,083,545
Interest income	(1,901,983)	(46,845)	-	-	(1,948,828)
Income tax expense	1,780,508,976	1,912,739	-	-	1,782,421,715
Depreciation, depletion and amortization	1,705,932,088	28,800	-	-	1,705,960,888
Nonrecurring items	283,585,414	-	-	-	283,585,414
<b>Consolidated net income (loss)</b>	<b>₱7,833,518,287</b>	<b>(₱78,039,983)</b>	<b>(₱975,906)</b>	<b>(₱90,460,524)</b>	<b>₱7,664,041,874</b>
<b>Consolidated total assets</b>	<b>₱48,255,922,608</b>	<b>₱8,579,644,058</b>	<b>₱58,735,550</b>	<b>(₱18,070,738,931)</b>	<b>₱38,823,563,285</b>
<b>Consolidated total liabilities</b>	<b>₱17,631,663,753</b>	<b>₱381,195,444</b>	<b>₱3,686,701</b>	<b>(₱5,723,521,721)</b>	<b>₱12,293,024,177</b>

	2024				
	Mining	Oil and gas	Solid waste management	Eliminations	Total
<b>Revenue</b>					
External customer	₱15,142,201,879	₱-	₱-	₱-	₱15,142,201,879
Inter-segment	-	-	-	-	-
<b>Consolidated revenue</b>	<b>₱15,142,201,879</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱15,142,201,879</b>
<b>EBITDA</b>	<b>₱7,481,281,857</b>	<b>(₱80,895,470)</b>	<b>(₱150,524)</b>	<b>₱61,701,404</b>	<b>₱7,461,937,267</b>
Finance cost	594,812,655	-	-	-	594,812,655
Interest income	(11,285,687)	(48,000)	-	-	(11,333,687)
Income tax expense	1,115,271,735	1,321,315	-	-	1,116,593,050
Depreciation, depletion and amortization	1,436,977,622	229,100	-	-	1,437,206,722
Nonrecurring items	-	-	-	-	-
<b>Consolidated net income</b>	<b>₱4,345,505,532</b>	<b>(₱82,397,885)</b>	<b>(₱150,524)</b>	<b>₱61,701,404</b>	<b>₱4,324,658,527</b>
<b>Consolidated total assets</b>	<b>₱41,104,257,549</b>	<b>₱3,547,356,251</b>	<b>₱58,735,550</b>	<b>(₱12,618,686,880)</b>	<b>₱32,091,662,470</b>
<b>Consolidated total liabilities</b>	<b>₱7,526,817,369</b>	<b>₱359,586,791</b>	<b>₱2,710,795</b>	<b>₱5,723,521,721</b>	<b>₱13,612,636,676</b>

	2023				
	Mining	Oil and gas	Solid waste management	Eliminations	Total
<b>Revenue</b>					
External customer	₱12,075,094,595	₱-	₱-	₱-	₱12,075,094,595
Inter-segment	-	-	-	-	-
<b>Consolidated revenue</b>	<b>₱12,075,094,595</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱12,075,094,595</b>
<b>EBITDA</b>	<b>₱6,001,230,350</b>	<b>(₱4,826,564)</b>	<b>(₱75,746,235)</b>	<b>₱63,779,639</b>	<b>₱5,984,437,190</b>
Finance cost	559,265,484	-	-	-	559,265,484
Interest income	(12,182,160)	(2,430,649)	-	-	(14,612,809)
Income tax expense	709,660,808	635,870	-	-	710,296,678
Depreciation, depletion and amortization	1,305,067,708	355,714	-	-	1,305,423,422
Nonrecurring items	51,329,929	-	-	-	51,329,929
<b>Consolidated net income (loss)</b>	<b>₱3,388,088,581</b>	<b>(₱3,387,499)</b>	<b>(₱75,746,235)</b>	<b>₱63,779,639</b>	<b>₱3,372,734,486</b>
<b>Consolidated total assets</b>	<b>₱23,639,617,069</b>	<b>₱3,368,159,394</b>	<b>₱58,735,550</b>	<b>₱-</b>	<b>₱27,066,512,013</b>
<b>Consolidated total liabilities</b>	<b>₱12,388,258,963</b>	<b>₱69,525,108</b>	<b>₱2,560,271</b>	<b>₱-</b>	<b>₱12,460,344,342</b>



EBITDA consists of (a) revenue, (b) cost and expenses (excluding depreciation, depletion and amortization), (c) excise tax, (d) general and administrative expenses (excluding depreciation, depletion and amortization) and (e) other income (charges) excluding interest income and non-recurring items, and is computed as follows:

For the year ended December 31, 2025					
	Mining	Oil and gas	Solid waste management	Eliminations	Total
(a) Revenue	₱21,337,554,700	₱-	₱-	₱-	₱21,337,554,700
(b) Cost and expenses	(7,793,139,277)	-	-	-	(7,793,139,277)
(c) Excise tax	(817,343,762)	-	-	-	(817,343,762)
(d) General and administrative expenses	(305,719,503)	(55,530,676)	(975,906)	-	(362,226,085)
(e) Other charges	(209,625,831)	(20,614,613)	-	(90,460,524)	(320,700,968)
<b>EBITDA</b>	<b>₱12,211,726,327</b>	<b>(₱76,145,289)</b>	<b>(₱975,906)</b>	<b>(₱90,460,524)</b>	<b>₱12,044,144,608</b>

For the year ended December 31, 2024					
	Mining	Oil and gas	Solid waste management	Eliminations	Total
(a) Revenue	₱15,142,201,879	₱-	₱-	₱-	₱15,142,201,879
(b) Cost and expenses	(6,176,152,794)	-	-	-	(6,176,152,794)
(c) Excise tax	(602,807,446)	-	-	-	(602,807,446)
(d) General and administrative expenses	(413,984,757)	(43,505,567)	(150,524)	-	(457,640,848)
(e) Other income (charges)	(467,975,025)	(37,389,903)	-	61,701,404	(443,663,524)
<b>EBITDA</b>	<b>₱7,481,281,857</b>	<b>(₱80,895,470)</b>	<b>(₱150,524)</b>	<b>₱61,701,404</b>	<b>₱7,461,937,267</b>

For the year ended December 31, 2023					
	Mining	Oil and gas	Solid waste management	Eliminations	Total
(a) Revenue	₱12,075,094,595	₱-	₱-	₱-	₱12,075,094,595
(b) Cost and expenses	(5,057,112,717)	-	-	-	(5,057,112,717)
(c) Excise tax	(478,617,442)	-	-	-	(478,617,442)
(d) General and administrative expenses	(123,458,538)	(40,981,824)	(75,746,235)	-	(240,186,597)
(e) Other income (charges)	(414,675,548)	36,155,260	-	63,779,639	(314,740,649)
<b>EBITDA</b>	<b>₱6,001,230,350</b>	<b>(₱4,826,564)</b>	<b>(₱75,746,235)</b>	<b>₱63,779,639</b>	<b>₱5,984,437,190</b>

The total revenue from an external customer, attributable to the Philippines, which is the Group's country of domicile, amounted to ₱21.34 billion, ₱15.14 billion and ₱12.08 billion in 2025, 2024 and 2023, respectively arising from the sale of gold and silver bullion.

### 32. Supplemental Disclosure to Consolidated Statements of Cash Flows

The following tables summarize the changes in liabilities in financing activities in 2025, 2024 and 2023:

	January 1, 2025	Availments	Payments	Reclassification	Others	December 31, 2025
<b>Current Liabilities:</b>						
Bank loans	₱2,618,354,384	₱-	(₱3,114,115,992)	₱3,341,933,296	₱-	₱2,846,171,688
Financial liability	925,572,825	-	(1,103,805,000)	1,174,366,351	-	996,134,176
Dividends payable	59,437,064	-	(816,506,263)	-	833,038,263	75,969,064
Advances from related parties	374,858,016	-	(374,858,016)	-	-	-
<b>Noncurrent Liabilities:</b>						
Bank loans	4,610,970,065	2,335,066,862	-	(3,341,933,296)	50,929,329	3,655,032,960
Financial liability	2,172,478,970	-	-	(1,174,366,351)	164,027,463	1,162,140,082
	<b>₱10,761,671,324</b>	<b>₱2,335,066,862</b>	<b>(₱5,409,285,271)</b>	<b>₱-</b>	<b>₱1,047,995,055</b>	<b>₱8,735,447,970</b>



Other movements in financing activities in 2025 pertain to the following:

- a. Foreign exchange loss on bank loans amounting to ₱50.93 million.
- b. Accretion of interest and foreign exchange loss on financial liability amounting to ₱126.40 million and ₱36.63 million, respectively.
- c. Dividend declaration amounting to ₱833.04 million.

	January 1, 2024	Availments	Payments	Reclassification	Others	December 31, 2024
<b>Current Liabilities:</b>						
Bank loans	₱4,083,966,092	₱-	(₱3,779,905,573)	₱2,314,293,865	₱-	₱2,618,354,384
Financial liability	836,661,303	-	(1,064,095,000)	1,153,006,522	-	925,572,825
Dividends payable	50,627,881	-	(453,140,197)	-	461,949,380	59,437,064
Advances from related parties	916,012,000	-	(541,153,984)	-	-	374,858,016
<b>Noncurrent Liabilities:</b>						
Bank loans	1,141,057,584	5,858,343,000	-	(2,314,293,865)	(74,136,654)	4,610,970,065
Financial liability	3,008,811,659	-	-	(1,153,006,522)	316,673,833	2,172,478,970
	<b>₱10,037,136,519</b>	<b>₱5,858,343,000</b>	<b>(₱5,838,294,754)</b>	<b>₱-</b>	<b>₱704,486,559</b>	<b>₱10,761,671,324</b>

Other movements in financing activities in 2024 pertain to the following:

- a. Foreign exchange gain on bank loans amounting to ₱74.14 million.
- b. Accretion of interest and foreign exchange loss on financial liability amounting to ₱178.97 million and ₱137.70 million, respectively.
- c. Dividend declaration amounting to ₱461.95 million.

	January 1, 2023	Availments	Payments	Reclassification	Others	December 31, 2023
<b>Current Liabilities:</b>						
Bank loans	₱4,370,197,906	₱-	(₱962,157,621)	₱675,925,807	₱-	₱4,083,966,092
Financial liability	-	-	-	836,661,303	-	836,661,303
Dividends payable	5,578,782	-	(264,986,303)	-	310,035,402	50,627,881
Advances from related parties	916,012,000	-	-	-	-	916,012,000
<b>Noncurrent Liabilities:</b>						
Bank loans	1,850,134,467	-	-	(675,925,807)	(33,151,076)	1,141,057,584
Financial liability	-	-	-	(836,661,303)	3,845,472,962	3,008,811,659
	<b>₱7,141,923,155</b>	<b>₱-</b>	<b>(₱1,227,143,924)</b>	<b>₱-</b>	<b>₱4,122,357,288</b>	<b>₱10,037,136,519</b>

Other movements in financing activities in 2023 pertain to the following:

- a. Foreign exchange loss on bank loans amounting to ₱33.15 million.
- b. Accretion of interest and initial recognition of financial liability amounting to ₱191.34 million and ₱3,654.13 million, respectively.
- c. Dividend declaration amounting to ₱310.04 million.

### 33. Events after the reporting period

Below are the events after the reporting period which are treated as non-adjusting event as at December 31, 2025:

#### *Declaration of Cash Dividends*

On March 17, 2026, the Parent Company declared regular and special cash dividends of ₱0.24612 and ₱0.36918 per common share, respectively, for a total aggregate amount of ₱3.83 billion. The cash dividends are payable on April 27, 2026 to stockholders of record holding shares of the Parent Company's common stock as of close of business on April 15, 2026.



*Appropriation of Retained Earnings*

On March 17, 2026, the BOD approved the appropriation of retained earnings amounting to ₱12.00 billion in relation to drain tunnel, mill plant construction and other expansion projects which are expected to be completed in three (3) to four (4) years.

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**34. Reclassification**

The consolidated statements of cash flows for the years ended December 31, 2024 and 2023 have been reclassified to conform to the year ended December 31, 2025, particularly, the advances from related parties were transferred from operating activities to financing activities as follows:

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Payments of advances from related parties	<b>(₱541,153,984)</b>	₱-

The change did not result to any change in the consolidated net increase in cash and cash equivalents of the Group for the years ended December 31, 2024 and 2023.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Apex Mining Co., Inc.  
3304B West Tower, Tektite Towers, Exchange Road  
Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Apex Mining Co., Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 17, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

*Jose Pepito E. Zabat*

Jose Pepito E. Zabat III  
Partner

CPA Certificate No. 85501

Tax Identification No. 102-100-830

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 85501-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,  
with extension up to audit of 2025 financial statements

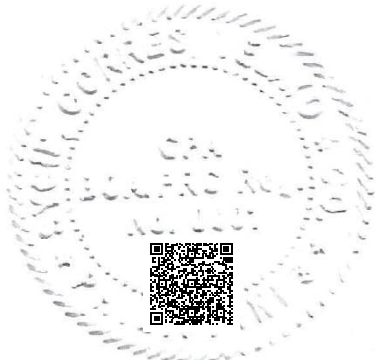
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-060-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765157, January 2, 2026, Makati City

March 17, 2026

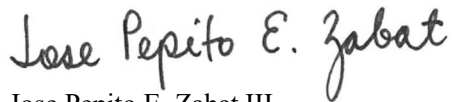


## **INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors  
Apex Mining Co., Inc.  
3304B West Tower, Tektite Towers, Exchange Road  
Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Apex Mining Co., Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 17, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Jose Pepito E. Zabat III  
Partner

CPA Certificate No. 85501

Tax Identification No. 102-100-830

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 85501-SEC (Group A)

Valid to cover audit of 2020 to 2024 financial statements,  
with extension up to audit of 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-060-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765157, January 2, 2026, Makati City

March 17, 2026



## **APEX MINING CO., INC. AND SUBSIDIARIES**

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### **INDEX TO SUPPLEMENTARY SCHEDULES**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

- Annex I: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex II: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex III: Supplementary Schedules Required by Annex 68-J
- Schedule A. Financial Assets
  - Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
  - Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
  - Schedule D. Long-term Debt
  - Schedule E. Indebtedness to Related Parties
  - Schedule F. Guarantees of Securities of Other Issuers
  - Schedule G. Capital Stock

**ANNEX I**  
**RECONCILIATION OF RETAINED EARNINGS**  
**AVAILABLE FOR DIVIDEND DECLARATION**  
**As of December 31, 2025**

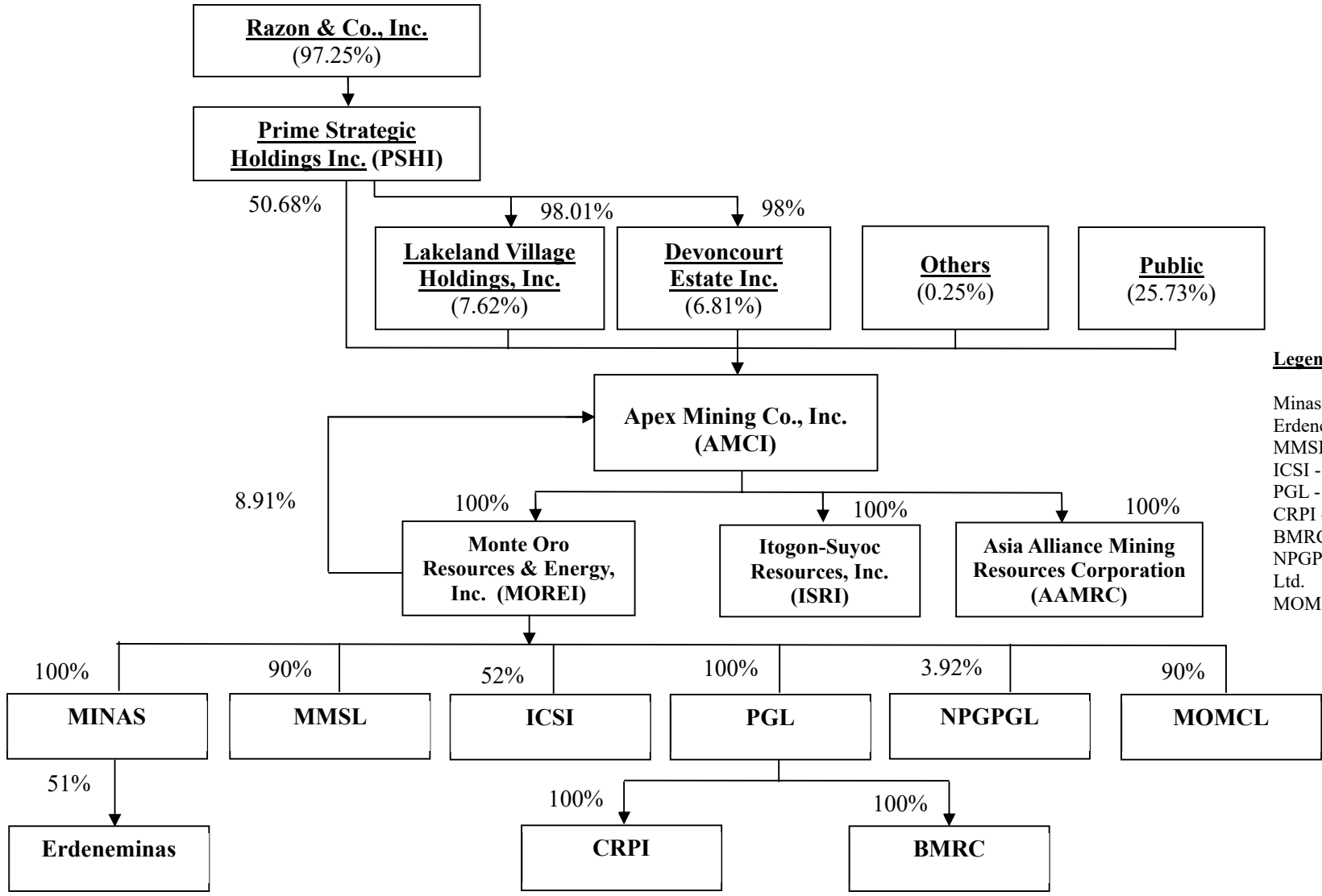
**APEX MINING CO., INC. AND SUBSIDIARIES**  
**3304B West Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City**

<b>Unappropriated Retained Earnings, beginning of reporting period</b>	<b>₱15,629,165,408</b>
<b>Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings</b>	
Reversal of Retained Earnings Appropriation/s	–
Effect of restatements or prior-period adjustments	–
Others (describe nature)	–
	–
<b>Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings</b>	
Dividend declaration during the reporting period	(864,929,014)
Retained Earnings appropriated during the reporting period	–
Effect of restatements or prior-period adjustments	–
Others (describe nature)	–
	(864,929,014)
<b>Unappropriated Retained Earnings, as adjusted</b>	<b>14,764,236,394</b>
<b>Add/Less: Net Income for the current year</b>	<b>7,111,423,232</b>
<b>Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>	
Equity in net income of associate/joint venture, net of dividends declared	–
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–
Unrealized fair value gain of Investment Property	–
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–
Subtotal	–
<b>Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>	
Realized foreign exchange gain, except those attributable to Cash and Cash Equivalents	(164,011,671)
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–
Realized fair value gain of Investment Property	–

(Forward)

Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	P-
Subtotal	<u>(164,011,671)</u>
<b>Add: <u>Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</u></b>	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Reversal of previously recorded fair value gain of Investment Property	-
Reversal of other unrealized gains or adjustments to the retained Earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-
Subtotal	<u>-</u>
<b>Adjusted Net Income/Loss</b>	<u><b>21,711,647,955</b></u>
<b>Add: <u>Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</u></b>	
Depreciation on revaluation increment (after tax)	45,206,065
Subtotal	<u><b>45,206,065</b></u>
<b>Add/Less: <u>Category E: Adjustments related to relief granted by the SEC and BSP</u></b>	
Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others (describe nature)	-
Subtotal	<u>-</u>
<b>Add/Less: <u>Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</u></b>	
Net movement of treasury shares (except for reacquisition of redeemable shares)	-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	158,866,637
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	(3,800,991)
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others (describe nature)	-
Subtotal	<u><b>155,065,646</b></u>
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	<u><b>₱21,911,919,666</b></u>

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**A MAP SHOWING THE RELATIONSHIP BETWEEN THE PARENT COMPANY**  
**AND ITS SUBSIDIARIES**  
**PURSUANT TO REVISED SRC RULE 68, AS AMENDED**  
**DECEMBER 31, 2025**



**Legend:**

- Minas - Minas de Oro Mongol LLC
- Erdeneminas - Erdeneminas LLC
- MMSL - MORE Minerals SL
- ICSI - International Cleanenvironment Systems, Inc.
- PGL - Paracale Gold Ltd.
- CRPI - Coral Resources Philippines, Inc.
- BMRC - Bulawan Mineral Resources Corporation
- NPGPGL - National Prosperity Gold Production Group Ltd.
- MOMCL - Monte Oro Mining Company Ltd.

**ANNEX III**  
**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE A**  
**FINANCIAL ASSETS**  
**December 31, 2025**  
**(Amounts in Thousands, Except Number of Shares)**

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received and accrued
Cash and cash equivalents		₱3,332,631	₱1,949
Receivables:			
Trade		2,324,596	—
Others		53,651	—
Advances to related parties		69,563	—
Other noncurrent assets:			
Advance to GMU		112,129	—
Nontrade receivable		75,518	—
MRF		76,002	—
Financial asset measured at FVOCI			
NPGPGL	555,133,447	344,640	—
BCC	1	6,500	—
		<b>₱6,395,230</b>	<b>₱1,949</b>

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE B**  
**AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL**  
**STOCKHOLDERS (OTHER THAN RELATED PARTIES)**  
**December 31, 2025**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not Current	Balance at end of period
Officers and employees	P36,198,345	P-	(P9,915,751)	P-	P26,282,594	P-	P26,282,594
MORE Coal	1,186,593	-	-	-	-	1,186,593	1,186,593
MORE Oil and Gas	603,126	-	-	-	-	603,126	603,126
MORE Reedbank	514,390	-	-	-	-	514,390	514,390
	P38,502,454	P-	(P9,915,751)	P-	P26,282,594	P2,304,109	P28,586,703

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE C**  
**AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED**  
**DURING CONSOLIDATION OF FINANCIAL STATEMENTS**  
**December 31, 2025**  
**(Amounts in Thousands)**

Name and Designation of Debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not Current	Balance at end of period
AAMRC	₱2,144,738	₱471,912	₱–	₱–	₱2,616,650	₱–	₱2,616,650
ISRI	1,856,011	19,644	–	–	1,875,655	–	1,875,655
MORE	487,218	16,396	–	–	503,614	–	503,614
CRPI	264,377	14,358	–	–	278,735	–	278,735
BMRC	5,309	290	–	–	5,599	–	5,599
	<b>₱4,757,653</b>	<b>₱522,600</b>	<b>₱–</b>	<b>₱–</b>	<b>₱5,280,253</b>	<b>₱–</b>	<b>₱5,280,253</b>

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE D**  
**LONG TERM DEBT**  
**December 31, 2025**  
**(Amounts in Thousands)**

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Loans payable - net of noncurrent portion"	Amount shown caption "Loans payable - net of current portion"
Long-term financial liability	₱3,591,598 <sup>1</sup>	₱996,134	₱1,162,140
Omnibus loan and security	2,554,650 <sup>2</sup>	517,352	1,669,636
Omnibus loan and security	2,554,650 <sup>2</sup>	517,352	1,669,636
Term Loan Facility	2,000,000 <sup>3</sup>	262,648	240,760
Term Loan Facility	500,000 <sup>4</sup>	100,000	75,000

Note:

- On February 10, 2023, AMCI purchased 1,900,000 shares representing 100% ownership of Asia Alliance Mining Resources Corporation (AMMRC) for US\$81.50 million or ₱3.89 billion where US\$5.50 million or ₱301.55 million is payable upon execution and US\$76 million or ₱3.59 billion shall be paid in 4 equal installments for the next four (4) years starting on the first anniversary of Deed of Absolute Sale (DOAS) and every year thereafter.
- On December 18, 2024, AMCI entered into a \$108 million Omnibus Loan and Security Agreement (OLSA) with PNB and BOC. This term loan will convert the existing short-term borrowings with the BOC into a long-term loan and provide funding for the remaining installments of the 100% share acquisition of Asia-Alliance Mining Resources Corp. (AAMRC). The OLSA will be drawn in three annual tranches through 2026 and repaid quarterly over five years from the drawdown dates. The loan is secured by AAMRC's shares. On December 20, 2024, the AMCI drew the initial amount of \$34 million each from PNB and BOC. On December 19, 2025 drew second tranche amounting to \$10 million each from PNB and BOC
- On September 13, 2019, PNB granted AMCI a Term Loan Facility of up to ₱2.00 billion with tenor of eight (8) years with equal quarterly principal repayment was obtained to finance the Parent Company's capital expenditures. On September 26 and December 12, 2019, Parent Company drew the first and second tranches amounting to ₱500.00 million each with the interest rate of 6.5% per annum. In 2020, the Parent Company drew the third to sixth tranches amounting to ₱500.0 million each with the same interest rate of 6.5% per annum.
- In May 2022, the Philippine National Bank granted ISRI a Term Loan Facility of up to ₱500.00 million with tenor of five (5) years with equal quarterly principal repayment to finance ISRI's 400-tonne per day development program. The Loan Agreement for this facility was signed by the parties on May 24, 2022 and on June 28, 2022, ISRI drew the total amount of ₱500.00 million with the interest rate set at 8.52% per annum.

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE E**  
**INDEBTEDNESS TO RELATED PARTIES**  
**December 31, 2025**

Name of the Related Party

Balance at beginning of period

Balance at end of period

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<b>NOT APPLICABLE</b>
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**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE F**  
**GUARANTEES OF SECURITIES OF OTHER ISSUERS**  
**December 31, 2025**  
**(Amounts in Thousands)**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
ISRI	Debt Security - Debenture	₱375,000	₱175,000	Unconditionally and irrevocably, jointly and severally

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SCHEDULE G**  
**CAPITAL STOCK**  
**December 31, 2025**

Title of Issue	Number of Shares Authorized	Number of shares issued and outstanding as shown under related financial position caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common	12,800,000,000	6,227,887,491	–	4,610,085,179	14,259,801	1,603,542,511

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**  
**PURSUANT TO THE REVISED SRC RULE 68, AS AMENDED**  
**DECEMBER 31, 2025**

Ratio	Formula	Current Year	Prior Year	
Current ratio	Total Current Assets divided by Total Current Liabilities	<b>1.34</b>	<b>1.12</b>	
	Total current assets			₱8,773,484,523
	Divide by: Total current liabilities			6,545,863,301
	Current ratio			1.34
Acid test ratio	Quick assets ( <i>Total Current Assets less Inventories and Other Current Assets</i> ) divided by Total Current Liabilities	<b>0.91</b>	<b>0.71</b>	
	Total current assets			₱8,773,484,523
	Less: Inventories			1,289,132,342
	Other current assets			1,520,957,478
	Quick assets			5,963,394,703
	Divide by: Total current liabilities			6,545,863,301
Acid test ratio	0.91			
Solvency ratio	Net income (loss) after tax plus Depreciation, amortization and depletion divided by Total liabilities	<b>0.76</b>	<b>0.42</b>	
	Net income after tax			₱7,664,041,874
	Add: Depreciation, amortization and depletion			1,705,960,888
				9,370,002,762
	Divide by: Total liabilities			12,293,024,177
Solvency ratio	0.76			
Debt-to-equity ratio	Total Liabilities divided by Total Equity ( <i>Excluding Cumulative translation adjustment and Treasury shares</i> )	<b>0.43</b>	<b>0.66</b>	
	Total liabilities			₱12,293,024,177
	Divide by: Total equity			
	Total equity			26,530,539,108
	Less: Cumulative translation adjustment			(13,696,063)
	Treasury shares			(2,081,746,680)
Subtotal	28,625,981,851			
Debt-to-equity ratio	0.43			
Asset-to-equity ratio	Total Assets divided by Total Equity ( <i>Excluding Cumulative translation adjustment and Treasury shares</i> )	<b>1.36</b>	<b>1.56</b>	
	Total assets			₱38,823,563,285
	Divide by: Total equity			
	Total equity			26,530,539,108
	Less: Cumulative translation adjustment			(13,696,063)
	Treasury shares			(2,081,746,680)
Subtotal	28,625,981,851			
Asset-to-equity ratio	1.36			

<b>Ratio</b>	<b>Formula</b>	<b>Current Year</b>	<b>Prior Year</b>	
Interest rate coverage ratio	Earnings Before Interest and Taxes divided by Interest Expense	<b>16.48</b>	<b>10.15</b>	
	Net income before tax			₱9,446,463,589
	Add: Finance charges			610,083,545
	Earnings before interest and taxes			10,056,547,134
	Divide by: Finance charges			610,083,545
	Interest rate coverage ratio	16.48		
Return on equity	Net Income (Loss) After Tax divided by Total Equity ( <i>Excluding Cumulative Translation adjustment and Treasury Shares</i> )	<b>26.77%</b>	<b>21.03%</b>	
	Net income after tax			₱7,664,041,874
	Divide by:			
	Total equity			26,530,539,108
	Less: Cumulative translation adjustment			(13,696,063)
	Treasury shares	(2,081,746,680)		
	Total equity	28,625,981,851		
	Return on equity	26.77%		
Return on assets	Net Income (Loss) After Tax divided by Total Assets	<b>21.61%</b>	<b>14.62%</b>	
	Net income after tax			₱7,664,041,874
	Divide by: Average total assets			
	Assets at beginning of the year			32,091,662,470
	Assets at end of the year			38,823,563,285
	Average total assets	35,457,612,878		
	Return on assets	21.61%		
Net profit margin	Net Income (Loss) After Tax divided by Total Revenue	<b>35.92%</b>	<b>28.56%</b>	
	Net income after tax			₱7,664,041,874
	Divide: Total revenue			21,337,554,700
	Net profit margin	35.92%		
Operating profit margin	Net Income (Loss) Before Interest and Tax divided by Total Revenue	<b>47.13%</b>	<b>39.86%</b>	
	Net income before tax			₱9,446,463,589
	Add: Finance cost			610,083,545
	Net income before interest and tax			10,056,547,134
	Divide: Total revenue			21,337,554,700
	Operating profit margin	47.13%		
Gross profit margin	Gross Profit Tax ( <i>Total Revenues less Cost of Sales</i> ) divided by Total Revenue	<b>55.56%</b>	<b>49.81%</b>	
	Total revenues			₱21,337,554,700
	Less: Cost of sales			9,483,307,036
	Gross profit			11,854,247,664
	Divide: Total revenue			21,337,554,700
	Net profit margin	55.56%		

**APEX MINING CO., INC. AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**December 31, 2025**

	<b>Current Year (2025)</b>	<b>Prior Year (2024)</b>
<b>Total Audit Fees</b>	P10,450,000	P9,200,000
Non-audit services fees:		
Tax services	1,344,000	308,503
All other services	—	—
<b>Total Non-audit Fees</b>	1,344,000	308,503
<b>Total Audit and Non-audit Fees</b>	P11,794,000	P9,508,503

**Audit and Non-audit fees of other related entities**

	<b>Current Year (2025)</b>	<b>Prior Year (2024)</b>
Audit fees	P—	P—
Non-audit services fees:		
Tax services	—	—
All other services	—	—
<b>Total Audit and Non-audit Fees of other related entities</b>	P—	P—

**Annex C:**

**Certification that no directors or officers are connected with an government agencies or its instrumentalities**

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY, METRO MANILA ) S.S.

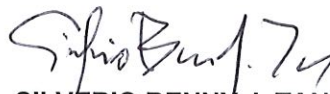
**SECRETARY'S CERTIFICATE**

I, **SILVERIO BENNY J. TAN**, of legal age, Filipino with office address at the Penthouse, Liberty Center, 104 H.V. Dela Costa St., Salcedo Village, Makati City, hereby certify that:

1. I am the Corporate Secretary of **APEX MINING CO., INC.**, (hereafter, the "Corporation") a Philippine corporation with office address at 3304B West Tower, Tektite Towers (PSE Centre), Exchange Road, Ortigas Center, Pasig City.


2. I hereby certify that no director or officer of the Corporation works for or is connected with the Philippine government as of date hereof,

IN WITNESS WHEREOF, I have hereunto set my hand this MAR 26 2026 in Makati City, Metro Manila.

  
**SILVERIO BENNY J. TAN**  
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this MAR 26 2026 at Makati City, Metro Manila, affiant exhibited to me his Passport ID No. P4294418B issued on 04 January 2020 at DFA NCR East.

Doc. No. 272;  
Page No. 36;  
Book No. 4;  
Series of 2026.

  
**MITZI LOVE C. SYJONTIAN**  
Appointment No. M-298  
Notary Public for Makati City  
Until December 31, 2026  
Liberty Center-Picazo Law  
104 H.V. Dela Costa Street, Makati City  
Roll of Attorney's No. 87544  
PTR No. 10766606/Makati City/01-02-2026  
IBP No. 536184/Makati City/12-23-2025  
MCLE No. VIII-0035562/May 22, 2025

**CERTIFICATION OF QUALIFICATION OF INDEPENDENT DIRECTOR**

I, **VALENTINO SEVILLA BAGATSING**, Filipino, of legal age and a resident of #16 Kaimito Loop, Ayala Westgrove Heights, Brgy Inchican, Silang Cavite, after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of Apex Mining Co., Inc and have been its independent director since 2019.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Annie’s Farm, Inc.	Director/Treasurer	Since 1998
OOna Insurance Corporation	Independent Director	Since June 2021

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Apex Mining Co., Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. – NOT APPLICABLE
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not affiliated with any government agency or GOCC, nor rendering service in any level of government.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and SEC issuances.
8. I shall inform the Corporate Secretary of Apex Mining Co., Inc. of any changes in the above-mentioned information within five days from its occurrence.

Done this 26th day of March 2026 at PASIG CITY City, Philippines.

**VALENTINO SEVILLA BAGATSING**  
Affiant

**SUBSCRIBED AND SWORN** to before me on 26 MAR 2026 at PASIG CITY, Philippines, affiant personally appeared before me and exhibited to me his Passport ID with No. P7071357B issued on June 30, 2021 at DFA Manila with expiry date on June 29, 2031.

Doc. No. 176  
Page No. 29  
Book No. 22  
Series of 2026.

**FERDINAND D. AZAHAO**  
Notary Public

For and in Pasig City and the Municipality of Pateros  
Commission No. 122 (2026-2027) valid until 12/31/2027  
MCLE Exemption No. VIII/SEP003234, until 04/14/28  
Roll No. 46377; IBP LRN 02459; OR 535886; 06/21/2001  
TIN 123-011-785; PTR 4018763AA; 01/09/26; Pasig City  
Unit 5, West Tower PSE, Exchange Road  
Ortigas Center, Pasig City, NCR, 1605 Philippines

**Annex D:**

**Certification of Qualification of Independent Directors - Jose Joel M. Sebastian**

**CERTIFICATION OF QUALIFICATION OF INDEPENDENT DIRECTOR**

I, **JOSE JOEL M. SEBASTIAN**, Filipino, of legal age and a resident of 231 Calatagan Street corner Bauan Street, Ayala Alabang Village, Muntinlupa City, after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of Apex Mining Co., Inc;
2. I am not affiliated with any companies or organizations.
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Apex Mining Co., Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. – NOT APPLICABLE
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not affiliated with any government agency or GOCC, nor rendering service in any level of government.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and SEC issuances.
8. I shall inform the Corporate Secretary of Apex Mining Co., Inc. of any changes in the abovementioned information within five days from its occurrence.

30 MAR 2026

PASIG CITY

Done this \_\_\_th day of March 2026, at \_\_\_\_\_ City, Philippines.

**JOSE JOEL M. SEBASTIAN**  
Affiant

30 MAR 2026

**SUBSCRIBED AND SWORN** to before me on \_\_\_\_\_ at \_\_\_\_\_, Philippines, affiant personally appeared before me and exhibited to me his Passport ID with No. P7123782B issued on July 6, 2021 at DFA Manila with expiry date on July 5, 2031.

Doc. No. 197  
Page No. 41  
Book No. 27  
Series of 2026.

**FERDINAND MAYAHAO**  
Notary Public

For and in Pasig City and the Municipality of Paterno  
Commission No. 122 (2026-2027) valid until 12/31/2027  
MCLE Exemption No. VIII-BEP003234, until 04/14/28  
Roll No. 46377; IDP LBN 02459; OR 555886; 06/21/2009  
TIN 123-011-785; PER 4018763AA; 01/09/26; Pasig City  
Unit 5, West Tower PSE, Exchange Road  
Ortigas Center, Pasig City, NCR, 1605 Philippines