

COVER SHEET

- 7 4 4 3 -

SEC Registration Number

E A S T C O A S T V U L C A N M I N I N G

C O R P O R A T I O N

(Company's Full Name)

1 5 T H F L O O R , H I G H R I S E P A C I F I C

S T A R B L D G . , S E N . G I L P U Y A T A V E .

M A K A T I C I T Y , M E T R O M A N I L A

(Business Address: No., Street City / Town / Province)

Atty. Ana Maria A. Katigbak  
Contact Person

8817 6791/ 8897-5257  
Company Telephone Number

1 2      3 1  
Month      Day

Fiscal Year

SEC Form 20-IS  
Preliminary Information Statement  
FORM TYPE

Annual Meeting of  
Stockholders  
June 17, 2026  
Mont      Day  
h

Annual Meeting

Secondary License Type, If Applicable

C F D

Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_

LCU

Document ID

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Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 20-IS

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**INFORMATION STATEMENT PURSUANT TO SEC 20  
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:  
 Preliminary Information Statement  
 Definitive Information Statement
2. Name of Registrant as specified in its charter:  
**EAST COAST VULCAN MINING CORPORATION**
3. Province, country or other jurisdiction or organization:  
Philippines
4. SEC Identification Number - 7443
5. BIR Tax Identification Number - 000-062-736
6. Address of Principal Office Postal Code  
15th Floor, High Rise Pacific Star Building, 1226  
Sen. Gil Puyat Avenue, Makati City,  
Metro Manila, Philippines
7. Registrant's telephone number, including area code:  
(632) 8511 – 8312
8. Date, time and place of the meeting of security holders:  
[TBA]
9. Approximate date on which the Information Statement will be published through alternative mode of distribution through the Corporation's website and PSE Edge: May 26, 2026
10. In Case of Proxy Solicitations:  
Name of Person Filing the  
Statement/Solicitor: East Coast Vulcan Mining Corporation  
Address: 15th Floor, High Rise Pacific Star Building,  
Sen. Gil Puyat Avenue, Makati City,  
Metro Manila, Philippines  
Tel. Nos. : (632) 85118312  
Attention: Ana Maria A. Katigbak
11. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA  
(information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Class	Number of Shares of Common Stock
	Outstanding
Common	6,630,000,000 <sup>1</sup>
12. Are any or all of registrant's securities listed in 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**

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<sup>1</sup> The total outstanding capital stock of the Corporation is 6,630,000,000. However, the total number of securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code ("SRC") is 963,944,338. The 5,180,000,000 shares and 486,055,662 shares are exempt transactions.

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY ) S.S.

**SECRETARY'S CERTIFICATE**

I, **ANA MARIA A. KATIGBAK**, Filipino, of legal age, being the duly elected Corporate Secretary of **EAST COAST VULCAN MINING CORPORATION** (*formerly EAST COAST VULCAN CORPORATION*; the "**Corporation**"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the 15th Floor, Pacific Star Bldg., High Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines, under oath, hereby state that at the special meeting of the Board of Directors of the Corporation held on April 27, 2026, at the principal office of the Corporation, at which a quorum was present and acting throughout, the following resolutions were unanimously approved by the directors:

**"WHEREAS**, pursuant to the Amended By-Laws of **EAST COAST VULCAN MINING CORPORATION** (the "**Corporation**"), the regular meeting of the stockholders shall be held on the last Wednesday of May of each year;

**WHEREAS**, Management needs more time to prepare for the Annual Stockholders Meeting ("**ASM**"), in view of the reports that are required to be submitted prior to the holding of the meeting;

**NOW THEREFORE, IT IS HEREBY RESOLVED**, that the Board of Directors of the Corporation hereby postpones the **ASM** scheduled on the last Wednesday of May, and resets the same to June 17, 2026, while retaining the previously approved record date of April 30, 2026;

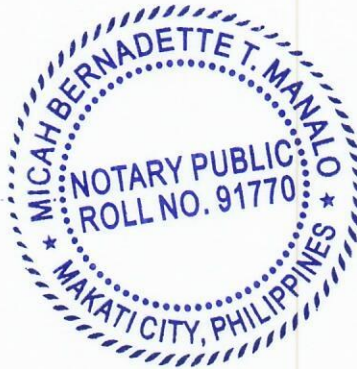
**RESOLVED FINALLY**, that the Board of Directors of the Corporation hereby authorizes the Chairman/President to further postpone and reset the date of the 2026 **ASM** and the record date, as he may deem necessary."


IN WITNESS WHEREOF, I have hereunto set my hand this APR 27 2026 in MAKATI CITY, Philippines.

  
ANA MARIA A. KATIGBAK  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this APR 27 2026 at Makati City, Philippines, affiant who is personally known to me and whose identity I have confirmed through her Passport No. P7145377B issued on July 7, 2021 at DFA Manila, Philippines, bearing the affiant's photograph and signature.

Doc. No. 37  
Page No. 1  
Book No. III  
Series of 2026.



  
MICAH BERNADETTE T. MANALO  
Appointment No. M-062  
Notary Public for Makati City  
Until December 31, 2027  
Castillo Laman Tan Pantaleon & San Jose Law Firm  
The Valero Tower, 122 Valero Street  
Salcedo Village, Makati City  
PTR No. 10766546 ; 01-02-2026 ; Makati City  
IBP No. 535834 ; 12-22-2025 ; Batangas Chapter  
MCLE No. VIII-0039062; valid from 6-25-2025;  
valid until 4-14-2028; Pasig City  
Roll No. 91770

**EAST COAST VULCAN MINING CORPORATION**  
15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue,  
Makati City, Metro Manila  
Tel (632) 8511-8312: Fax (632) 8550-1468

**INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

**Item 1. Date, time and place of meeting of Stockholders**

- a) The 2026 Annual Meeting of Stockholders (the “Meeting”) of East Coast Vulcan Mining Corporation (the “Company”) will be held on June 17, 2026, at [Time] at [Venue]. The complete mailing address of the Company is 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, 1226.
- b) The approximate date when this Information Statement, Notice and Agenda with the accompanying Proxy Form will be published through alternative mode of distribution through the Corporation’s website and PSE Edge will be on or before May 6, 2026.

**Item 2. Dissenter’s Right of Appraisal**

A stockholder has the right to dissent and demand payment of the fair market value of his shares in case: (i) any amendment to the Company’s Article of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preference over the outstanding shares, or of extending or shortening the term of corporate existence; (ii) of any sale, lease, mortgage or disposition of all or substantially all of the corporate property or assets; and (iii) of merger or consolidation.

At any time after this Information Statement has been sent out, any stockholder who votes against a proposed action and wishes to exercise his right of appraisal must make a written demand, within thirty (30) days after the date of the Meeting or when the vote was taken, for the payment of the fair market value of his shares. Upon payment, he must surrender his stock certificates. No payment shall be made to any stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

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

No director or officer, nominee for election as director, or associate of such director, officer or nominee, of the Company has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the Meeting, other than election to office. Likewise, no director has informed the Company in writing of his opposition to any matter to be acted upon at the Meeting.

**B. CONTROL AND COMPENSATION INFORMATION**

**Item 4. Voting Securities and Principal Holders Thereof**

The Company’s capital stock is composed of only Common Shares, which are voting shares.

- a) **Record date.** The Record Date with respect to this Meeting is April 30, 2026. Only stockholders of record as of April 30, 2026 are entitled to notice of, and vote at, the Meeting.
- b) **Outstanding Shares.** As of Record Date, the Company's outstanding capital stock is 6,630,000,000 common shares with each share entitled to one (1) vote.

As of April 30, 2026, 19,689,002 common shares or 0.30% of the outstanding shares are foreign-owned.

- c) **Cumulative Voting.** A stockholder entitled to vote at the Meeting shall have the right to vote in person or by proxy the number of shares registered in his name in the stock transfer book of the Company for as many persons as there are directors to be elected. Each stockholder shall have the right to cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same cumulative voting principle among as many nominees as he shall see fit, provided, that the number of votes cast by a stockholder shall not exceed the number of his shares multiplied by the number of directors to be elected.

Stockholders may participate in the meeting by proxy. All stockholders who will participate in the meeting may vote through the Chairman of the Meeting (as Proxy) and/or submit duly accomplished proxies to the office of the Corporate Secretary at for inspection, validation, and recording at least five (5) days before the opening of the annual stockholders' meeting, or on/before June 7, 2026. The Proxy Validation Committee will inspect, examine, and validate the sufficiency of the proxy forms received. Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at one time. No broker or dealer shall give any proxy, consent or authorization, in respect of any security carried for the account of a customer, to a person other than the customer, without the express written authorization of such customer. Any stockholder may revoke or cancel his proxy and attend the annual stockholders' meeting.

- d) **Stock Ownership of Certain Record and Beneficial Owners.** The following persons are known to the Company to be directly or indirectly the owner of more than 5% of the Company's voting securities as of April 30, 2026:

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Ownership
Common	Hilario G. Pagautan	Hilario G. Pagautan	Filipino	5,097,120,000 (direct)	76.88%
Common	PCD Nominee Corporation - Philippine Stock Exchange Bldg., Ayala Ave., Makati City	Various Clients / Stockholder  (See Note A)	Filipino/Non-Filipino	912,004,185*	13.76%

Common	Techno-Asia Construction and Dev't Incorporated	Techno-Asia Construction and Dev't Incorporated	Filipino	486,055,662**	7.33%
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**Note:**

**Note A.** Of the total 912,004,185 (13.76%) lodged shares under the name of PCD Nominee Corp., 200,000,000 shares (3.02%) are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

Among the participants under PCD, NO account owns more than 5% of the voting stock.

**Note B.** Beneficial Ownership Report by Security (List of PCD Participants) as of December 31, 2023. 486,055,662 of the Issued and Outstanding Common Shares, which are not yet fully-paid, represented spouses Hilario G. Pagautan and Sofia G. Pagautan's share subscription, which were assigned to Techno-Asia Construction and Development Incorporated, pursuant to a Deed of Assignment dated September 11, 2023.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

- e) **Voting Trust Holders of 5% or More.** To the extent known to the Company, there is NO PERSON holding more than 5% of the Company's voting stock under a voting trust or similar agreement.
- f) **Stock Ownership of Management.** The Company's directors (D), Chief Executive Officer (CEO), other officers (O) own the following number of shares as of April 30, 2026:

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan (D/CEO/N)	5,097,120,00	-	Filipino	76.88%
Common	Isaac Hilario G. Pagautan II (D/N)	59,570,001	999	Filipino	0.90%
Common	Michael Abraham G. Pagautan (D)	15,540,001	999	Filipino	0.23%
Common	Ma. Hilarnie Mercurie P. Parada (D)	7,770,001	999	Filipino	0.12%
Common	Adrian Paulino S. Ramos (D/N)	500	4,072,620	Filipino	0.06%
Common	Orlando S. Mercado (D)	220,000	-	Filipino	0.00%
Common	Edgardo V. Caringal (D)	1	999	Filipino	0.00%
Common	Ramon C. Lee (D)	1	99,999	Filipino	0.00%
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	0.00%

Common	Joshua A. Parada	1	-	Filipino	0.00%
Common	Roberto A. Baquiran (D)	19,997	-	Filipino	0.00%
Common	Jose Ngaw	1	-	Filipino	0.00%

Mr. Roberto S. Baquiran and Mr. Jose Ngaw were both nominated by Hilario G. Paguitan [no relationship].

As of April 30, 2026, the aggregate number of shares owned by Company's directors, Chief Executive Officer, and other officers is 5,184,437,120 shares or approximately 78.19% of the Company's outstanding capital stock. Except for the shares appearing on record in the names of the directors and officers above, the Company is NOT aware of any shares which said person may have the right to acquire beneficial ownership of.

- g) **Changes in Control.** Sofia G. Paguitan tendered her resignation as Director and Vice-Chairman of the Board of Directors of the Corporation, effective April 7, 2026. Other than the foregoing, there were no changes in the composition of the Board of Directors since the last Annual Meeting of Stockholders held last June 25, 2025, as disclosed by the Company on even date.

#### Item 5. Directors and Executive Officers

The names, ages, citizenship, positions and periods of service of directors, executive officers and persons for the past five (5) years are as follows:

NAME	AGE	CITIZENSHIP	POSITION	PERIOD OF SERVICE	COMMITTEE MEMBERSHIP/POSITION
Hilario G. Paguitan	70	Filipino	Chairman/ Director/ President/ CEO	November 8, 2021 to present	Executive Committee (Chairman)
Sofia G. Paguitan	64	Filipino	Director	November 8 2021 to April 6, 2026	Executive Committee (Member)
Isaac Hilario G. Paguitan II	41	Filipino	Director/ Senior Vice-President – Business Development, Data Privacy Officer	August 18, 2021 to present	Executive Committee (Member); Corporate Governance Committee (Member); Nominations Committee (Member)
Michael Abraham G. Paguitan	38	Filipino	Director/Chief Risk Officer	November 8, 2021 to present	
Ma. Hilarnie Mercurie P. Parada	44	Filipino	Director/ Treasurer	November 8, 2021 to present	Audit and Risk Oversight Committee (Member); Compensation

					Committee (Member)
Adrian Paulino S. Ramos	47	Filipino	Director	2006 to present	
Orlando S. Mercado	77	Filipino	Director	October 14, 2022 to present	Executive Committee (Vice-Chairman); Corporate Governance Committee (Member); Nominations Committee (Member)
Edgardo V. Caringal	70	Filipino	Director/ Senior Vice-President – Operations, Chief Compliance Officer	November 8, 2021 to present	
Ramon C. Lee	85	Filipino	Director	November 8, 2021 to present	Executive Committee (Member)
Sofia Anne Clare G. Pagauitan	26	Filipino	Director	September 11, 2023 to present	
Joshua A. Parada	44	Filipino	Director	September 11, 2023 to present	
Roberto A. Baquiran	65	Filipino	Independent Director	October 14, 2022 to present	Compensation Committee (Chairman); Audit and Risk Oversight Committee (Chairman)
Jose Ngaw	76	Filipino	Independent Director	September 11, 2023 to present	Audit and Risk Oversight Committee (Member); Corporate Governance Committee (Member); Nominations Committee (Member) Compensation Committee (Member)
Jose T. Nacorda, Jr.	70	Filipino	Senior Vice-President- Finance	November 8, 2021 to present	

			and Admin, SEC Compliance Officer		
Atty. Gaspar R. Andres, Jr.	94	Filipino	Corporate Secretary	November 8, 2021 to March 12, 2026	
Atty. Ana Maria A. Katigbak	54	Filipino	Asst. Corporate Secretary, Corporate Information Officer	November 8, 2021 to present	-
Dave D. Eustaquio	27	Filipino	Chief Audit Executive; Internal Audit Head	October 14, 2022 to present	
Lester Laurence S. Baguec	44	Filipino	Corporate Finance, Corporate Planning Executive and Investor Relations Officer.	October 14, 2022 to present	

For the Annual Stockholders' Meeting for the year 2026, the following is the Final List of Nominees for regular and independent directors for 2026-2027.

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan	5,097,120,000	-	Filipino	76.88%
Common	Isaac Hilario G. Pagautan II	59,570,001	999	Filipino	0.90%
Common	Michael Abraham G. Pagautan	15,540,001	999	Filipino	0.23%
Common	Ma. Hilarnie Mercurie P. Parada	7,770,001	999	Filipino	0.12%
Common	Adrian Paulino S. Ramos	500	4,072,620	Filipino	0.06%
Common	Orlando S. Mercado	220,000	-	Filipino	0.00%
Common	Edgardo V. Caringal	1	999	Filipino	0.00%
Common	Ramon C. Lee	1	99,999	Filipino	0.00%
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	0.00%
Common	Joshua A. Parada	1	-	Filipino	0.00%
Common	Jaime F. del Rosario	1	-	Filipino	0.00%
Common	Roberto A. Baquiran (ID)	19,997	-	Filipino	0.00%
Common	Jose Ngaw (ID)	1	-	Filipino	0.00%

Directors elected in the Annual Stockholders' Meeting have a term of office of one (1) year and serve as such until their successors are elected in the next succeeding Annual Stockholders' Meeting, provided, that a director elected to fill a vacancy in the Board shall only serve the unexpired term of his predecessor.

Mr. Roberto S. Baquiran and Mr. Jose Ngaw were both nominated as candidates for independent director by Hilario G. Paguitan [no relationship].

#### **Business Experience of Directors, Executive Officers and Director-Nominees**

**Hilario G. Paguitan** was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Vice Mayor of Sta. Maria, Isabela. Mr. Paguitan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

**Isaac Hilario G. Paguitan II** was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

**Michael Abraham G. Paguitan** was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Mayor of Sta. Maria, Isabela.

**Ma. Hilarnie Mercurie P. Parada** was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

**Edgardo V. Caringal** was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

**Ramon C. Lee** was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

**Orlando S. Mercado** was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

**Adrian Paulino S. Ramos** has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

**Roberto A. Baquiran** has been the Company's Independent Director since 2022. He is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. At current, he is a Partner at Baquiran, Benitez, Belarmino, Ting and Yu Accounting Office and the Baquiran, Lumanta and Orpilla Attorneys-at-Law.

**Joshua A. Parada** has been the Company's Director since 2023. He is a licensed Chief Engineer and has been on board various international maritime tanker vessels, such as but not limited to BW Gas LNG, LPG Tanker "Clipper Venus", LPG Tanker "Clipper Skagen", LPG Tanker "Clipper Sirius", LPG Tanker "HEROS", and LPG Tanker "HERA". He is a graduate of Bachelor of Science Major in Marine Engineering at the Philippine Merchant Marine Academy. He likewise served as AUX Machinery Instructor/ Engine Simulator at the Mariners Polytechnic College, New Simulator Training Center, and Norwegian Training Center.

**Sofia Anne Clare G. Pagautan** has been the Company's Director since 2023. She is the current Executive Director of two foundations, namely, Sofia Anne Clare Foundation Inc. and Maria Lourdes G. Pagautan Memorial Foundation Inc. She also serves as the Executive Assistant to the Chief Executive Officer and President of East Coast Mineral Resources Company Incorporated. She graduated at the Ateneo de Manila University with the degree of Bachelor of Science in Business Management.

**Atty. Jose Ngaw** has been the Company's Independent Director since 2023. He is a member of the Integrated Bar of the Philippines. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being a Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages.

**Jaime F. del Rosario** is a new Regular Director nominee. He is a Certified Public Accountant with broad experience across the mining and metals, power and utilities, energy, and construction sectors. He received the Ernst & Young Chairman's Value Award in 2010 and was recognized in 2021 as one of the University of the East's 75 Most Outstanding Alumni. He is an active member of both the Chamber of Mines of the Philippines and the Philippine Minerals Exploration Association. He earned his Bachelor of Science in Business Administration, majoring in Accounting, from the University of the East, and has completed executive education programs at the Asian Institute of Management, INSEAD Singapore, and Harvard Business School.

**Jose T. Nacorda Jr.** is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

**Atty. Ana Maria A. Katigbak** is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm.

She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

**Lester Laurence S. Baguec** is the incumbent Corporate Finance, Corporate Planning Executive, and Investor Relations Officer.

**Dave D. Eustaquio** is the incumbent Chief Audit Executive and Internal Audit Head.

### **Independent Directors**

Pursuant to Securities Regulations Code (SRC) Sec. 38 and Rule 38.1, the Company is required to have at least two (2) independent directors. The Company's incumbent independent directors are Mr. Roberto A. Baquiran and Mr. Jose Ngaw.

In line with the guidelines set in SEC Rule 38 and the Corporate Governance Committee Charter approved by the Board of Directors, the Corporate Governance Committee receives the names of nominees and screens them based on the policies and parameters for screening nominees for independent directorship.

### **Directors with other directorship(s) held in reporting companies**

Hilario G. Pagautan	None
Isaac Hilario G. Pagautan II	None
Michael Abraham G. Pagautan	None
Ma. Hilarnie Mercurie P. Parada	None
Edgardo V. Caringal	None
Ramon C. Lee	None
Orlando S. Mercado	None
Sofia Anne Clare G. Pagautan	None
Joshua A. Parada	None
Adrian Paulino S. Ramos	Anglo Philippine Holdings Corporation (NED) Atlas Consolidated Mining & Dev. Corp. (NED) United Paragon Mining Corporation (NED) The Philodrill Corporation (NED) Alakor Securities Corporation (NED)
Jaime F. del Rosario	Global Ferronickel Holdings, Inc.
Roberto A. Baquiran	None
Jose Ngaw	None

**Significant Employees.** Other than its executive officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company. The Company is not dependent on the services of certain key personnel and there are no arrangements to ensure that these persons will remain with the Company and not compete upon termination.

**Family Relationship.** Mr. Hilario G. Pagautan, Chairman of the Board, President & CEO, is the father of Isaac Hilario G. Pagautan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, Michael Abraham G. Pagautan, Director and Chief Risk Officer, and Sofia Anne Clare G. Pagautan, Director.

**Involvement in Certain Legal Proceedings.** For the past five (5) years up to the date this Information Statement is sent to Stockholders, the Company is NOT aware of:

- 1) Any bankruptcy petition filed by or against any business of which any director, nominee for election as director, executive officer, underwriter or control person of the Company was as general partner or executive officer either at the time of the bankruptcy or within two years prior to that time.
- 2) Any 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 involving any director, nominee for election as director, executive officer, underwriter or control person of the Company.
- 3) Of any director, nominee for election as director, executive officer, underwriter or control person of the Company being subject to any 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,
- 4) Of any director, nominee for election as director, executive officer, underwriter or control person of the Company being found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

The following Independent directors and nominees for Independent directors are not officers or substantial shareholders of the Company nor directors or officers of the Company's related companies:

1. Roberto A. Baquiran
2. Jose Ngaw

**Involvement of Directors with Government Agencies or its Instrumentalities**

Hilario G. Pagautan is presently the Vice Mayor of Sta. Maria, Isabela.

Michael Abraham G. Pagautan is presently the Mayor of Sta. Maria, Isabela.

Isaac Hilario G. Pagautan II is presently a Councilor in Sta. Maria, Isabela.

**Related Party Transactions**

The Company, in the ordinary and regular course of business, secures loans and advances from its related parties (i.e. companies having shareholders in common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 18 of the Company's 2026 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

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

The aggregate compensation paid to the Company's directors during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other Compensation
Hilario G. Pagautan	Chairman/ President/CEO/ Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Sofia G. Pagautan	Director/Vice- Chairman	2026 Jan to April 6	0	0	15,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Isaac Hilario G. Pagautan II	Director/ Senior Vice- President – Business Development, Data Privacy Officer, Chief Risk Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Michael Abraham G. Pagautan	Director/ Chief Risk Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	15,000
Ma. Hilarnie Mercurie P. Parada	Director/ Treasurer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Adrian Paulino S. Ramos	Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Orlando S. Mercado	Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

Edgardo V. Caringal	Director/ Senior Vice- President – Operations, Chief Compliance Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Ramon C. Lee	Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Sofia Anne Clare G. Pagauitan	Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Joshua A. Parada	Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	15,000
Roberto A. Baquiran	Independent Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Jose Ngaw	Independent Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

Meanwhile, the aggregate compensation paid to the Company's officers during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other compensation
Jose T. Nacorda, Jr.	Senior Vice- President- Finance and Admin, SEC Compliance Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Atty. Gaspar R. Andres, Jr.	Corporate Secretary	2026 Jan to March 11	0	0	15,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Atty. Ana Maria A. Katigbak	Asst. Corporate Secretary, Corporate Information Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Dave D. Eustaquio	Chief Audit Executive; Internal Audit Head	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

Lester Laurence S. Baguec	Corporate Finance, Corporate Planning Executive and Investor Relations Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

There were no compensation for officers in 2025, 2024, and 2023 due to the termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P15,000 per meeting to defray their expenses in attending board meetings. There are no other arrangements for compensation of directors during the last fiscal year and for the ensuing fiscal year due to the Company's lack of sufficient funds to provide additional compensation.

There are NO warrants or options outstanding in favor of directors and officers.

The aggregate compensation paid to the Company's Chief Executive Officer and the four (4) most highly compensated executive officers named below as a group during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other Compensation
Hilario G. Pagauitan	Chairman/ President/CEO/ Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Sofia G. Pagauitan	Vice- Chairman/ Director	2026 Jan to Dec 31 (EST)	0	0	15,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Isaac Hilario G. Pagauitan II	Director/ Senior Vice- President – Business Development, Data Privacy Officer, Chief Risk Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Officers and directors as a group unnamed		2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

#### Item 7. Independent Public Accountants

The accounting firm of Sycip Gorres Velayo & Co. (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditors of the Company in the 2025 Annual Stockholders' Meeting on June 25, 2025. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & Audit Related Fees**	Tax Fees	Other Fees
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2025	2,230,000	-0-	-0-
2024	2,080,000	-0-	-0-

**\*\* The 2025 and 2024 fees reflect the consolidated external auditor fees for both the Company and its subsidiary, ECMRCI. For the Company alone, audit fees amounted to Php 2,080,000 in 2024 and Php 2,230,000 in 2025.**

For the past two (2) years, the Company has not engaged the services of SGV except for the audit and review of the annual financial statements in connection with statutory and regulatory filings for the years 2025 and 2024. The amounts under the caption “Audit and Audit Related Fees”, for the years 2025 and 2024 pertain to these services. The audit committee has an existing policy prohibiting the Company from engaging the external auditors to provide services that may adversely impact its independence, including those expressly prohibited by regulations of the Securities & Exchange Commission (SEC).

In compliance with SRC Rule 68(3)(b)(iv), the accounting firm of SGV sees to it that the certifying partner assigned to our Company is being rotated as required. Ms. Veronica R. Pore was certifying partner in 2011 to 2015. Thereafter, Mr. Jose Raoul J. Balisalisa was certifying partner for the fiscal years 2016 to 2017. Subsequently, Mr. Alvin Pinpin was certifying partner beginning fiscal year 2018. The current certifying partner of the Company is Ms. Eleanore A. Layug.

There have been NO changes in and disagreements with accountants on any matter of accounting principles or practices, financial statement disclosures or auditing scope or procedure.

NO independent accountant engaged by the Company as principal accountant or an independent accountant on whom the principal accountant expressed reliance in its report regarding a significant subsidiary, has resigned, or has declined to stand for re-election after completion of the current audit, or was dismissed.

The auditor’s representatives are expected to be present at the Meeting and they will have the opportunity to make a statement and respond to appropriate questions.

The Company’s Audit and Risk Oversight Committee is currently headed by Mr. Roberto A. Baquiran (Independent Director), as Chairman, with Atty. Jose Ngaw as Vice-Chairman, and Ms. Ma. Hilarnie Parada as member. The Audit and Risk Oversight Committee reviews and recommends to the Board and the stockholders the appointment of the external auditor and the fixing of the audit fees for the Company. For fiscal year 2026, SGV is recommended to stockholders for appointment as independent external auditor of the Company.

**Item 8. Compensation Plans**

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed, except for the compensation and benefits under existing labor laws and company policy that may be due to employees on the ground of their separation from employment as a consequence of the Company’s reorganization.

**C. ISSUANCE AND EXCHANGE OF SECURITIES**

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

The Company has no action to be taken with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the registrant.

## Item 10. Modification of Exchange of Securities

### A. Equity Restructuring

Management is proposing an equity restructuring whereby the authorized capital stock of the Company shall be reduced to Php 9.6 Billion and the par value of Common Shares shall be decreased to Php 0.80 per share without reducing the number of Common Shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.

The equity restructuring is for the purpose of eliminating or reducing the Corporation's deficit as of December 31, 2025 in the amount of Php 1,101,135,754.00. In particular, the decrease in par value from Php 1.00 per share to Php 0.80 per share will result in a proportional decrease in the issued and outstanding share capital from Php 6,630,000,000.00 to Php 5,304,000,000.00 and in the subscription receivable from Php 457,502,880.00 to Php 366,002,304.00. The total of the subtracted amount of Php 1,326,000,000.00 from the issued and outstanding share capital and the decrease in subscription receivable in the amount Php 91,500,576.00 shall become the Company's additional paid-in capital in the amount of Php 1,234,499,424.00. This additional paid-in capital will offset the Company's deficit in the amount of Php 1,101,135,754.00 resulting in the total elimination of the deficit and a net additional paid-in capital of Php 133,363,670.00 without changing the total shareholders' equity. For better understanding, the effect of the equity restructuring is summarized below:

	Before	Effect of Restructuring	After
Issued and Outstanding Shares	6,630,000,000.00	(1,326,000,000.00)	5,304,000,000.00
Subscription receivable	(457,502,880.00)	91,500,576.00	(366,002,304.00)
APIC	-	133,363,670.00	133,363,670.00
Deficit	(1,101,135,754.00)	1,101,135,754.00	-
<b>Total Shareholders' Equity</b>	<b>5,071,361,366.00</b>	<b>-</b>	<b>5,071,361,366.00</b>

In view thereof, Article Seventh of the Articles of Incorporation shall be amended as follows:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php12,000,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common	SEVENTH. That the amount of capital stock of the Corporation is <b>Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00)</b> Philippine currency, and the said capital is divided into Twelve Billion

	shares at the par value of ONE PESO (P1.00) each.	(12,000,000,000) common shares at the par value of <b>Eighty Centavos (Php 0.80)</b> each.
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The equity restructuring will not affect the dividend, voting, preemption rights, and other material rights of existing security holders. Below is a summarized comparison of the outstanding Common Shares and the modified Common Shares:

	<b>Outstanding Common Shares</b>	<b>Modified Common Shares</b>
Authorized Capital Stock	Php 12,000,000,000.00	Php 9,600,000,000.00
Number of Shares	12,000,000,000	No change
Par Value	Php 1.00 per share	Php 0.80 per share
Dividend Rights	Discretionary	No change
Voting Rights	One vote for each share of stock. In case of election of Directors, every stockholder with voting privilege may accumulate the votes and may vote by proxy.	No change
Pre-emption Rights	No pre-emptive right with respect to issuance, re-issuances, and dispositions of shares of stock of the Company	No change

Upon the stockholders' approval, the proposed equity restructuring shall be submitted to the Securities and Exchange Commission for approval.

#### B. Stock-Split

After the equity restructuring described above, Management is proposing a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that after the stock split, the Php 9,600,000,000.00 capital stock of the Company originally divided into 12,000,000,000 Common Shares with par value of Php 0.80 per share, shall be divided into 96,000,000,000 Common Shares with par value of Php 0.10 per share.

The stock split is being proposed in preparation for the follow-on offering of the shares of the Company as required by the Philippine Stock Exchange Revised Rules on Backdoor Listing. A lower nominal price would make the Common Shares more affordable to the investing public which could attract a much larger and more diverse set of buyers, boosting demand, and potentially improving the offering price.

In view thereof, Article Seventh of the Articles of Incorporation shall be further amended as follows:

<b>Article No.</b>	<b>From</b>	<b>To</b>
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred

	Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of Eighty Centavos (Php 0.80) each.	Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into <b><u>Ninety-Six Billion (96,000,000,000)</u></b> common shares at the par value of <b><u>Ten Centavos (Php 0.10)</u></b> each.
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The number of shares subscribed by and issued to each stockholder shall be adjusted accordingly, but there shall be no change to the aggregate par value of such shares.

The stock split will not affect the dividend, voting, preemption rights, and other material rights of existing security holders. Below is a summarized comparison of the outstanding Common Shares and the modified Common Shares:

	<b>Outstanding Common Shares</b>	<b>Modified Common Shares</b>
Authorized Capital Stock	Php 9,600,000,000.00	No Change
Number of Shares	12,000,000,000	96,000,000,000
Par Value	Php 0.80 per share	Php 0.10 per share
Dividend Rights	Discretionary	No change
Voting Rights	One vote for each share of stock. In case of election of Directors, every stockholder with voting privilege may accumulate the votes and may vote by proxy.	No change
Pre-emption Rights	No pre-emptive right with respect to issuance, re-issuances, and dispositions of shares of stock of the Company	No change

Upon the stockholders' approval, the proposed stock split shall be submitted to the Securities and Exchange Commission for approval.

#### **Item 11. Financial and Other Information**

Please refer to the accompanying Management Report (which includes a discussion, among others, of Management's Discussion and Analysis of Financial Condition and Result of the Operations) and the 2025 Audited Financial Statements.

The Management's Discussion and Analysis of Financial Condition and Result of the Operations are stated in the attached Management Report. The notes to the Financial Statements are incorporated here to by reference.

The Corporation has not made any changes in and has not had any disagreements with its external auditor on accounting and financial disclosures.

The Company has not made any changes in and has not had any disagreements with its external auditor on accounting and financial disclosures.

Representatives of the Corporation's external auditor, Sycip, Gorres, Velayo & Co., are expected to be present at the shareholders' meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

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

The Company has no action to be taken with respect to any transaction involving the following: (1) the merger or consolidation of the Company into or with any other person or of any other person into or with the Company, (2) the acquisition by the Company or any of its security holders of securities of another person, (3) the acquisition by the Company of any other going business or of the assets thereof, (4) the sale or other transfer of all or any substantial part of the assets of the registrant, or (5) the liquidation or dissolution of the Company.

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

The Company has no action to be taken with respect to the acquisition or disposition of any property.

#### **Item 14. Restatement of Accounts**

There is no restatement of any account has been made from the time the Company's financial statements were last audited (31 December 2025) up to the date of this Information Statement.

No action is to be taken with respect to the restatement of any asset, capital or surplus account of the Company.

### **D. OTHER MATTERS**

#### **Item 15. Action with Respect to Reports**

The following will be submitted to the stockholders for approval/ratification at the meeting:

- a) Minutes of the previous Annual Stockholders Meeting held on June 25, 2025.
- b) Annual Report/Management Report for the year ended 31 December 2025 (a copy containing the information required by SRC Rule 20A is enclosed). Approval of the Company's performance during the previous year as contained therein.
- c) Acts and Resolutions of the Board of Directors and Management, from the date following the last Annual Stockholders' Meeting (June 25, 2025) to the present (June 17, 2026), including, but not limited to, the following:
  - Approval of an equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares;

- Approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting par value of the Common Shares shall become Php 0.10 per share after the stock split;
- Approval of the Audited Financial Statements for the year ended December 31, 2025.

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

Call to Order, Proof of Notice for the Meeting and Certification of Quorum form part of the Agenda for the Meeting but will not be submitted for approval by the stockholders.

**Item 17. Amendment of Charter, Bylaws or Other Documents**

- A. To implement the equity restructuring discussed in item 10 of this Information Statement the following amendments of the Articles of Incorporation are sought:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php12,000,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of ONE PESO (P1.00) each.	SEVENTH. That the amount of capital stock of the Corporation is <b><u>Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00)</u></b> Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of <b><u>Eighty Centavos (Php 0.80)</u></b> each.

- B. After the equity restructuring is implemented, a stock-split discussed in item 10 of this Information Statement shall be implemented which entails the following amendments of the Articles of Incorporation:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of Eighty Centavos (Php 0.80) each.	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into <b><u>Ninety-Six Billion (96,000,000,000)</u></b> common shares at the par value of <b><u>Ten Centavos (Php 0.10)</u></b> each.

### **Item 18. Other Proposed Action**

NO ACTION on any matter, other than those stated in the Agenda for the Meeting, is proposed to be taken, except matters of incidence that may properly come at the Meeting.

### **Item 19. Meeting Guidelines and Voting Procedures**

- a) In the election of directors, the thirteen (13) nominees with the greatest number of votes will be elected directors.
- b) Voting shall be done by Proxy Form and ballot. Cumulative voting will also be applicable in the election of directors.
- c) In accordance with SRC Sec. 38 and SRC Rule 38, only nominees whose names appear in the Final List of Candidates for Independent Directors (See page 6 of this Information Statement) shall be eligible for election as Independent Directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared and no further nomination shall be entertained or allowed on the floor during the actual Annual Stockholders' Meeting.

Mr. Roberto A. Baquiran and Mr. Jose Ngaw are nominated for election as Independent Directors of the Company for year 2026-2027.

- d) To approve all the proposed amendments to the Articles of Incorporation, the favorable vote by stockholders representing at least two-thirds (2/3) of the outstanding capital stock shall be necessary to approve the same.
- e) For the other matters in the agenda that will be submitted for approval and for such other matters as may properly be proposed at the Meeting, the vote by stockholders representing at least a majority of the outstanding capital stock shall be necessary to approve the same.
- f) If a stockholder makes no choice in any or all of the matters submitted for his vote or approval as stated in the Proxy Form, discretionary authority to vote any and all the shares of the stockholders, cumulatively or otherwise, in favor of the proxy named and appointed by the stockholder in the Proxy Form, is solicited.

### **Item 16. Requirements of Section 49 of the Revised Corporation Code**

Attached to this Information Statement is a copy of the Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

#### **1) Description of the Voting and Vote Tabulation procedures used in the previous meeting (2025 Annual Stockholders' Meeting)**

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

#### **2) Description of the Opportunity given to Stockholders to ask questions and a record of the questions asked and answers given**

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

**3) Matters discussed and resolutions reached**

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

**4) Approval of Acts and Resolutions of the Board of Directors and Management**

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

**5) Record of Voting results for each agenda item**

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

**6) List of Directors or trustees, officers and stockholders or members who attended the meeting:**

Directors

1. Mr. Hilario G. Pagautan
2. Ms. Sofia G. Pagautan
3. Mr. Isaac Hilario G. Pagautan II
4. Ms. Ma. Hilarnie Mercurie P. Parada
5. Mr. Michael Abraham G. Pagautan
6. Mr. Edgardo V. Caringal
7. Mr. Ramon C. Lee
8. Ms. Sofia Anne Clare G. Pagautan
9. Mr. Joshua B. Parada
10. Orlando S. Mercado
11. Atty. Roberto A. Baquiran (Independent Director)
12. Atty. Jose Ngaw (Independent Director)

Officers

13. Atty. Gaspar R. Andres
14. Atty. Ana Maria A. Katigbak
15. Mr. Jose T. Nacorda, Jr.
16. Mr. Lester Laurence S. Baguec
17. Mr. Dave D. Eustaquio

**7) List of Material Information on the current stockholders, and their voting rights**

A complete list of registered Stockholders as of April 30, 2026 will be submitted to the PSE & SEC and will be attached to the Definitive Information Statement.

*Voting Right and Right to Participate at Stockholders Meeting*

- i. In all items for approval, each share of stock entitles its registered owner as of the record date to one vote.

Voting shall be by poll and the Company shall provide the mechanism to implement the same at every stockholders meeting.

- ii. For the election for directors, every stockholders shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or distributing such votes on the same principle among any number of candidates.
- iii. The stockholders shall also have an opportunity during the stockholders' meeting to ask questions and raise their issues relevant to the agenda items. The minutes of the meeting shall record the shareholders questions and corresponding answers given by the directors and officers of the Company.
- iv. The Board encourages active shareholder participation by making the result of the voted taken during the most recent Annual or Special Shareholders' Meeting publicly available. In addition, the Minutes of the Annual and Special Shareholders' Meeting is also made available on the Company website within five (5) business days from the end of the meeting.

**8) Directors' Training and Continuing Education**

The Company holds annual Corporate Governance seminars for its Directors and Officers. The Company had its online webinar on November 25, 2025, with training provider Risk, Opportunities, Assessment and Management (ROAM), Inc. ROAM conducted a webinar on Corporate Governance.

The following Directors attended the seminar:

- Hilario G. Pagautan
- Michael Abraham G. Pagautan
- Ma. Hilarnie Mercurie P. Parada
- Orlando S. Mercado
- Edgardo V. Caringal
- Ramon C. Lee
- Joshua B. Parada
- Atty. Jose Ngaw
- Jose T. Nacorda, Jr.
- Lester Laurence S. Baguec
- Dave D. Eustaquio

The Company likewise had its online webinars on August 8, November 14, and December 22, 2025, with ROAM on Corporate Governance. Atty. Ana Maria A. Katigbak attended the seminar on August 8, 2025; Mr. Adrian Paulino Ramos attended the seminar on November 14, 2025; and Ms. Sofia Anne Clare G. Pagautan, Atty. Roberto A. Baquiran, and Mr. Isaac Hilario G. Pagautan II attended the seminar on December 22, 2025.

**9) Directors Attendance Report**

Name of Director	Number of Meetings for the year 2025	Number of Meetings Attended	Percentage
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1. Hilario G. Pagautan	2	2	100%
2. Sofia G. Pagautan	2	1	50%
3. Isaac Hilario G. Pagautan II	2	1	50%
4. Michael Abraham G. Pagautan	2	1	50%
5. Ma. Hilarnie Mercurie P. Parada	2	1	50%
6. Adrian Paulino S. Ramos	2	1	50%
7. Orlando S. Mercado	2	2	100%
8. Edgardo V. Caringal	2	2	100%
9. Ramon C. Lee	2	2	100%
10. Sofia Anne Clare G. Pagautan	2	2	100%
11. Joshua A. Parada	2	0	0%
12. Roberto A. Baquiran	2	2	100%
13. Jose Ngaw	2	2	100%

For the committee meetings held in 2025, the following Directors were present:

Committee	Name of Director	Number of Meetings for the year 2024	Number of Meetings Attended	Percentage
<b>Audit Committee</b>	Roberto A. Baquiran (Chairman)	1	1	100%
	Jose Ngaw (Vice-Chairman)	1	1	100%
	Ma. Hilarnie Mercurie P. Parada	1	1	100%

**10) Appraisals and performance report for the board and the criteria and procedure for assessment.**

The Company recognizes that in order to sustain good corporate governance within the organization, the same sound culture must be upheld and cultivated from the top. It is therefore of paramount importance to monitor the governance structure and performance of the Board of Directors (the Board) and top management according to their roles, responsibilities and accountabilities.

It has been the policy and practice of the Company for its Board to conduct an Annual Self-Assessment exercise through a questionnaire given to each Director at the last regular meeting for the year, for the purpose of evaluating the performance of the Board that year and the

effectiveness of the Company's governance processes, and seeking ways to improve such performance.

The Company continually review this assessment process to take into consideration leading practices in corporate governance. The self-rating form had been revised to cover appraisal of the Board as a governing unit, of individual directors, of the different Board Committees, and of management including the President.

The assessment criteria include the structure, efficiency, and effectiveness of the Board, participation and engagement of each director, contribution of each member director to their respective Committees, and the performance of management. The criteria also reflects the specific duties, responsibilities, accountabilities of each party assessed as provided in the Company's By-Laws, Manual on Corporate Governance, Board Committee Charters and government policies.

Moreover, the questionnaire allows the Director to provide the comments and suggestions to further enrich the assessment process. In case clarification is needed on this policy and the performance assessment exercise, the Board addresses their queries to the Compliance Officer.

Facilitated by the Corporate Secretary, the annual self-rating form is required to be accomplished and signed by each individual director, the submitted to the Office of the Corporate Secretary within 30 days from receipt of the form.

The Corporate Secretary collates the results of the assessment and reports the same to the Board at a subsequent regular meeting prior to the annual stockholders' meeting. The self-rating form may be further amended by the Office of the Corporate Secretary as deemed necessary, provided that the form remains compliant with the sound corporate governance standards and practices applicable law.

**11) Directors' disclosures on self-dealing and related party transactions.**

There were no transactions with Directors, Officers or any principal stockholders (owning at least 10% outstanding shares of the Company) that are not in the ordinary course of business of the Company. No related party transactions were entered into by any Director in 2024 that required review by the Audit Committee (acting as RPT Committee) and further approval by the Board in accordance with the RPT Policy of the Company. There have been no complaints, disputes or problems regarding related party transactions of the Company. The Company observes an arm's length policy in its dealings with related parties.

**SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true and correct. This report is signed in the City of Makati on May 6, 2026

**EAST COAST VULCAN MINING CORPORATION**

By:

  
**ANA MARIA A. KATIGBAK**  
Assistant Corporate Secretary

## MATERIALS ACCOMPANYING THIS INFORMATION STATEMENT

1. Notice of 2026 Annual Stockholders' Meeting
2. Proxy Form
3. Minutes of the 2025 Annual Stockholders' Meeting held on June 25, 2025
4. Annual Report on SEC Form 17-A
5. Financial Statements for the interim period ended March 31, 2026\*\*

*\*The Company undertakes to provide, without charges, upon the written request of a stockholder, a copy of the Company's Annual Report on SEC Form 17-A, and such request should be addressed to the Corporate Secretary, East Coast Vulcan Mining Corporation, 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila.*

*\*\*The Company likewise undertakes, upon the written request of a stockholder, to send copies of the Company's First Quarter Report in SEC Form 17-Q, to the stockholder via email or through PSE EDGE portal or through the company's website <https://www.eastcoastvulcanmining.com/>*

**EAST COAST VULCAN MINING CORPORATION**  
15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue,  
Makati City, Metro Manila  
Tel (632) 8511-8312: Fax (632) 8550-1468

**MANAGEMENT REPORT ACCOMPANYING INFORMATION STATEMENT  
PURSUANT TO SRC RULE 20(4)**

**I. Audited Financial Statements**

The Audited Financial Statements of East Coast Vulcan Mining Corporation (the “Company”) for the fiscal year ended December 31, 2025 is attached hereto.

The Quarterly Report on SEC Form 17-Q and Financial Statements for the interim period ended March 31, 2026 are likewise attached hereto.

**II. Business and General Information**

**Business**

East Coast Vulcan Mining Corporation (the Company or ECVMC) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 under the name “Vulcan Manufacturing Corporation” and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. On June 15, 1977, the Company first amended its articles of incorporation and changed its name to “Vulcan Industrial & Mining Corporation”. Thereafter, the Company again amended its articles of incorporation and changed its name to “East Coast Vulcan Corporation” on May 29, 2023, and to “East Coast Vulcan Mining Corporation” on April 19, 2024. The Company’s corporate life was extended for another 50 years on January 13, 2003. The Company’s registered address is at the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

The Company is involved in finding, developing and producing oil and gas reserves and other mineral properties. The Company is a participant in several Service Contracts (SCs), Mineral Production Sharing Agreements (MPSAs) and Geophysical Survey and Exploration Contracts (GSECs) entered with the Philippine Government, through the Department of Energy (DOE).

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders of East Coast Mineral Resources Company Incorporated (ECMRCI) represented by Hilario G. Pagautan and Sofia G. Pagautan (the HGP Group) for the latter’s subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

At the shareholders’ meeting held on November 8, 2021, the shareholders approved the said increase of the authorized capital stock of the corporation from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos, or an increase in the amount of 8 Billion Pesos (P8,000,000,000.00), for subscription by, among others, the group led by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter referred to as “the HGP Group”). The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

The fold-in of ECMRCI is notable considering that ECMRCI earns royalties and marketing fees from its operating agreements with its existing contractors in connection with the following MPSAs:

- a. MPSA-233-2007-XIII (SMR) covers an area of 4,226.27 hectares located in Libjo, Dinagat Islands; and
- b. MPSA-078-97-XIII (SMR) covers an area of 697.05 hectares located in Barangay Valencia, Cagdianao, Dinagat Islands.

In view of the fold-in of ECMRCI in the Company, the Company now owns a consistently profitable going concern and cashflow-generating mining business, which will allow the Company to immediately recognize income. The fold-in is also expected to provide the Company the capability to embark on further value-enhancing and growth-oriented expansion initiatives.

On May 29, 2023, the SEC approved the Company's application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Corporation," (ii) change of number of directors to thirteen, and (iii) change of principal office address to the 4<sup>th</sup> floor, Pacific Star Building, Low Rise Tower, Makati Avenue corner Senator Gil Puyat Avenue, Makati City, Philippines, 1209. The SEC likewise approved the Company's application to increase its authorized capital stock from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos (P12,000,000,000.00) on the same date.

The 5.18 billion (5,180,000,000) common shares were issued in exchange for 100% ownership of ECMRCI, a corporation engaged in mining operations. Currently, the application for the Certificate Authorizing Registration ("CAR") out of the said exchange is still being processed with the Bureau of Internal Revenue.

Further, upon the approval of the Securities and Exchange Commission of the capital increase, the Company filed an application for the listing of the attendant shares with the Philippine Stock Exchange. The contemplated approval of the said business combination transaction will result in ECMRCI becoming a wholly owned subsidiary of the Company and thus will allow the Company to consolidate ECMRCI's operations into its books.

The Company is all set with its plans to revitalize its operations and structure to create a more efficient and profitable mining company. In line with its plans and future developments, the management is in discussion with both foreign and local partners and investors, given the prospects of more opportunities for the Company and its stockholders. With the successful acquisition of 100% of ECMRCI and the approved increase in capital stock of the Company, the Company holds the operation of two profitable mining areas in the Province of Dinagat Island.

At its annual meeting in September 2023, the stockholders approved the amendment to the Company's Articles of Incorporation to increase the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from PhP1.00 to PhP0.10, and thus, maintaining the stockholders' position. This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods. The stockholders reconfirmed said proposed amendments to the Company's Articles of Incorporation during the Annual Stockholders' Meeting held on July 12, 2024.

On April 19, 2024, the Securities and Exchange Commission approved the Company's application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Mining Corporation," and (ii) change of principal office address to the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

#### Sources and Availability of Raw Materials

Since the Company has not had any commercial operations, it does not depend on any one or a limited number of suppliers for essential raw materials, energy or other items.

Status of Any Publicly-announced New Product or Services – NONE

#### Competition

Significant and increasing competition exists for petroleum and mineral acquisition opportunities throughout the Philippines. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive petroleum and mining properties on terms the Company considers acceptable.

The Company had accumulated mineral and petroleum concessions during the time that the industry was at its lowest and, consequently, had a good chance of developing these resources into mineral and petroleum finds. As of December 31, 2018, the Company has written off or assigned all its mineral and petroleum assets in line with its decision to cease to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities.

#### Mining

As the Company was still in the stages of exploration before the assignment of its mineral assets, it cannot consider any other Company as competitor.

Dependence on One or a Few Major Customers – Not applicable

The Company is not dependent on single or few customers. It has no major existing sales contracts with its current customers.

Transactions with and/or Dependence on Related Parties – Not applicable

Patents, trademarks, Licenses, Franchises, Concessions, Royalty Agreements, or Labor Contracts –

The Company has no patents, trademarks or labor contracts relating to intellectual property matters.

Government Approval of principal products or services- Not applicable.

Effect of existing or probable government regulations on the business

The present existing and probable government regulations will not have so much effect on the current business of the Company because the Company is compliant with the existing laws on mining operations.

Amount Spent on development cost activities, and its percentage to revenues during each of the last three fiscal years – Not applicable.

#### Cost and effects of compliance with environmental laws

The Company has an outstanding strict policy of adherence to the environmental laws according to the Environmental Clearance Certificate (ECC) granted by the Department of Environment and Natural Resources and the Environmental Protection and Enhancement Program (EPEP).

Compliance with all government and non-government requirements such as MPSA, ECC, environmental programs, etc. have made the Company a recognized entity in the aggregate industry through its subsidiary.

#### Employees

Due to the reorganization of the Company that commenced in the fourth quarter of 2012 and the intended listing of National Book Store, Inc., the Company had retired all of its employees during the first semester of 2013. There are no employees who are subject to any Collective Bargaining Agreement (CBA). The Company was not threatened by any strike in the past three years.

#### **Financial Risk Management**

The main risk arising from the Company's financial instruments are credit risk, liquidity risk, equity price risk and interest rate risk. The Board reviews and agrees on policies for managing each of these risks and they are summarized below:

##### Credit Risk

Credit Risk is the risk the Company will incur losses if its counterparties fail to discharge their contractual obligations.

The Company manages and control credit risk by doing business mostly only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts to a minimum level.

Since the Company trades only with recognized third parties, there is no requirement for collateral.

##### Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

## Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

## MINING CLAIMS

Shown below are the Company's current mining contracts in the form of Mineral Production Sharing Agreements (MPSA) with the Philippine Government, which were acquired by the Company from ECMRCI pursuant to the share-swap transaction that was approved by the SEC last May 29, 2023, which were the following:

<i>Mining Claim Number</i>	<i>Location</i>
MPSA 078-97-XIII (SMR)	Brgy. Valencia, Cagiano, Surigao Del Norte
MPSA 232-2007-XIII (SMR)	Libjo, Surigao Del Norte
MPSA 233-2007-XIII (SMR)	Loreto, Surigao Del Norte

## III. Operational and Financial Information

### Properties

Pursuant to the Memorandum of Agreement between Sps. Paguitan and TACD, the Company is expecting to receive and acquire real properties that are being offered by TACD as payment for the subscription price for the 486,055,662 partially-paid ECVMC shares. At present, the transaction is still in process.

### Legal Proceedings

There is no material pending legal proceeding to which the Company or its subsidiary or affiliate is a party, or of which any of their property is the subject.

### Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fiscal year covered by this report, other than those voted upon at the Annual Stockholders' Meeting held on July 12, 2024.

### Market for Issuer's Common Equity and Related Stockholder Matters

The principal market where the issuer's common equity is traded to the Philippine Stock Exchange. The high and low sale price of the Company's shares for each quarter during the last two (2) fiscal years 2024 and 2025 and the first quarter of the current fiscal year 2026, expressed in Philippine Pesos, are as follows:

<u>2026</u>	<u>High</u>	<u>Low</u>
First Quarter	0.435	0.260

<u>2025</u>	<u>High</u>	<u>Low</u>
First Quarter	0.385	0.290
Second Quarter	0.325	0.275
Third Quarter	0.440	0.275
Fourth Quarter	0.350	0.245

<u>2024</u>	<u>High</u>	<u>Low</u>
First Quarter	0.79	0.52
Second Quarter	0.72	0.53
Third Quarter	0.60	0.43
Fourth Quarter	0.475	0.26

As of March 31, 2026, the market price of the Company's share is P0.27 per share. The Company is not trading its common equity outside of the Philippine Stock Exchange, Inc.

The Company had not declared any dividends in fiscal years 2025 and 2024.

The Company's ability to declare and pay dividends on common equity is restricted by the availability of sufficient retained earnings.

The number of shareholders of record as of April 30, 2026 is one thousand nine hundred (1,899). All of the Company's shares of stock are common shares of which 0.30% or 19,689,002 shares are foreign-owned.

The Top 20 Stockholders as of April 30, 2026 are:

<b>RANK</b>	<b>NAME</b>	<b># of Shares</b>	<b>% of Total</b>
1	PAGUITAN, HILARIO G.	5,097,120,000	76.88
2	PCD NOMINEE CORPORATION*	912,004,185	13.7557
	FILIPINO - 896,289,604		
	NON-FILIPINO - 15,714,581		
3	TECHNO-ASIA CONSTRUCTION AND DEV'T INCORPORATION	486,055,662	7.3312
4	PAGUITAN II, ISAAC HILARIO G.	59,570,000	0.8985
5	PAGUITAN, MICHAEL ABRAHAM G.	15,540,000	0.2344
6	PARADA, MA. HILARNIE MERCURIE P.	7,770,000	0.1172
7	SY,EUGENE	3,000,000	0.0452
8	BPI FAO IBOD	2,970,555	0.0448
9	ACUNA, EMMANUEL	2,800,000	0.0422
10	YAN, LUCIO W.&OR CLARA YAN	2,500,000	0.0377
11	WISE SECURITIES PHILS., INC	1,690,000	0.0255
12	CAMPOS, LANUZA & CO., INC	1,500,769	0.0226
13	RAMOS-PADILLA, MAUREEN ALEXANDRA CONSUELO S.	1,500,529	0.0226
14	G & L SECURITIES CO., INC	880,000	0.0133
15	L.M. GARCIA & ASSOCIATES, INC	623,724	0.0094
16	VIMC SPECIAL ACCOUNT	576,500	0.0087
17	MENDOZA, ALBERTO & /OR JEANIE C. MENDOZA	564,950	0.0085
18	CARLOS, FILOMENA R.	537,672	0.0081
19	YAN, LUCIO W.	524,904	0.0079

No unregistered securities were sold during the past three (3) years. All of the Company's issued and outstanding shares of stocks are duly registered in accordance with the provisions of the Securities Regulation Code.

### **Management's Discussion and Analysis or Plan of Operation**

#### *ECVC and ECMRCI Share-for-Share Swap Transaction*

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of ECMRCI for the latter's subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

#### *Amendment of Articles of Incorporation*

At the shareholders' meeting held on November 8, 2021, the shareholders and Board of Directors of the Company approved the following amendments to the Company's Articles of Incorporation

- Change in corporate name to "East Coast Vulcan Corporation";
- Change in principal office address to 4<sup>th</sup> Floor, Low Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares, or the subscription by, among others, the group led by the HGP Group.

The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

In 2022, the Company submitted its application for the amendment of Articles of Incorporation as discussed above to the SEC. On May 29, 2023, the SEC approved the Company's application for the amendment of its Articles of Incorporation.

Upon approval of the SEC on May 29, 2023, the Company issued 5,180,000,000 common shares with par value of One Peso (Php1.00) per share to the HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVC obtaining 100% interest in and control over ECMRCI. The Company likewise filed an application for the listing of the attendant shares with the Philippine Stock Exchange.

Currently, the Company is now in the process of cleaning up a deficit which existed prior to the acquisition of ECVMC by the East Coast Group. At its annual meeting in September 11, 2023, the shareholders and Board of Directors of the Company approved the following amendment in the Company's Articles of Incorporation:

- Change in corporate name to "East Coast Vulcan Mining Corporation";
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- Increase in the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from Php1.00 to Php0.10, and thus, maintaining the stockholders' position

Thus, in 2023, the Company submitted its application for the amendment of Articles of Incorporation to the SEC for the (i) change in the Company's corporate name to "East Coast Vulcan Mining Corporation"; and (ii) change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209. On April 19, 2024, the SEC approved the Company's application for the amendment of its Articles of Incorporation for the purposes stated above.

The Company is also processing the full payment of the 486,055,662 partially-paid ECVMC shares that were assigned and transferred by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter, "Sps. Pagautan") to Techno-Asia Development Corporation ("TACD") as part of its quasi-restructuring plan, pursuant to a Memorandum of Agreement dated June 22, 2023 ("MOA"). Among others, the MOA provides that TACD shall assume the obligation to pay to the Company the unpaid subscription balance for the Shares in either cash, shares, and/or assets acceptable to the Company's Board of Directors. Pursuant to the MOA, Spouses Pagautan and TACD executed a Deed of Assignment of Partially-Paid Shares dated September 11, 2023, for the assignment of the 486,055,662 partially-paid shares of East Coast Vulcan Corporation (the "Company") to TACD. The 486,055,662 partially-paid shares currently represent 7.33% of the outstanding capital stock of 6,630,000,000 common shares of the Company.

At present, the Company and TACD are currently collating the necessary documents required to finalize the transaction. Thus, the payment of the subscription price for the 486,055,662 partially-paid ECVMC shares is still in process.

#### *Plan of Operation*

Upon finalizing the full payment of the 486,055,662 partially-paid ECVMC shares, the Company, as part of its quasi-restructuring plan, likewise intends to proceed applying for the decrease of the par value of ECVMC shares with the SEC, thereby amending Article Seventh of the Corporation's Articles of Incorporation, to state that that the amount of capital stock of the Company is Twelve Billion Pesos (Php 12,000,000,000.00) Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten centavos (Php 0.10) per share.

This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods. Accordingly, the proposed quasi-restructuring and decrease in the par value of common shares of the Company will allow further business development, additional floating of shares, and fund raising to invite potential investors and partners, all with the ultimate aim declaring dividends in the coming periods.

There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity. Should the Company's cash position be not sufficient to meet current requirements, the Company may consider borrowing from its subsidiary.

The Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects.

### *Results of Operations*

Comparative financial highlights for the quarter ended March 31, 2026 and March 31, 2025 are presented below:

	<b><u>Consolidated Unaudited</u></b> <b><u>31 March 2026</u></b>	<b><u>Consolidated Unaudited</u></b> <b><u>31 March 2025</u></b>
Revenues	₱-	₱10,942,874
Net Loss	36,326,097	20,830,496
Total Assets	1,873,530,135	2,091,129,104
Total Liabilities	702,150,507	841,375,168
Net Worth	1,171,379,628	1,249,753,936
Issued and Outstanding Capital	6,630,000,000	₱6,630,000,000

The Company has no revenue for the period March 31, 2026 and has revenue from rental of equipment amounting to ₱10.9 million for the period March 31, 2025 and incurred a net loss of ₱36.33 million and ₱20.83 million, respectively. The net loss pertains mainly to Salaries and wages, depreciation expenses and professional fees.

The Company has total assets of ₱1.87 Billion and ₱2.09 Billion as of the period ended March 31, 2026 and March 31, 2025, respectively. The decreased of assets is due to depreciation and depletion.

The Company's total liabilities decreased to ₱702.15 million as of March 31, 2026 as compared to ₱841.37 million as of March 31, 2025 due to accounts payables.

The Company's net worth decreased to P1.17 Billion as of March 31, 2026 compared to P1.25 Billion as of March 31, 2025. The decrease was due to the net losses incurred by the Company during the period and previous period.

The following discussion is based on the unaudited interim consolidated financial statements for the 1st quarter period ended March 31, 2026, with comparative figures for the corresponding periods in 2025 and audited consolidated financial statements as of December 31, 2025, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

### *Status of Operations*

As of May 20, 2025, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047.

- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA.
- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC).

**Causes for Any Material Change from Period to Period of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:**

**Statement of Financial Position March 31, 2026 compared to December 31, 2025**

			Horizontal Analysis		Vertical Analysis	
	Mar. 31, 2026 Unaudited	2025 Audited	Change	% Change	March 2026	2025
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	₱8,342,867	₱13,725,703	(₱5,382,836)	(39.22%)	0.45%	0.71%
Trade and other receivables	27,302,501	61,873,245	(34,570,744)	(55.87%)	1.46%	3.18%
Due from related parties	175,048,233	196,143,247	(21,095,014)	(10.75%)	9.34%	10.09%
Prepayments and other current assets	90,391,119	94,461,373	(4,070,254)	(4.31%)	4.82%	4.86%
<b>Total Current Assets</b>	<b>301,084,720</b>	<b>366,203,568</b>	<b>(65,118,848)</b>	<b>(17.78%)</b>	<b>16.07%</b>	<b>18.84%</b>
<b>Noncurrent Assets</b>						
Property and equipment (net)	108,589,701	115,635,513	(7,045,812)	(6.09%)	5.80%	5.95%
Intangible asset	521,320	359,891	161,429	44.85%	0.03%	0.02%
Mining rights	1,308,938,513	1,308,938,513	-	-	69.86%	67.35%
Deferred exploration costs	150,053,692	147,909,653	2,144,039	1.45%	8.01%	7.61%
Deferred tax asset - net	4,342,189	4,342,189	-	-	0.23%	0.22%
<b>Total Noncurrent Assets</b>	<b>1,572,445,415</b>	<b>1,577,185,759</b>	<b>(4,740,344)</b>	<b>(0.30%)</b>	<b>83.93%</b>	<b>81.16%</b>
<b>TOTAL ASSETS</b>	<b>₱1,873,530,135</b>	<b>₱1,943,389,327</b>	<b>(69,859,192)</b>	<b>(3.59%)</b>	<b>100.00%</b>	<b>100.00%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	₱80,594,545	₱77,015,606	3,578,939	4.53%	4.30%	3.96%
Due to related parties	55,562,662	62,424,406	(6,861,744)	(10.99%)	2.97%	3.21%
Loans payable - current portion	445,531,380	471,847,507	(26,316,127)	(5.58%)	23.78%	24.28%
Installment payable - current portion	99,039,380	102,973,543	(3,934,163)	(3.82%)	5.29%	5.30%
<b>Total Current Liabilities</b>	<b>680,727,967</b>	<b>714,261,062</b>	<b>(33,533,095)</b>	<b>(4.69%)</b>	<b>36.33%</b>	<b>36.75%</b>
<b>Noncurrent Liabilities</b>						
Installment payable - noncurrent portion	3,050,121	3,050,121	-	0.00%	0.16%	0.16%
Retirement benefits liability	18,372,419	18,372,419	-	0.00%	0.98%	0.95%
<b>Total Noncurrent Liabilities</b>	<b>21,422,540</b>	<b>21,422,540</b>	<b>-</b>	<b>0.00%</b>	<b>1.14%</b>	<b>1.10%</b>
<b>Total Liabilities</b>	<b>702,150,507</b>	<b>735,683,602</b>	<b>(33,533,095)</b>	<b>(4.56%)</b>	<b>37.48%</b>	<b>37.86%</b>
<b>Equity</b>						
Capital stock	6,172,497,120	6,172,497,120	-	-	329.46%	317.62%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	-	(280.68%)	(270.59%)
Remeasurement gain on retirement benefits liability	7,210,202	7,210,202	-	-	0.38%	0.37%
Retained earnings	250,279,507	286,605,604	(36,326,097)	(12.67%)	13.36%	14.75%
<b>Total Equity</b>	<b>1,171,379,628</b>	<b>1,207,705,725</b>	<b>(36,326,097)</b>	<b>(3.01%)</b>	<b>62.53%</b>	<b>62.14%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱1,873,530,135</b>	<b>₱1,943,389,327</b>	<b>(69,859,192)</b>	<b>(3.59%)</b>	<b>100.00%</b>	<b>100.00%</b>

## Statement of Financial Position

### Assets

The consolidated total assets of the Company decrease by ₱69.86 million from ₱1.94 billion as of December 31, 2025 to ₱1.87 billion as of March 31, 2026. The decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱34.57 million or 55.87% from ₱61.87 million to ₱27.30 million in 2026 mainly due to the collection of trade receivable.
- **Due to related parties** decrease by ₱21.09 million in 2026 or 10.75% from ₱196.14 to ₱175.05 million mainly due to collection of advances.
- **Property and equipment** decrease by ₱7.04 million or 6.09% from ₱115.64 million to ₱108.59 million in 2026 due to depreciation and depletion.

### Liabilities

The consolidated total liabilities of the Company decrease by ₱33.53 million from ₱735.68 million as of December 31, 2025 to ₱702.15 million as of March 31, 2026. The 4.56% decrease was mainly due to the following:

- **Due to related parties** decrease by ₱6.86 million or 10.99% from ₱62.42 million to ₱55.56 million in 2026 mainly due to payment from Stockholders.
- **Loans payable - current** decrease by ₱26.32 million or 5.58% from ₱471.85 million to ₱445.53 million in 2026 mainly due to the payment of loans this quarter.

### Equity

The stockholders' equity of the Company decreased by ₱36.33 million or 3.01% from ₱1.21 billion in 2025 to ₱1.17 billion as of March 31, 2026. This was mainly due to the net loss incurred during the period.

## Statement of Income Statement March 31, 2026 compared to March 31, 2025

	For the Three-months ended		Horizontal Analysis		Vertical Analysis	
	2026 Conso Unaudited	2025 Conso Unaudited	Increase (decrease)		2010	
<b>REVENUE</b>	<b>₱-</b>	<b>₱10,942,874</b>	<b>(₱10,942,874)</b>	<b>(100.0%)</b>	<b>-</b>	<b>100.0%</b>
<b>GENERAL AND ADMIN. EXP.</b>	<b>22,789,162</b>	<b>16,358,107</b>	<b>6,431,055</b>	<b>39.31%</b>	<b>-</b>	<b>149.5%</b>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(22,789,162)</b>	<b>(5,415,233)</b>	<b>(17,373,929)</b>	<b>320.83%</b>	<b>-</b>	<b>(49.5%)</b>
<b>INTEREST EXPENSE</b>	<b>13,657,948</b>	<b>15,432,047</b>	<b>(1,774,100)</b>	<b>(11.50%)</b>	<b>-</b>	<b>(141.0%)</b>
<b>OTHER INCOME</b>						
Interest income from bank deposits	<b>1,028</b>	<b>324</b>	<b>704</b>	<b>217.28%</b>	<b>-</b>	<b>0.0%</b>
<b>OTHER INCOME (CHARGES) - NET</b>	<b>120,184</b>	<b>16,520</b>	<b>103,664</b>	<b>627.51%</b>	<b>-</b>	<b>0.2%</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(36,325,898)</b>	<b>(20,830,436)</b>	<b>(15,495,462)</b>	<b>74.39%</b>	<b>-</b>	<b>(190.4%)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(₱36,325,898)</b>	<b>(₱20,830,436)</b>	<b>(15,495,462)</b>	<b>74.39%</b>	<b>-</b>	<b>(190.4%)</b>

**Financial Condition as of March 31, 2026 and December 31, 2025 and Results of Operation for the three months ended March 31, 2026 and March 31, 2025**

	<u>March 31, 2026</u> <u>Consolidated</u> <u>Unaudited</u>	<u>March 31, 2025</u> <u>Consolidated</u> <u>Unaudited</u>	<u>Increase</u> <u>(Decrease)</u>	<u>%Change</u>
<b>Revenues</b>	<b>₱-</b>	₱10,942,874	(₱10,942,874)	(100.00%)
<b>General and admin. Exp.</b>	<b>22,789,162</b>	16,358,107	6,431,055	39.31%
<b>Income (loss) from operations</b>	<b>(22,789,162)</b>	(5,415,233)	(17,245,178)	320.83%
<b>Interest Expense</b>	<b>13,657,947</b>	15,432,047	1,774,100	(11.50%)
<b>Other income</b>	<b>1,028</b>	324	704	217.28%
<b>Interest expense (charges) – net</b>	<b>120,184</b>	16,520	103,664	627.51%
<b>Income (loss) before income tax</b>	<b>(₱36,325,898)</b>	(₱20,830,436)	(₱15,495,462)	74.39%

**Revenues**

For the three-month period ended March 31, 2026, East Coast Mineral Resources Company Inc., the subsidiary, holder of MPSA of Cagdianao Mining Corporation (CMC) and Libjo Mining Corporation (LMC), has no shipment during the period. The companies CMC and LMC has been doing the preparatory activities consisting primarily of restoration of mine pit, waste dump site, and settling pond, road widening, repair of haul roads and causeway improvement and expects to make shipments for the second and third quarter of 2026, which will increase the Company's income.

**General and admin exp.**

General and admin expenses increase by 39.31% or ₱6.43 million from ₱22.96 million for the 1<sup>st</sup> quarter period last year to ₱22.79 million this year. The increase was due to increases in commission fees, repairs and maintenance and professional fees.

**Key Performance Indicators (KPIs)**

The top five (5) key performance indicators of the Company are as follows:

The change in key indicators as of March 31, 2026 as compared to March 31, 2025 and December 31, 2025 noted a significant decrease in all areas due to net loss incurred during each period.

In general, Management is not aware of any material event or uncertainty that has affected the current fiscal period and/or would have a material impact on future operations of the Company.

	<u>Consolidated</u> <u>31 Mar. 2026</u>	<u>Consolidated</u> <u>Dec. 2025</u>	<u>Consolidated</u> <u>31 Mar. 2025</u>
<b>Current Ratio</b>	0.44:1	0.51:1	0.25:1
<b>Current Assets</b>	<u>301,084,720</u>	<u>366,203,568</u>	<u>203,781,515</u>
<b>Current Liabilities</b>	680,727,967	714,261,062	816,398,643
<b>Debt to Equity Ratio</b>	0.60:1	0.61:1	0.67:1

<u>Total Liabilities</u>	<u>702,021,756</u>	<u>735,683,602</u>	<u>841,375,168</u>
Stockholders' Equity	1,171,508,380	1,207,705,725	1,249,753,936
<b>Equity to Debt Ratio</b>	1.67:1	1.64:1	1.49:1
<u>Stockholders' Equity</u>	<u>702,150,507</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total Liabilities	1,171,379,628	735,683,602	841,375,168
<b>Book Value Per Share</b>	0.19	0.20	0.20
<u>Stockholders' Equity</u>	<u>1,171,379,628</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120
<b>Earnings (Loss) per share</b>	(0.006)	(0.01)	(0.003)
<u>Net Income (Loss)</u>	<u>(36,326,097)</u>	<u>(64,252,863)</u>	<u>(20,830,496)</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120

**Causes for Any Material Change from 2023 to 2025 of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:**

**Statement of Financial Position 2025 compared to 2024**

	Horizontal Analysis				Vertical Analysis	
	2025 Audited	2024 Audited	Change	% Change	2025	2024
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	₱13,725,703	₱7,116,126	6,609,577	92.88%	0.71%	0.34%
Trade and other receivables	61,873,245	118,410,662	(56,537,417)	(47.75%)	3.18%	5.66%
Due from related parties	196,143,247	–	196,143,247	–	10.09%	0.00%
Prepayments and other current assets	94,461,373	71,130,018	23,331,355	32.80%	4.86%	3.40%
<b>Total Current Assets</b>	<b>366,203,568</b>	<b>196,656,806</b>	<b>169,546,762</b>	<b>(86.21%)</b>	<b>18.84%</b>	<b>9.40%</b>
<b>Noncurrent Assets</b>						
Property and equipment (net)	115,635,513	143,882,633	(28,247,120)	(19.63%)	5.95%	6.88%
Intangible asset	359,891	441,552	(81,661)	(18.49%)	0.02%	0.02%
Mining rights	1,308,938,513	1,597,677,797	(288,739,284)	(18.07%)	67.35%	76.41%
Deferred exploration costs	147,909,653	147,909,653	-	0.00%	7.61%	7.07%
Deferred tax asset - net	4,342,189	4,473,857	(131,668)	(2.94%)	0.22%	0.21%
<b>Total Noncurrent Assets</b>	<b>1,577,185,759</b>	<b>1,894,385,492</b>	<b>(317,199,733)</b>	<b>(16.74%)</b>	<b>81.16%</b>	<b>90.60%</b>
<b>TOTAL ASSETS</b>	<b>₱1,943,389,327</b>	<b>₱2,091,042,298</b>	<b>(147,652,971)</b>	<b>(7.06%)</b>	<b>100.00%</b>	<b>100.00%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	₱77,015,606	₱156,673,129	(79,657,523)	(50.84%)	3.96%	7.49%
Due to related parties	62,424,406	45,763,770	16,660,636	36.41%	3.21%	2.19%
Loans payable - current portion	471,847,507	476,533,418	(4,685,911)	(0.98%)	24.28%	22.79%

Installment payable - current portion	102,973,543	115,839,113	12,865,570	(11.11%)	5.30%	5.54%
<b>Total Current Liabilities</b>	<b>714,261,062</b>	<b>794,809,430</b>	<b>(80,548,368)</b>	<b>(10.13%)</b>	<b>36.75%</b>	<b>38.01%</b>
<b>Noncurrent Liabilities</b>						
Installment payable - noncurrent portion	3,050,121	7,349,232	(4,299,111)	(58.50%)	0.16%	0.35%
Retirement benefits liability	18,372,419	18,298,940	73,479	0.40%	0.95%	0.88%
<b>Total Noncurrent Liabilities</b>	<b>21,422,540</b>	<b>25,648,172</b>	<b>(4,225,632)</b>	<b>(16.48%)</b>	<b>1.10%</b>	<b>1.23%</b>
<b>Total Liabilities</b>	<b>735,683,602</b>	<b>820,457,602</b>	<b>(84,774,000)</b>	<b>(10.33%)</b>	<b>37.86%</b>	<b>39.24%</b>
<b>Equity</b>						
Capital stock	6,172,497,120	6,172,497,120	-	0.00%	317.62%	295.19%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	0.00%	(270.59%)	(251.48%)
Remeasurement gain on retirement benefits liability	7,210,202	5,836,310	1,373,892	23.54%	0.37%	0.28%
Retained earnings	286,605,604	350,858,467	(64,252,863)	(18.31%)	14.75%	16.78%
<b>Total Equity</b>	<b>1,207,705,725</b>	<b>1,270,584,696</b>	<b>(62,878,971)</b>	<b>(4.95%)</b>	<b>62.14%</b>	<b>60.76%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱1,943,389,327</b>	<b>₱2,091,042,298</b>	<b>(147,652,971)</b>	<b>(7.06%)</b>	<b>100.00%</b>	<b>100.00%</b>

## Assets

The consolidated total assets of the Company decrease by ₱147.65 million from ₱2.09 billion as of December 31, 2024 to ₱1.94 billion as of December 31, 2025. The 6.06% net decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱56.53 million or 47.75% from ₱118.41 million to ₱61.87 million in 2025 mainly due to the collection of trade receivable.
- **Due from related parties** increase by ₱196.14 million or 100.00% from none in 2024 to 196.14 million this year.
- **Mining rights** decrease by ₱288.74 million or 18.07% from ₱1.60 billion to ₱1.31 billion in 2025 due to amortization.
- **Property and equipments** decrease by ₱28.25 million or 19.63% from ₱143.88 million to ₱115.64 million in 2025 due to depreciation.

## Liabilities

The consolidated total liabilities of the Company decrease by ₱84.77 million from ₱820.46 million as of December 31, 2024 to ₱735.68 million as of December 31, 2025. The 10.33% net decrease was mainly due to the following:

- **Trade and other payables** decrease by ₱79.66 or 50.84% from ₱156.67 million to ₱77.02 million in 2025 mainly due to payment to suppliers and service providers.
- **Due to related party** increase by ₱16.66 or 36.41% from ₱45.76 million to ₱62.42 million in 2025 mainly due to advances by Stockholder to the company.
- **Installment payable - current** decrease by ₱12.87 million or 11.11% from ₱115.84 million to ₱102.97 million in 2025 was due to payments of the installment payable.
- **Installment payable - noncurrent** decrease by ₱4.30 million or 58.50% from ₱7.35 million to ₱3.05 million in 2025 was due to payments of the installment payable noncurrent portion.

## Equity

The stockholders' equity of the Company decrease by ₱62.88 million or 4.95% from ₱1.27 billion

in 2024 to ₱1.21 billion as of December 31, 2025. This was due to the net loss incurred during the period.

### **Statement of Financial Position 2024 compared to 2023**

	Horizontal Analysis				Vertical Analysis	
	2024 Audited	2023 Audited	Change	% Change	2024	2023
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	₱7,116,126	₱8,147,811	(1,031,685)	(12.66%)	0.34%	0.36%
Trade and other receivables	118,410,662	51,750,865	66,659,797	128.81%	5.66%	2.31%
Due from related parties	–	948,319,068	(948,319,068)	(100.00%)	0.00%	42.33%
Prepayments and other current assets	71,130,018	56,871,657	14,258,361	25.07%	3.40%	2.54%
<b>Total Current Assets</b>	<b>196,656,806</b>	<b>₱1,065,089,401</b>	<b>(868,432,595)</b>	<b>(81.54%)</b>	<b>9.40%</b>	<b>47.54%</b>
<b>Noncurrent Assets</b>						
Property and equipment (net)	143,882,633	161,998,913	(18,116,280)	(11.18%)	6.88%	7.23%
Intangible asset	441,552	516,790	(75,238)	(14.56%)	0.02%	0.02%
Mining rights	1,597,677,797	860,367,776	737,310,021	85.70%	76.41%	38.40%
Deferred exploration costs	147,909,653	147,909,653	-	0.00%	7.07%	6.60%
Deferred tax asset - net	4,473,857	4,578,238	(104,381)	(2.28)	0.21%	0.20%
<b>Total Noncurrent Assets</b>	<b>1,894,385,492</b>	<b>1,175,371,370</b>	<b>719,014,122</b>	<b>61.17%</b>	<b>90.60%</b>	<b>52.46%</b>
<b>TOTAL ASSETS</b>	<b>₱2,091,042,298</b>	<b>₱2,240,460,771</b>	<b>(149,418,473)</b>	<b>(6.67%)</b>	<b>100.00%</b>	<b>100.00%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	₱156,673,129	₱105,708,044	50,965,085	48.21%	7.49%	4.72%
Due to related parties	45,763,770	242,020,027	(196,256,257)	(81.09%)	2.19%	10.80%
Loans payable - current portion	476,533,418	412,719,643	63,813,775	15.46%	22.79%	18.42%
Installment payable - current portion	115,839,113	46,354,114	69,484,999	149.90%	5.54%	2.07%
<b>Total Current Liabilities</b>	<b>794,809,430</b>	<b>806,801,828</b>	<b>(11,992,398)</b>	<b>(1.49%)</b>	<b>38.01%</b>	<b>36.01%</b>
<b>Noncurrent Liabilities</b>						
Installment payable - noncurrent portion	7,349,232	66,888,728	(59,539,496)	(89.01%)	0.35%	2.99%
Retirement benefits liability	18,298,940	17,730,365	568,575	3.21%	0.88%	0.79%
<b>Total Noncurrent Liabilities</b>	<b>25,648,172</b>	<b>84,619,093</b>	<b>(58,970,921)</b>	<b>(69.69%)</b>	<b>1.23%</b>	<b>3.78%</b>
<b>Total Liabilities</b>	<b>820,457,602</b>	<b>891,420,921</b>	<b>(70,963,319)</b>	<b>(7.69%)</b>	<b>39.24%</b>	<b>39.79%</b>
<b>Equity</b>						
Capital stock	6,172,497,120	6,172,497,120	-	0.00%	295.19%	275.50%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	0.00%	(251.48%)	(234.71%)
Remeasurement gain on retirement benefits liability	5,836,310	4,845,241	991,069	20.45%	0.28%	0.22%
Retained earnings	350,858,467	430,304,690	(79,446,223)	(18.46%)	16.78%	19.21%
<b>Total Equity</b>	<b>1,270,584,696</b>	<b>1,349,039,850</b>	<b>(78,455,154)</b>	<b>(5.82%)</b>	<b>60.76%</b>	<b>60.21%</b>

<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱2,091,042,298</b>	<b>₱2,240,460,771</b>	<b>(149,418,473)</b>	<b>(6.67%)</b>	<b>100.00%</b>	<b>100.00%</b>
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### Assets

The consolidated total assets of the Company decrease by ₱149.42 million from ₱2.24 billion as of December 31, 2023 to ₱2.09 billion as of December 31, 2024. The 6.67% decrease was mainly due to the following:

- **Trade and other receivable** increase by ₱66.56 million or 128.82% from ₱51.75 million to ₱118.41 million in 2024 mainly due to the increase of trade receivable.
- **Advance to related parties** decrease by ₱948.32 million or 100.00% from ₱948.32 million to none in 2024 mainly due to payment and reclass of advances to related parties.
- **Mining rights** increase by ₱737.31 million or 85.70% from ₱860.37 million to none ₱1.59 billion in 2024 due to reclassification.

### Liabilities

The consolidated total liabilities of the Company decrease by ₱70.96 million from ₱891.42 million as of December 31, 2023 to ₱820.46 million as of December 31, 2024. The 7.69% decrease was mainly due to the following:

- **Advances from related party** decrease by ₱196.26 or 81.09% from ₱242.02 million to ₱45.76 million in 2024 mainly due to payment to Stockholders.
- **Installment payment – non-current portion** decrease by ₱59.54 million or 89.01% from ₱66.89 million to ₱7.35 million in 2024 was due to the increase of accounts payable account.

### Equity

The stockholders' equity of the Company decrease by ₱78.46 million or 5.82% from ₱1.35 billion in 2023 to ₱1.27 billion as of December 31, 2024. This was due to the net loss incurred during the period.

### Statement of Income 2025 compared to 2024

	Horizontal Analysis				Vertical Analysis	
	2025	2024	Change	% Change	2025	2024
REVENUES	₱450,949,372	₱289,229,219	161,720,153	55.91%	100.0%	100.0%
OPERATING EXPENSES	399,955,643	266,791,239	133,164,404	49.91%	88.7%	92.2%
OPERATING INCOME (LOSS)	50,993,729	22,437,980	28,555,749	127.27%	11.3%	7.8%
<b>OTHER INCOME (CHARGES) - net</b>						
Finance costs	(61,291,486)	(78,084,24)	16,972,754	(21.51%)	(13.6%)	(27.0%)
Unrealized foreign exchange loss - net	1,003,663	403,512	600,151	148.73%	0.2%	(0.1%)
Finance income	3,052	1,986	1,066	53.68%	0.00%	0.00%
	(60,284,771)	(77,678,742)	17,393,971	(22.39%)	(13.4%)	(26.9%)
INCOME (LOSS) BEFORE INCOME TAX	(9,291,042)	(55,240,762)	45,949,720	(83.18%)	(2.1%)	(19.1%)
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>						
Current	(1,461,225)	(1,964,989)	503,764	(25.64%)	(0.3%)	(0.7%)
Final	(53,826,892)	(22,466,447)	(31,360,445)	139.59%	(11.9%)	(7.8%)
Deferred	326,296	225,975	100,321	44.39%	0.1%	0.1%
	(54,961,821)	(24,205,461)	(30,756,360)	127.06%	(12.2%)	(8.4%)

	Horizontal Analysis				Vertical Analysis	
	2025	2024	Change	% Change	2025	2024
NET INCOME (LOSS)	(P64,252,863)	(P79,446,223)	15,193,360	(19.12%)	(14.2%)	(27.5%)

### Revenues

The revenue of the Company decreased by P161.72 million or 55.91% from P289.23 million in 2024 to P450.95 million in 2025. These were due to increase of shipments of Operators and increase in price of nickel in 2025.

### Operating expenses

Operation expenses net increased by 49.91% or P133.16 million from P266.79 million in 2024 to P399.96 million in 2025. The increase was mainly due to the following:

- **Depreciation and amortization** increased by P141.97 million or 97% from P146.77 million in 2024 to P288.74 million in 2024 due to additions of mining rights and heavy equipments.
- **Management fee** decreased by P14.46 million or 100% from P14.46 million in 2024 to none this year.
- **Miscellaneous expense** decreased by P4.92 million or 43.62% from P11.29 million in 2024 to P 6.37 million in 2025 due to decrease of insurance of equipments.

**Finance cost** decreased by P16.79 million or 21.51% from P78.04 million in 2024 to P61.29 million in 2025 due to decrease of loans 2025.

**Unrealized foreign exchange loss – net** increase by P600.51 thousand or 148.73% from P 403.51 thousand to P1.0 million in 2025 due to forex gain transaction.

**Final income tax** increase by P31.36 million or 139.59% from P22.47 million to P53.83 million in 2025 due to adjustments.

### Statement of Income 2024 compared to 2023

	Horizontal Analysis				Vertical Analysis	
	2024	2023	Change	% Change	2024	2023
REVENUES	P289,229,219	P375,445,769	(86,216,550)	(22.96%)	100.0%	100.0%
OPERATING EXPENSES	266,791,239	180,011,532	86,779,707	48.21%	92.2%	47.9%
OPERATING INCOME (LOSS)	22,437,980	195,434,237	(172,996,257)	(88.52%)	7.8%	52.1%
<b>OTHER INCOME (CHARGES) - net</b>						
Finance costs	(78,084,24)	(23,173,124)	(54,911,116)	236.96%	(27.0%)	(6.2%)
Unrealized foreign exchange loss - net	403,512	(582,588)	986,100	(169.26%)	0.1%	(0.2%)
Finance income	1,986	24,054	(22,068)	(91.74%)	0.00%	0.00%
	(77,678,742)	(23,731,658)	(53,947,084)	227.32%	(26.9%)	(6.3%)
INCOME (LOSS) BEFORE INCOME TAX	(55,240,762)	171,702,579	(226,943,341)	(132.17%)	(19.1%)	45.7%
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>						
Current	(1,964,989)	5,062,959	(7,027,948)	(138.81%)	(0.7%)	(1.3%)
Final	(22,466,447)	32,341,972	(54,808,419)	(169.47%)	(7.8%)	8.6%
Deferred	225,975	(107,930)	333,905	(309.37%)	0.1%	0.0%
	(24,205,461)	37,297,001	(61,502,462)	(164.90%)	(8.4%)	9.9%

	Horizontal Analysis				Vertical Analysis	
	2024	2023	Change	% Change	2024	2023
NET INCOME (LOSS)	(₱79,446,223)	₱134,405,578	(213,851,801)	(159.11%)	(27.5%)	35.8%

### Revenues

The revenue of the Company decreased by ₱86.22 million or 22.96% from ₱375.45 million in 2023 to ₱289.23 million in 2024. This was due to decrease of shipments of Operators in 2024.

### Operating expenses

Operation expenses increased by 48.21% or ₱86.78 million from ₱180.01 million in 2023 to ₱266.79 million in 2024. The increase was mainly due to the following:

- **Depreciation and amortization** increased by ₱82.11 million or 89% from ₱92.33 to ₱174.44 million in 2024 due to additional mining rights and heavy equipment.
- **Professional fees** increased by ₱6.54 million or 56.65% from ₱11.54 million to ₱18.08 million in 2024 due to additional hiring of professional.
- **Miscellaneous expense** increased by ₱7.54 million or 232.97% from ₱3.23 million to ₱10.77 million in 2024 due to payment of insurance of equipments.

**Finance cost** increased by ₱54.91 million or 236.96% from ₱23.17 million to ₱78.04 million in 2024 due to additional loans availed in 2024.

**Unrealized foreign exchange loss – net** increase by ₱986.10 thousand or 169.26% from ₱582.59 thousand ₱403.51 thousand in 2024 due to forex gain transaction.

**Final income tax** decreased by ₱54.81 million or 169.47% from ₱32.34 million to (₱22.47) million in 2024 due to adjustments.

### Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

The company manages liquidity risk by maintaining balance between continuity of funding and flexibility. As part of its liquidity risk management, the Company regularly evaluates its projected cash flows.

The financial assets held by the Company for liquidity purposes consist of cash, all of the Company's financial liabilities are either due and demandable or payable within the year.

### Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

## Financial instruments

The Company's financial instruments consist of cash. The main purpose of the financial instruments is to fund the Company's operations. The Company has various other financial instruments such as accrued expenses and other payables that arise directly from its operations.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of asset) or received (in case of a liability). The initial measurement of financial instruments, except for those financial assets and financial liabilities at fair value through profit or loss (FVPL), includes transaction cost.

On initial recognition, the Company classifies its financial assets in the following categories: Held-for-Maturity (HTM) investments, AFS financial assets, and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates such designation at every financial reporting date.

Under PAS 39, all financial liabilities are recognized initially at fair value and in case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities are classified as FVPL, loans and borrowings and derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax benefits.

The Company's financial assets consist of loans and receivables and AFS investments. The Company's financial liabilities are classified as loans and borrowings. The Company has no financial assets and liabilities at FVPL and HTM investment.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments and all other financial instruments where there is no active market, fair value is determined by using generally accepted valuation techniques. Such techniques include using arm's length market transactions; reference to the current market value of another instrument, which are substantially the same; discounted cash flow analysis and other valuation models.

### Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

The accounting firm of Sycip Gorres Velayo (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditor of the Company in 2025 Annual Stockholders Meeting. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & audit related fees	Tax Fees	Other Fees
2025	680,000	-0-	-0-

2024	600,000	-0-	-0-
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For the past two (2) years, the Company has not engaged the services of SGV except for the statements in connection with statutory and regulatory filings for the year 2025 and 2024. The amounts under the caption of “Audit and audit related fees” for the years 2025 and 2024 pertain to these services. The Audit Committee prohibits the Company from engaging the external auditor to provide services that may adversely affect its independence, including those expressly prohibited by regulations of the Securities and Exchange Commission (SEC).

SGV representatives are expected to be present at the Meeting and they will have the opportunity to make statement and respond to appropriate questions.

The Audit Committee reviews and recommends to the Board the appointment of SGV to the stockholders for appointment as external auditor of the Company.

#### IV. Control and Compensation Information

##### Directors and Executive Officers of the Registrant

###### Directors & Executive Officers of the Registrant

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired portion of his predecessor.

The names, ages, positions, periods of service of all incumbent directors and executive officers as such, and their business experience in the past five (5) years are as follows:

**Hilario G. Pagautan**, 69, Filipino, was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Mayor of Sta. Maria, Isabela. Mr. Pagautan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

**Sofia G. Pagautan**, 65, Filipino, was appointed Vice-Chairman, of the Company on November 8, 2021. She has served as a director and/or senior officer of companies engaged in mining and construction. She is presently a Barangay Captain in Calamagui North.

**Isaac Hilario G. Pagautan II**, 41, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

**Michael Abraham G. Pagautan**, 38, Filipino, was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Vice Mayor of Sta. Maria, Isabela

**Ma. Hilarnie Mercurie P. Parada**, 44, Filipino, was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

**Edgardo V. Caringal**, 70, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

**Ramon C. Lee**, 85, Filipino, was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

**Orlando S. Mercado**, 77, Filipino, was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

**Adrian Paulino S. Ramos**, 47, Filipino, has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

**Roberto A. Baquiran**, 65, has been the Company's Independent Director since 2022. He is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. At current, he is a Partner at Baquiran, Benitez, Belarmino, Ting and Yu Accounting Office and the Baquiran, Lumanta and Orpilla Attorneys-at-Law.

**Joshua A. Parada**, 44, has been the Company's Director since 2023. He is a licensed Chief Engineer and has been on board various international maritime tanker vessels, such as but not limited to BW Gas LNG, LPG Tanker "Clipper Venus", LPG Tanker "Clipper Skagen", LPG Tanker "Clipper Sirius", LPG Tanker "HEROS", and LGP Tanker "HERA". He is a graduate of Bachelor of Science Major in Marine Engineering at the Philippine Merchant Marine Academy. He likewise served as AUX Machinery Instructor/ Engine Simulator at the Mariners Polytechnic College, New Simulator Training Center, and Norwegian Training Center.

**Sofia Anne Clare G. Pagautan** 26, has been the Company's Director since 2023. She is the current Executive Director of two foundations, namely, Sofia Anne Clare Foundation Inc. and Maria Lourdes G. Pagautan Memorial Foundation Inc. She also serves as the Executive Assistant to the Chief Executive Officer and President of East Coast Mineral Resources Company Incorporated. She graduated at the Ateneo De Manila University with the degree of Bachelor of Science in Business Management.

**Jose Ngaw**, 76, has been the Company's Independent Director since 2023. He is a member of the Integrated Bar of the Philippines and currently the Chairman of the Board of Regents of the Pamantasan ng Lungsod ng Maynila. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being a Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages

**Jose T. Nacorda, Jr.**, 69, Filipino, is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

**Gaspar R. Andres, Jr.**, 95, Filipino, is the incumbent as Corporate Secretary of the Company. He has served as officer and/or corporate secretary or legal counsel of companies involved in mining and mineral processing. He has also been the Corporate Secretary of the Chamber of Mines of the Philippines since 2010. Atty. Andres is a member of the Integrated Bar of the Philippines.

**Ana Maria A. Katigbak-Lim**, 54, Filipino, is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm. She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

**Lester Laurence S. Baguec**, 44, Filipino, is the incumbent Corporate Finance, Corporate Planning Executive and Investor Relations Officer.

**Dave D. Eustaquio**, 27, Filipino, is the incumbent Chief Audit Executive and Internal Audit Head.

#### **Directors with other directorship(s) held in reporting companies**

ADRIAN PAULINO S. RAMOS

Alakor Securities Corporation  
Atlas Consolidated Mining & Dev. Corp.  
Anglo Philippine Holdings Corporation  
United Paragon Mining Corporation  
The Philodrill Corporation

#### Involvement in Certain Legal Proceedings

The Company is not aware of any involvement of its executives/officers/directors in any legal proceedings for the past five (5) years.

The following independent directors are not officers or substantial shareholders of the Company nor is a director or officer of its related companies:

1. Roberto A. Baquiran
2. Jose Ngaw

Significant Employees

Other than its current officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company.

Family Relationship

Mr. Hilario G. Pagautitan, Chairman of the Board, President & CEO, is the husband of Mrs. Sofia G. Pagautitan, Vice-Chairman and Isaac Hilario G. Pagautitan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, and Michael Abraham G. Pagautitan, Director and Chief Risk Officer, Sofia Anne Clare G. Pagautitan, Director are their children.

**Executive Compensation**

Information as to the aggregated compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the Company’s Chief Executive Officer and four other most highly compensated executive officer as follows:

<b>Chief Executive Officer and highly compensated executive officer</b>	<b>Year</b>	<b>Salary</b>	<b>Bonus</b>	<b>Other Annual Compensation</b>
Hilario G. Pagautitan	Chairman of the Board. President and Principal Executive Officer			
Sofia G. Pagautitan	Vice-Chair			
Isaac Hilario G. Pagautitan II	Senior Vice President – Business Development, Data Privacy Officer and Chief Risk Officer			
	2024	-0-	-0-	-0-
	2025	-0-	-0-	-0-
	2026 (est)	-0-	-0-	-0-
All officers and directors as a group unnamed	2024	-0-	-0-	-0-
	2025	-0-	-0-	-0-
	2026 (est)	-0-	-0-	-0-

There were no compensation for officers in 2025, 2024 and 2023 due to termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P15,000 per meeting to defray their expenses in attending board meetings. There are no other arrangements for compensation of directors, as such, during the last fiscal year and for the ensuing fiscal year.

There are NO warrants or options outstanding in favor of directors and officers.

### Security Ownership of Certain Beneficial Owners and Management

a.) As of December 31, 2025, ECVC knows of no one who beneficially owns in excess of 5% of ECVC's common stock except as set forth in the table below.

Among the participants under PCD, NO account owns more than 5% of the voting stock.

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Ownership
Common	Hilario G. Pagautan	Hilario G. Pagautan	Filipino	5,097,120,000 (direct)	76.88%
Common	PCD Nominee Corporation - Philippine Stock Exchange Bldg., Ayala Ave., Makati City	Various Clients / Stockholder  (See Note A)	Filipino/Non-Filipino	912,004,185*	13.76%
Common	Techno-Asia Construction and Dev't Incorporated	Techno-Asia Construction and Dev't Incorporated	Filipino	486,055,662**	7.33%

**Note:**

**Note A.** Of the total 912,004,185 (13.76%) lodged shares under the name of PCD Nominee Corp., 200,000,000 shares (3.02%) are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

**Note B:** Beneficial Ownership Report by Security (List of PCD Participants) as of December 31, 2024. 486,055,662 of the Issued and Outstanding Common Shares, which are not yet fully-paid, represented spouses Hilario G. Pagautan and Sofia G. Pagautan's share subscription, which were assigned to Techno-Asia Construction and Development Incorporated, pursuant to a Deed of Assignment dated September 11, 2023.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

b.) Security Ownership of the Board and Management as of December 31, 2025

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		

Common	Hilario G. Pagautan	4,931,878,000	-	Filipino	Common
Common	Sofia G. Pagautan	165,242,000	-	Filipino	Common
Common	Isaac Hilario G. Pagautan II	59,570,001	999	Filipino	Common
Common	Michael Abraham G. Pagautan	15,540,001	999	Filipino	Common
Common	Ma. Hilarnie Mercurie P. Parada	7,770,001	999	Filipino	Common
Common	Adrian Paulino S. Ramos	500	4,072,620	Filipino	Common
Common	Orlando S. Mercado	220,000	-	Filipino	Common
Common	Edgardo V. Caringal	1	999	Filipino	Common
Common	Ramon C. Lee	1	99,999	Filipino	Common
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	Common
Common	Joshua B. Parada	1	-	Filipino	Common
Common	Roberto A. Baquiran (ID)	19,997	-	Filipino	Common
Common	Jose Ngaw	1	-	Filipino	Common

As of May 31, 2025 the aggregate number of shares owned by Company's directors, Chief Executive Officer, and other officers is 5,180,000,507 shares or approximately 78.19% of the Company's outstanding capital stock. Except for the shares appearing on record in the names of the directors and officers above, the Company is NOT aware of any shares which said person may have the right to acquire beneficial ownership of.

c) Voting Trust Holders of 5% or more

To the extent known to the Company, there is NO PERSON holding more than 5% of any class of the Company's securities under a voting trust or similar agreement.

d) Change in control

Sofia G. Pagautan tendered her resignation as Director and Vice-Chairman of the Board of Directors of the Corporation, effective April 7, 2026. Other than the foregoing, there were no changes in the composition of the Board of Directors since the last Annual Meeting of Stockholders held last June 25, 2025, as disclosed by the Company on even date.

**Certain Relationships and Related Transactions**

In the ordinary and regular course of the business, the Company had transactions with related parties (i.e. companies with shareholders common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 18 of the Company's 2024 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

## **V. Corporate Governance**

Pursuant to Memorandum Circular No. 20, Series of 2017, issued by the Securities and Exchange Commission (SEC), Annual Corporate Governance Report is no longer required to be attached to the 2024 Annual Report.

The Company filed a copy of its 2023 Integrated Annual Corporate Governance Report (I-ACGR) to the SEC on May 31, 2024 and is posted in the Company website. The I-ACGR for 2024 will be filed with the SEC on or before it falls due for submission.

- a) The Company uses the evaluation system established by the SEC in its Memorandum Circular No. 5, series of 2003, and the Code of Corporate Governance for Publicly-listed Companies, as well as PSE Memo No. 2013-0013 and Memo CN 2013-0007, including the accompanying Corporate Governance Self-Rating Form (CG-SRF) and Corporate Governance Guidelines Disclosure Survey to measure or determine the level of compliance of the Board of Directors and top-level management with the Company's Corporate Governance manual.
- b) The Company undertakes a self-evaluation process every semester and any deviation from the Company's Corporate Governance Manual is reported to the Management and the Board together with the proposed measures to achieve compliance.
- c) Except as indicated below, the Company is currently in full compliance with the leading practices on good corporate governance embodied in the CG-SRF and Corporate Governance Guidelines Disclosure Survey:
  - 1) As the Company is undergoing reorganization and is in a transition phase, the Company is in the process of drafting and designing the following, among others:
    - a. Code of Conduct for the Board, CEO and staff, as well as existing policies and procedures that can identify and resolve potential conflicts of interest.
    - b. Formal development program for its Board of Directors;
    - c. Establishment of an internal audit group;
    - d. Enterprise Risk Management activities;
    - e. Appointment of a Risk Management Officer; and
    - f. Incentive Mechanism for its employees.
  - 2) The Company's employees and officers undergo professional development programs subject to meeting the criteria set by the Company. Succession plan for senior management is determined by the Board as the need arises.
- d) The Company shall adopt such improvement measures on its corporate governance as they may be necessary from time to time.

*The Company undertakes to provide, without charges, upon the written request of a stockholder, a copy of its Annual Report on SEC Form 17-A. Such request should be addressed to the Corporate Secretary, East Coast Vulcan Mining Corporation, 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila.*

*\*\*The Company likewise undertakes to send copies of the Company's First Quarter Report in SEC Form 17-Q, to the Stockholders via email or through PSE EDGE portal or through the company's website <https://www.eastcoastvulcanmining.com/>*

**EAST COAST VULCAN MINING CORPORATION**  
15th Floor, High Rise Pacific Star Building,  
Sen. Gil Puyat Avenue, Makati City, Metro Manila,  
Tel (632) 8511-8312: Fax (632) 8550-1468

**NOTICE OF ANNUAL STOCKHOLDERS' MEETING**

TO ALL STOCKHOLDERS:

The Annual Stockholders' Meeting (the "ASM" or "Meeting") of **East Coast Vulcan Mining Corporation** (the "**Company**") will be held on Wednesday, June 17, 2026, at [time], at the [location].

The following is the agenda of the meeting:

1. Call to order;
2. Proof of notice and certification of quorum;
3. Approval of the minutes of the previous meeting of the stockholders;
4. Management report and approval of the 2025 audited financial statements;
5. Ratification of resolutions, contracts, and acts of the Board of Directors and Management;
6. Approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:
  - From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,
  - To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares;
7. Approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of Common Shares and par value shall become 96,000,000 Common Shares with a par value of Php 0.10 per share after the stock split;
8. Election of Directors;
9. Appointment of Sycip Gorres Velayo & Co. as external auditor;
10. Other matters; and
11. Adjournment

For purposes of the ASM, stockholders of record as of April 30, 2026 are entitled to Notice of the Meeting and to vote thereat.

If you are unable to join the ASM, you may appoint a proxy to represent you and vote on your behalf. Duly accomplished Proxy Forms shall be submitted by email to the Office of the Corporate Secretary at [info@eastcoastvulcan.com](mailto:info@eastcoastvulcan.com) or by physical mail to the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila for inspection, validation and recording and to ensure receipt by the Company on or before June 7, 2026. The validation of proxies shall take place not later than June 11, 2026. Accompanying this Notice is a Proxy Form for your convenience.

By registering to participate in the virtual ASM or submitting a Proxy Form, a stockholder, proxy or representative of the stockholder is providing his/her/its consent for the Company and its service providers to process their respective 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 ASM.

The Definitive Information Statement (20-IS), Management Report, Audited Financial Statements, Quarterly Report as of March 31, 2026, and other documents relating to the ASM may be accessed through any of the following:

- 1) Go to the East Coast Vulcan Mining Corporation website via this link: <https://www.eastcoastvulcanmining.com>
- 2) Go to the PSE EDGE portal via <https://edge.pse.com.ph/>
- 3) Request for a copy by sending an email to [info@eastcoastvulcan.com](mailto:info@eastcoastvulcan.com)

For ASM-related queries, you may send an email to [info@eastcoastvulcan.com](mailto:info@eastcoastvulcan.com) or contact Mr. Lester Laurence Baguec, Investor Relations Officer, at (+632) 8511-8312. For account updating or concerns regarding your shareholdings, please contact our Transfer Agent, Professional Stock & Transfer, Inc. at Tel. Nos. +63-2-86874053 or via email directly at [info@professionalstocktransfer.com](mailto:info@professionalstocktransfer.com).

May 26, 2026, Makati City.

**ANA MARIA A. KATIGBAK**  
Assistant Corporate Secretary

**EAST COAST VULCAN MINING CORPORATION**  
**ANNUAL STOCKHOLDERS' MEETING**  
**PROXY FORM**

This proxy is being solicited on behalf of the Board of Directors and Management of East Coast Vulcan Mining Corporation (the "Company") for voting at the Annual Stockholders' Meeting to be held on June 17, 2026 at 2:00 p.m., at [location].

I, the undersigned stockholder of the Company, do hereby appoint, name and constitute the Company's Chairman, Hilario G. Pagautan, or the chairman of the meeting,

Or

\_\_\_\_\_

as my attorney-in-fact and proxy, to represent me at the Annual Stockholders' Meeting of the Company to be held on June 17, 2026 at 2:00 p.m. and any postponement(s) and adjournment(s) thereof, as fully and to all intents and purposes as I might or could do if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) thereof. In particular, I hereby direct my said proxy to vote on the agenda items set forth below as I have expressly indicated by marking the same with an "X".

AGENDA ITEMS	ACTION		
Item 1. Call to Order.	No action necessary.		
Item 2: Proof of Notice and Certification of Quorum.	No action necessary.		
	FOR	AGAINST	ABSTAIN
Item 3: Approval of the Minutes of the Previous Annual Stockholders' Meeting held on June 25, 2025.			
Item 4: Approval of the Management report and approval of the Audited Financial Statements for the year ended December 31, 2025.			
Item 5: Ratification of resolutions, contracts, and acts of the Board of Directors and Management.			
Item 6: Approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:  From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,  To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.			
Item 7: After the decrease in authorized capital stock to Php 9.6 Billion, approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of shares and par value			

shall become 96,000,000,000 Common Shares with a par value of Php 0.10 per share, after the stock split.			
Item 8: Election of Directors For Regular Directors:			
1. Hilario G. Pagautan			
2. Isaac Hilario G. Pagautan II			
3. Michael Abraham G. Pagautan			
4. Ma. Hilarnie Mercurie P. Parada			
5. Ramon C. Lee			
6. Edgardo V. Caringal			
7. Adrian Paulino S. Ramos			
8. Orlando S. Mercado			
9. Sofia Anne Claire G. Pagautan			
10. Joshua B. Parada			
11. Jaime F. del Rosario			
For Independent Directors:			
1. Roberto A. Baquiran			
2. Jose Ngaw			
Item 9: Appointment of Sycip Gorres Velayo & Co. as External Auditor.			
Item 10: Other Matters.	According to Proxy's Discretion		
Item 11: Adjournment.			

#### IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

- FOR the approval of the minutes of previous Annual Meeting of the Stockholders;
- FOR the approval of the Management Report and approval of the Audited Financial Statements for the year ended December 31, 2025;
- FOR the confirmation and ratification of all resolutions, contracts, and acts of the Board of Directors and Management from the date of the last stockholders' meeting (June 25, 2025) to date as reflected in the books and records of the Company;
- FOR the approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.

- FOR the approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of Common Shares and par value shall become 96,000,000,000 Common Shares with a par value of Php 0.10 per share, after the stock split.
- FOR the election of the following directors:

For Regular Directors:

1. Hilario G. Pagautitan
2. Isaac Hilario G. Pagautitan II
3. Michael Abraham G. Pagautitan
4. Ma. Hilarnie Mercurie P. Parada
5. Ramon C. Lee
6. Edgardo V. Caringal
7. Adrian Paulino S. Ramos
8. Orlando S. Mercado
9. Sofia Anne Clare G. Pagautitan
10. Joshua B. Parada
11. Jaime F. del Rosario

For Independent Directors:

1. Roberto A. Baquiran
2. Jose Ngaw

- FOR the approval of the appointment of Sycip Gorres Velayo & Co . as the Company's external auditor;
- and to authorize the Proxy to vote according to discretion of the Company's Chairman of the Meeting, on any matter that may be discussed under "Other Matters".

A Proxy Form that is returned without a signature shall not be valid.

#### VALIDATION OF PROXIES

If you will not be able to attend the meeting but would like to be represented thereat, you must submit a duly signed and accomplished proxy form to the Office of the Corporate Secretary of East Coast Vulcan Mining Corporation at [info@eastcoastvulcan.com](mailto:info@eastcoastvulcan.com) or at 15F, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines (Attention: Ana Maria A. Katigbak) to ensure receipt by the Company on or before June 7, 2026. Beneficial owners whose shares are lodged with Philippine Depository and Trust Corporation (PDTC) or registered under the name of a broker, bank, or other fiduciary allowed by law, must likewise present a notarized certification from the owner of record (i.e. the broker, bank, or other fiduciary) that he is the beneficial owner indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized Secretary's Certificate attesting to the authority of its representative to attend and vote at the stockholders' meeting. Validation of proxies shall be not later than June 11, 2026 at the principal office of East Coast Vulcan Mining Corporation.

#### REVOCAION OF PROXIES:

A stockholder giving a proxy has the power to revoke it any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person.

Signed this \_\_\_\_\_ 2026 at \_\_\_\_\_.  
(DATE) (PLACE)

\_\_\_\_\_  
Printed Name of Stockholder

\_\_\_\_\_  
Signature of Stockholder  
or Authorized Signatory

**PLEASE DATE AND SIGN YOUR PROXY**

**PLEASE MARK, SIGN, AND RETURN YOUR PROXY BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) ON OR BEFORE 6:00 P.M. OF JUNE 7, 2026.**

FORM OF SECRETARY'S CERTIFICATE

REPUBLIC OF THE PHILIPPINES )  
CITY OF ) S.S

SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, \_\_\_\_\_, of legal age, Filipino and with business address at the \_\_\_\_\_, under oath, depose and state that:

I am the Corporate Secretary of \_\_\_\_\_, the ("Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal office and place of business at \_\_\_\_\_.

I hereby certify that at a meeting of the Board of Directors of the said Corporation held at its principal office on \_\_\_\_\_ at which a quorum was present and acting throughout, the following resolution was unanimously approved:

"RESOLVED, as it is hereby resolved that \_\_\_\_\_, be appointed by the Corporation to represent it at the meeting of the stockholders of EAST COAST VULCAN MINING CORPORATION scheduled on June 17, 2026 or at any postponement thereof, and in connection therewith, to vote all shares registered in the name of the Corporation or to execute or give any proxies as she/he may deem proper."

IN WITNESS WHEREOF, I have hereunto set my hand on this \_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_, affiant exhibiting to me his \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_ showing his photograph and signature.

Doc No. \_\_\_\_\_;  
Page No.: \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2026.

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS  
OF  
EAST COAST VULCAN MINING CORPORATION**

Held at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue, Makati  
Ave., Makati City.  
On June 25, 2025 at 2:00 p.m.

The 2025 Annual Stockholders' Meeting of East Coast Vulcan Mining Corporation ("ECVC" or the "**Company**") was conducted on June 25, 2025 at 2:00 p.m. at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue, Makati Ave., Makati City.

The presence at the meeting of the members of the Board of Directors and Management was acknowledged.<sup>1</sup>

**CALL TO ORDER**

Mr. Hilario G. Pagautan, Chairman of the Board, acted as Chairman of the meeting and called the same to order.

**PROOF OF NOTICE AND CERTIFICATION OF QUORUM**

The Corporate Secretary, Atty. Gaspar R. Andres, Jr., reported that pursuant to Section 49 of the Revised Corporation Code, notices (or "**Notice**") of the meeting were sent to all stockholders via courier beginning on June 2, 2025 or at least 21 days before the meeting, based on the Certification dated June 18, 2025 issued by SureMail Courier Services, Inc. A copy of the Notice, together with the Definitive Information Statement, minutes of the previous meeting, and other documents related to this meeting were also made accessible through the Company's website and the Philippine Stock Exchange (or "**PSE**") Edge website.

Qualified stockholders who submitted their proxies within the prescribed period were included in the determination of quorum. Stockholders who were represented by their respective proxies were deemed present for purposes of determining quorum.

Based on this, the Corporate Secretary certified that there were present at the meeting, stockholders owning at least 5,180,114,876 shares representing

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<sup>1</sup> See Annex "A" for the list of directors and officers who attended the annual stockholders' meeting.

at least 78.1314% of the outstanding capital stock of the Company. Therefore, a quorum existed for the transaction of business.

With the permission of the Corporation Secretary, the Assistant Corporate Secretary, Atty. Ana Maria A. Katigbak-Lim, discussed the voting procedures adopted for the meeting.

Under the Company's By-Laws, every stockholder with voting privilege shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes. Stockholders who successfully registered for the meeting were given the opportunity to cast their votes by submitting their proxy forms or ballots. For items other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain. For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. The thirteen (13) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.

Finally, stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through e-mail. Management endeavored to reply to these questions or address these comments after the Management Report. If, for lack of material time, the Company was unable to answer a relevant and material question timely submitted by a stockholder, the Company undertook to reply to such questions by email.

#### **APPROVAL OF MINUTES OF ANNUAL STOCKHOLDERS' MEETING**

The next item of business was the approval of the minutes of the annual meeting of the stockholders held on July 12, 2024, an electronic copy of which was made available on the Company's website.

Upon motion made and seconded, the following resolution was approved:

**"RESOLVED**, that the minutes of the Annual Stockholders' Meeting of East Coast Vulcan Mining Corporation (the "Corporation") held on July 12, 2024 be, as it is hereby, approved."

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>2</sup>

## **APPROVAL OF THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024**

### **Chairman/President's Report**

The next matter on the agenda was the Chairman/President's Report. The Chairman reported on the current active mining operations of the Company which were both located in Dinagat Island, Surigao del Norte and in partnership with other domestic mining corporations, namely Cagdianao Mining Corporation ("CMC") and Libjo Mining Corporation ("LMC"). As compared to the year 2023, the combined revenue of CMC and LMC for the year 2024 was approximately 20% less.

The Chairman also discussed a new venture that was entered into by LMC and Nickel Well Resources, Inc. on May 15, 2025, which aimed to have a minimum ship out of two million tons per year of nickel ore for the Chinese and Indonesian markets. This venture was expected to bring in profit and recover some losses from the 2024 mining operations.

### **Operations and Financial Report**

The next matter on the agenda was the approval of the management report and audited financial statements, copies of which were made available on the Company's website. The Senior Vice President for Finance and Admin, Mr. Jose T. Nacorda, Jr., reported on the Company's operational highlights and financial results, and the audited financial statements for the year ended December 31, 2024.

After the report, no questions were raised by the stockholders during the meeting.

Upon motion made and seconded, the following resolution was approved:

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<sup>2</sup> See Annex "B" for the voting results.

**“RESOLVED**, that the Annual Report as presented by the Chairman and President, and the Senior Vice President for Finance and Admin, and the Corporation’s audited financial statements for year the ended December 31, 2024 be, as it is hereby, approved.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>3</sup>

### **RATIFICATION OF PREVIOUS CORPORATE ACTS**

The next item was the ratification and approval of corporate acts from the date of the last annual stockholders’ meeting to date. The Chairman stated that a summary of the acts for ratification was included in the Definitive Information Statement.

Upon motion made and seconded, the following resolution was approved:

**“RESOLVED**, that all acts, proceedings, transactions, contracts, agreements, resolutions and deeds, authorized and entered into by the Board of Directors, Management, and/or Officers of East Coast Vulcan Mining Corporation from the date of the last annual stockholders’ meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>4</sup>

### **UPDATED APPROVAL ON THE AMENDMENT OF THE ARTICLES OF INCORPORATION (INCREASE IN AUTHORIZED NUMBER OF SHARES AND DECREASE IN SHARE PAR VALUE)**

The next matter on the agenda was the reconfirmation by the stockholders of the proposed amendments to the Company’s Amended Articles of Incorporation for the change in authorized number of shares and

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<sup>3</sup> See Annex “B” for the voting results.

<sup>4</sup> See Annex “B” for the voting results.

share par value. The Chairman explained that the proposed amendments were originally approved by the stockholders in the 2023 Annual Stockholders' Meeting, reapproved in the 2024 Annual Stockholders' Meeting, and the stockholders were being requested to refresh and reconfirm such approvals.

The Assistant Corporate Secretary presented Management's request to approve the proposed amendments to the Company's Amended Articles of Incorporation, consisting of (i) the increase in the authorized number of shares from 12,000,000,000 to 120,000,000,000 shares; (ii) the decrease in par value of common shares from Php 1.00 per share to Php 0.10 per share, thereby amending the Seventh Article of the Amended Articles of Incorporation accordingly. As explained in the Definitive Information Statement, the proposed amendments to the Seventh Article of the Amended Articles of Incorporation is part of the Company's shareholder equity restructuring and capital raising activities for its operations.

Upon motion made and seconded, the following resolution was approved:

**"RESOLVED**, that the Stockholders of East Coast Vulcan Mining Corporation (the "Corporation") hereby approve and reconfirm the increase in the authorized number of shares of the Corporation from 12,000,000,000 to 120,000,000,000 shares and the decrease in the par value of common shares of the Corporation from Php 1.00 to Php 0.10, thereby amending the Seventh Article of the Amended Articles of Incorporation as follows:

SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php 12,000,000,000.00) Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten centavos (Php 0.10) per share...;

**RESOLVED FURTHER**, that the Board of Directors be authorized to determine when the change in authorized number of shares and share par value shall be implemented in relation to the proposed equity restructuring and capital raising activities of the Corporation;

**RESOLVED, FINALLY**, that the directors and officers of the Corporation be hereby authorized to sign, execute, and file with the Securities and Exchange Commission the application for amendment of the Amended Articles of Incorporation of the

Corporation, and such other documents which may be required to give effect to the foregoing resolution.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>5</sup>

## **ELECTION OF DIRECTORS**

The next matter on the agenda was the election of the members of the Board of Directors of the Company.

The Assistant Corporate Secretary stated that under the Sixth Article of the Amended Articles of Incorporation, there were thirteen (13) seats in the Board of Directors and the Company was required to have at least two (2) independent directors. She explained that under SEC rules, all nominations for director shall be submitted to and evaluated by the Nominations Committee, and that nominations for Independent Directors shall appear in the Final List of Candidates set forth in the Definitive Information Statement. No other nominations shall be entertained from the floor.

The Assistant Corporate Secretary informed the stockholders that the Company received a total of eleven (11) nominations for Regular Directors, and two (2) for Independent Directors. She explained that nominees receiving the highest number of votes for the eleven (11) available seats for Regular Director, and for the two (2) available seats for Independent Director, would be declared as the duly elected members of the Board of Directors for 2025-2026.

The names of the following nominees for regular and independent directors were announced and it was noted that full details of the background and qualifications of the nominees were disclosed in the Company’s Definitive Information Statement:

### For Regular Directors:

Hilario G. Pagautan  
Sofia G. Pagautan  
Isaac Hilario G. Pagautan II  
Michael Abraham G. Pagautan  
Ma. Hilarnie Mercurie P. Parada  
Ramon C. Lee

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<sup>5</sup> See Annex “B” for the voting results.

Edgardo V. Caringal  
Adrian Paulino S. Ramos  
Orlando S. Mercado  
Sofia Anne Clare G. Pagautan  
Joshua B. Parada

For Independent Directors:

Roberto A. Baquiran  
Jose Ngaw

The Corporate Secretary announced that based on the tabulation and validation by the Company's stock and transfer agent, stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to elect all the thirteen (13) candidates to the Board of Directors, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>6</sup>

Thus, there being no other nominees, the Chairman declared all thirteen (13) nominees as the duly elected members of the Board of Directors of the Company for the term 2025-2026, and to act as such until their successors were duly elected and qualified.

**APPOINTMENT OF SYCIP GORRES VELAYO & CO. AS EXTERNAL AUDITOR**

The next matter on the agenda was the appointment of the Company's external auditor. The Chairman stated that the Company's Audit Committee reviewed the performance of the current auditor and recommended its reappointment. Upon motion made and seconded, the following resolution was approved:

**"RESOLVED**, that the Stockholders of East Coast Vulcan Mining Corporation (the "Corporation") hereby appoint Sycip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025."

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares

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<sup>6</sup> See Annex "B" for the voting results.

voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.<sup>7</sup>

## **OTHER MATTERS**

The Chairman inquired whether there were any other matters to be taken up. The Corporate Secretary responded that there were no other matters on the agenda.

## **ADJOURNMENT**

There being no other matters on the agenda, the Chairman adjourned the meeting and thanked the shareholders for joining the same.

**GASPAR R. ANDRES, JR.**  
Corporate Secretary

  
**ANA MARIA A. KATIGBAK**  
Assistant Corporate Secretary

**ATTESTED BY:**

**HILARIO G. PAGAUTAN**  
Chairman of the Meeting

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<sup>7</sup> See Annex "B" for the voting results.

## ANNEX A

### **List of Directors and Officers Who Attended the Annual Stockholders' Meeting Held on June 25, 2025**

Hilario G. Pagautan	Chairman, Director, President, Chief Executive Officer, and Chairman of the Executive Committee
Sofia G. Pagautan <sup>8</sup>	Director, Vice-Chairman
Isaac Hilario G. Pagautan II <sup>9</sup>	Director, Senior Vice-President on Business Development, and Data Privacy Officer
Michael Abraham G. Pagautan <sup>10</sup>	Director and Chief Risk Officer
Ma. Hilarnie Mercurie P. Parada <sup>11</sup>	Director and Treasurer
Orlando S. Mercado	Director and Vice-Chairman of the Executive Committee
Edgardo V. Caringal	Director, Senior Vice-President on Operations, and Chief Compliance Officer
Ramon C. Lee	Director
Sofia Anne Clare G. Pagautan	Director
Joshua B. Parada <sup>12</sup>	Director
Roberto A. Baquiran	Independent Director and Chairman of the Audit and Risk Oversight Committee
Jose Ngaw	Independent Director
Jose T. Nacorda, Jr.	Senior Vice-President on Finance and Administration and SEC Compliance Officer
Atty. Gaspar R. Andres, Jr.	Corporate Secretary
Atty. Ana Maria A. Katigbak	Assistant Corporate Secretary and Corporate Information Officer
Dave D. Eustaquio	Chief Audit Executive and Internal Audit Head
Lester Laurence S. Baguec	Corporate Finance, Corporate Planning Executive and Investor Relations Officer

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<sup>8</sup> Not physically present during the meeting but attended via teleconference

<sup>9</sup> Not physically present during the meeting but attended via teleconference.

<sup>10</sup> Not physically present during the meeting but attended via teleconference.

<sup>11</sup> Not physically present during the meeting but attended via teleconference

<sup>12</sup> Not physically present during the meeting but attended via teleconference.

**ANNEX B**  
**Voting Results**

<b>Item subject to Voting</b>	<b>Shares in Favor</b>	<b>% Results who are in Favor</b>	<b>% Results who are Against</b>	<b>% Results who Abstain</b>	<b>Total Percentage</b>
Approval of the minutes of the previous annual stockholders' meeting held on July 12, 2024	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Approval of the Annual Report and Audited Financial Statements for the year ended December 31, 2024	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ratification of all acts of the Board of Director and Management	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Approval on the Amendment of the Articles of Incorporation, as follows:					
a. to Decrease the Par Value of Common Shares from Php 1.00 per Share, to Php 0.10 per Share; and	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
b. to Increase the Authorized Number of	At least 5,180,114,876 of the	78.1314%	0	0	78.1314%

Shares from 12,000,000,000 to 120,000,000,000 Shares	outstanding capital stock				
Item 7: Election of Directors					
For Regular Directors:					
Hilario G. Pagautitan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Sofia G. Pagautitan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Isaac Hilario G. Pagautitan II	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Michael Abraham G. Pagautitan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ma. Hilarnie Mercurie P. Parada	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ramon C. Lee	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Edgardo V. Caringal	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Adrian Paulino S. Ramos	At least 5,180,114,876 of the	78.1314%	0	0	78.1314%

	outstanding capital stock				
Orlando S. Mercado	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Sofia Anne Claire G. Pagautan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Joshua B. Parada	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
For Independent Directors:					
Roberto A. Baquiran	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Jose Ngaw	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Item 8: Appointment of Sycip Gorres Velayo & Co. as External Auditor.	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY ) S.S.

**SECRETARY'S CERTIFICATE**

KNOW ALL MEN BY THESE PRESENTS:

I, **ANA MARIA A. KATIGBAK**, Filipino, of legal age, with principal office at the 3<sup>rd</sup> Floor, The Valero Tower 122 Valero Street, Salcedo Village 1227, Makati City, Philippines, being the duly elected and qualified Assistant Corporate Secretary of **EAST COAST VULCAN MINING CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the 15th Floor, Pacific Star Bldg., High Rise Tower, Makati Avenue. cor. Senator Gil Puyat Avenue., Makati City, hereby certify that as of the date of this Certification, except for the following directors, no other director or officer of the Corporation is employed by or connected with any government agencies or its instrumentalities:

<b>Name of Director/Officer</b>	<b>Government Agency/ Instrumentality</b>	<b>Position</b>
Mr. Hilario G. Pagautan	Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter	Member
Mr. Michael Abraham G. Pagautan	League of Municipalities of the Philippines (LMP) - Isabela Chapter	Member
Mr. Isaac Hilario G. Pagautan II	Philippine Councilors League (PCL) - Isabela Chapter	Member

Attached hereto is the Certification dated April 23, 2026 issued by the Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter which states that Mr. Hilario G. Pagautan is a member of the Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter and that Mr. Hilario G. Pagautan's membership does not conflict with his position as director and officer of the Corporation.

Likewise attached hereto is the Certification dated April 23, 2026 issued by the League of Municipalities of the Philippines (LMP) - Isabela Chapter which states that Mr. Michael Abraham G. Pagautan is a member of the League of Municipalities of the Philippines (LMP) - Isabela Chapter and that Mr. Michael Abraham G. Pagautan's membership does not conflict with his position as director and officer of the Corporation.

Likewise attached hereto is the Certification dated April 23, 2026 issued by the Philippine Councilors League (PCL) - Isabela Chapter which states that Mr. Isaac Hilario G. Pagautan II is a member of the Philippine Councilors League (PCL) - Isabela Chapter and that Mr. Isaac Hilario G. Pagautan II's membership does not conflict with his position as director and officer of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 04 2026  
in MAKATI CITY, Philippines.

*ana maria a katigbak*  
ANA MARIA A. KATIGBAK  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this MAY 04 2026 at Makati City, Philippines, affiant who is personally known to me and whose identity I have confirmed through her Passport No. P7145377B issued on July 7, 2021 at DFA Manila, Philippines, bearing the affiant's photograph and signature.

Doc. No. 405  
Page No. 82  
Book No. J  
Series of 2026.



*Jennifer D. Pagay*  
JENNIFER D. PAGAY  
Appointment No. M-063  
Notary Public for Makati City  
Until December 31, 2027  
Castillo Laman Tan Pantaleon & San Jose Law Firm  
The Valero Tower, 122 Valero Street  
Salcedo Village, Makati City  
PTR No. 10766547; 01-02-2026; Makati City  
IBP No. 535835; 12-22-2025; Bulacan Chapter  
MCLE No. VIII-0021806; valid from 2-14-2025  
valid until 4-14-2028; Pasig City  
Roll No. 91663



**VICE MAYORS' LEAGUE OF THE PHILIPPINES**  
**ISABELA CHAPTER**

---

**CERTIFICATION**

This is to certify that HON. HILARIO G. PAGAUTAN, incumbent Vice Mayor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the Vice Mayors' League of the Philippines (VMLP), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a Director and Officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.

  
HON. LOURDES SEGARRA PANGANIBAN  
President



**PHILIPPINE COUNCILORS LEAGUE**  
ISABELA CHAPTER

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**CERTIFICATION**

This is to certify that HON. ISAAC HILARIO G. PAGAUTAN II, incumbent Councilor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the Philippine Councilors League (PCL), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a director and officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.

HON. ANTONIO HUI  
President



**LEAGUE OF MUNICIPALITIES OF THE PHILIPPINES**  
**ISABELA CHAPTER**

---

**CERTIFICATION**

This is to certify that HON. MICHAEL ABRAHAM G. PAGAUTAN, incumbent Mayor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the League of Municipalities of the Philippines (LMP), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a director and officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.

HON. FAUSTINO "INNO" A. DY V  
President

**Final List of Candidates  
For Election as Independent Directors**

**A. Candidate for Election as Independent Directors**

<b>Name</b>	<b>Age</b>	<b>Current Position</b>	<b>Period of Service From To</b>
Roberto A. Baquiran	65	Independent Director	October 14, 2022 to present
Jose Ngaw	76	Independent Director	September 11, 2023 to present

Mr. Baquiran and Mr. Jose Ngaw possess the qualifications and none of the disqualifications of an independent director.

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired term of his predecessors.

**B. Business Experience During the Past Five (5) years of Candidate for Independent Director.**

**Roberto A. Baquiran** is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. Currently, he is a Partner at Baquiran Benitez Belarmino Ting and Yu Accounting Office and the Baquiran Lumanta and Orpilla Attorneys-at-Law.

**Jose Ngaw** is a member of the Integrated Bar of the Philippines. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages.

The Candidates for Independent Director have no Directorship in other Reporting Companies.

**C. Family Relationship**

The candidates for election as independent directors of the Company are NOT related by consanguinity or affinity with any other member of the Company's Board of Directors.

**D. Involvement in Certain Legal Proceeding**

The Company is not aware of: (1) any bankruptcy petition filed by or against any business of which an independent director, person nominated to become an independent director of the Company was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior that time; (2) any conviction by final judgment 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 of any independent director or person nominated to become an independent director; (3) any other, judgment or decree, not subsequently reversed, suspended or vacated, or any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement in any type of business, securities, commodities or banking activities an independent director, person nominated to become an independent director or the Company; and, (4) judgment against an independent director, person nominated to become an independent director found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

There has been NO transaction during the last two years, nor is any transaction presently proposed, to which the Company was or is to be a party in which any independent director of the Company, or nominee for election as an independent director, or any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the foregoing persons had or is to have a direct or indirect material interest. In the ordinary and regular course of business, the Company had or may have transactions with other companies in which some of the foregoing persons may have an interest.

#### **E. Security Ownership of Candidates for Independent Directors**

The candidates for independent director own the following number of voting shares as of April 30, 2025:

Type	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Roberto A. Baquiran	19,997	0	Filipino	<0.001%
Common	Jose Ngaw	1	0	Filipino	<0.001%

#### **F. Voting Trust Holders of 5% or more**

The candidates for election as independent directors do not hold more than 5% of any class of the Company's securities under voting trust or similar agreement.

#### **G. Changes in Control**

The election of independent director will not result in a change in control of the Company.

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

7	4	4	3						
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**COMPANY NAME**

E	A	S	T		C	O	A	S	T		V	U	L	C	A	N		M	I	N	I	N	G		C	O	R	P	O	
R	A	T	I	O	N																									

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

U	N	I	T		1	5	0	2		P	A	C	I	F	I	C		S	T	A	R		B	U	I	L	D	I	N	
G	S	E	N	.		G	I	L		J	.	P	U	Y	A	T		A	V	E	.		M	A	K	A	T	I		
C	I	T	Y		M	E	T	R	O		M	A	N	I	L	A		1	2	0	9									

Form Type  
**A A F S**

Department requiring the report  
**C G F D**

Secondary License Type, If Applicable  
**N / A**

**COMPANY INFORMATION**

Company's Email Address <b>info@eastcoastvulcan.com</b>	Company's Telephone Number/s <b>(02) 8511-8312</b>	Mobile Number <b>N/A</b>
No. of Stockholders <b>1,901</b>	Annual Meeting Month/Day <b>Last Wednesday of May</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>Ana Maria A. Katigbak-Lim</b>	Email Address <b>ana.katigbak@cltps.com.ph</b>	Telephone Number/s <b>(02) 8631-5139</b>	Mobile Number <b>N/A</b>
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**CONTACT PERSON'S ADDRESS**

**15th Floor, High Rise, Pacific Star Building 1209 Sen. Gil J. Puyat Ave. Makati City, Metro Manila**

**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



## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors and Stockholders  
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)  
Unit 1502, Pacific Star Building  
Sen. Gil J. Puyat Ave.  
Makati City, Metro Manila 1209

### **Report on the Audit of the Consolidated and Parent Company Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation, the Parent Company, ECVMC) and its subsidiary (the Group) and the parent company financial statements of the Parent Company, which comprise the consolidated and parent company statements of financial position as at December 31, 2025 and 2024 and the consolidated and parent company statements of income, consolidated and parent company statements of comprehensive income, consolidated and parent company statements of changes in equity (capital deficiency) and consolidated and parent company statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated and parent company financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and parent company financial statements present fairly, in all material respects, the financial position of the Group and the Parent Company as at December 31, 2025 and 2024, and their financial performance and their 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 and Parent Company Financial Statements* section of our report. We are independent of the Group and the Parent Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the 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 our audits of financial statements of public interest entities in the Philippines. We have also 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 and parent company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and parent company 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 and Parent Company 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 and parent company 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 and parent company financial statements.

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

As at December 31, 2025, the carrying value of the Group's deferred exploration costs amounted to ₱147.91 million. The deferred exploration costs pertain to the expenditures incurred by the Group for its ongoing exploration project. 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 Notes 3 and 10 to the consolidated and parent company 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 the exploration project as at December 31, 2025, as certified by the Group's operations head, the type of expenses incurred, and assessed whether ongoing exploration activity exist to support the continued capitalization of this 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 the 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.



We also reviewed the presentation and disclosures related to the deferred exploration costs in the consolidated and parent company financial statements.

### ***Impairment Testing of Mining Rights and Property and Equipment***

The Group has mining rights and property and equipment amounting to ₱1,308.94 million and ₱115.64 million, respectively, comprising about 73% of the Group's consolidated total assets. The Group has been incurring net losses which is an impairment indicator requiring an assessment of the recoverable amount of mining rights and property and equipment. We considered this as a key audit matter because of the materiality of the amount involved, and the impairment assessment requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rate.

The Group's disclosures about mining rights and property and equipment are included in Notes 3, 7 and 9 to the consolidated and parent company financial statements.

### ***Audit Response***

We involved our internal specialist in evaluating the methodologies and the assumptions used. These assumptions include future production levels and costs as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rates. We compared the key assumptions used against the mine life based on the ore reserve reports, forecasted average market price of nickel, discount rate based on industry weighted average capital cost, and forecasted foreign currency exchange rates of various financial institutions. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of property, equipment and mining rights.

### ***Going Concern Assessment***

The Group incurred net loss of ₱64.25 million and ₱79.45 million in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348.06 million and ₱598.15 million as of December 31, 2025 and 2024, respectively.

The forecast for future operating results and cash inflows, and management's assessment of whether the Group will be able to continue meeting its currently maturing obligations are largely based on the expectations of, and the estimates made by management. The expectations and estimates can be influenced by subjective elements in its estimated future cash flows, specifically the forecasted metal production level, commodity prices, foreign exchange rate, operating costs and expenses, and the continued validity of its mining rights/tenements. As the going concern assessment is a significant aspect of our audit, we have identified this as a key audit matter.



The Group's disclosures on the going concern assessment are included in Note 1 to the consolidated and parent company financial statements.

#### *Audit Response*

We obtained an understanding of management's going concern assessment, taking into consideration the Group's current business plans. We evaluated the key assumptions used, such as the forecasted production, commodity prices, foreign exchange rate and operating costs that were used by management in the Group's cash flows forecast for the next twelve months from reporting period. We evaluated these key assumptions by reference to historical information, information up to report date, and relevant market data and by taking into consideration the actions undertaken and the planned strategies by management in relation to the Group's operating activities. We obtained and inspected copies of the supporting documents, such as minutes of meetings of board of directors and stockholders. We evaluated the events that transpired up to date of our report which may have an impact on the Group's operating activities. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

#### **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 and parent company financial statements and our auditor's 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 and parent company 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 and parent company 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 and parent company 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 and Parent Company Financial Statements**

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



In preparing the consolidated and parent company financial statements, management is responsible for assessing the Group's and the Parent 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 management either intends to liquidate the Group and the Parent Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and parent company 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 and parent company 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 and parent 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 and the Parent Company'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 and the Parent Company'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 and parent company 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 and the Parent Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and parent company financial statements, including the disclosures, and whether the consolidated and parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance the 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 and parent company 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.



### **Report on the Supplementary Information Required Under Revenue Regulations 15-2010**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation). The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The partner in charge of the audit resulting in this independent auditor's report is Eleanore A. Layug.

SYCIP GORRES VELAYO & CO.

  
Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

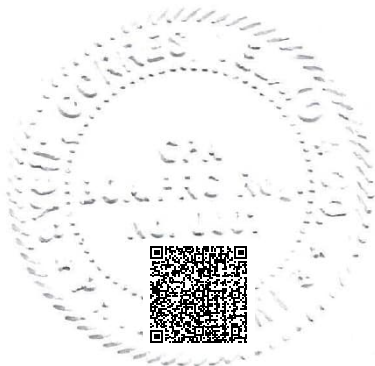
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**  
**STATEMENTS OF FINANCIAL POSITION**

	Consolidated		Parent Company	
	December 31		December 31	
	2025	2024	2025	2024
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash (Note 4)	₱13,725,703	₱7,116,126	₱336,640	₱266,402
Trade and other receivables (Note 5)	61,873,245	118,410,662	–	–
Due from related parties (Note 18)	196,143,247	–	–	–
Prepayments and other current assets (Note 6)	94,461,373	71,130,018	1,189,748	962,821
<b>Total Current Assets</b>	<b>366,203,568</b>	<b>196,656,806</b>	<b>1,526,388</b>	<b>1,229,223</b>
<b>Noncurrent Assets</b>				
Investment in a subsidiary (Note 1)	–	–	5,180,000,000	5,180,000,000
Property and equipment (Note 7)	115,635,513	143,882,633	–	–
Intangible asset (Note 8)	359,891	441,552	–	–
Mining rights (Note 9)	1,308,938,513	1,597,677,797	–	–
Deferred exploration costs (Note 10)	147,909,653	147,909,653	–	–
Deferred tax asset - net (Note 17)	4,342,189	4,473,857	–	–
<b>Total Noncurrent Assets</b>	<b>1,577,185,759</b>	<b>1,894,385,492</b>	<b>5,180,000,000</b>	<b>5,180,000,000</b>
<b>TOTAL ASSETS</b>	<b>₱1,943,389,327</b>	<b>₱2,091,042,298</b>	<b>₱5,181,526,388</b>	<b>₱5,181,229,223</b>
<b>Current Liabilities</b>				
Trade and other payables (Note 11)	₱77,015,606	₱156,673,129	₱2,626,526	₱2,134,297
Due to related parties (Note 18)	62,424,406	45,763,770	107,538,496	99,843,015
Loans payable - current portion (Note 12)	471,847,507	476,533,418	–	–
Installment payable - current portion (Note 12)	102,973,543	115,839,113	–	–
<b>Total Current Liabilities</b>	<b>714,261,062</b>	<b>794,809,430</b>	<b>110,165,022</b>	<b>101,977,312</b>
<b>Noncurrent Liabilities</b>				
Installment payable - noncurrent portion (Note 12)	3,050,121	7,349,232	–	–
Retirement benefits liability (Note 13)	18,372,419	18,298,940	–	–
<b>Total Noncurrent Liabilities</b>	<b>21,422,540</b>	<b>25,648,172</b>	<b>–</b>	<b>–</b>
<b>Total Liabilities</b>	<b>735,683,602</b>	<b>820,457,602</b>	<b>110,165,022</b>	<b>101,977,312</b>
<b>Equity</b>				
Capital stock (Note 14)	6,172,497,120	6,172,497,120	6,172,497,120	6,172,497,120
Equity reserve (Note 14)	(5,258,607,201)	(5,258,607,201)	–	–
Remeasurement gain on retirement benefits liability (Note 13)	7,210,202	5,836,310	–	–
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
<b>Total Equity</b>	<b>1,207,705,725</b>	<b>1,270,584,696</b>	<b>5,071,361,366</b>	<b>5,079,251,911</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱1,943,389,327</b>	<b>₱2,091,042,298</b>	<b>5,181,526,388</b>	<b>₱5,181,229,223</b>

See accompanying Notes to Financial Statements.



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**

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**STATEMENTS OF INCOME**

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
<b>REVENUES</b> (Note 15)	<b>₱450,949,372</b>	₱289,229,219	₱375,445,769	₱–	₱–	₱–
<b>OPERATING EXPENSES</b> (Note 16)	<b>399,955,643</b>	266,791,239	180,011,532	<b>7,890,678</b>	6,961,448	11,933,529
<b>OPERATING INCOME (LOSS)</b>	<b>50,993,729</b>	22,437,980	195,434,237	<b>(7,890,678)</b>	(6,961,448)	(11,933,529)
<b>OTHER INCOME (CHARGES) - net</b>						
Finance costs (Notes 12 and 13)	(61,291,486)	(78,084,240)	(23,173,124)	–	–	–
Unrealized foreign exchange gain (loss) - net	1,003,663	403,512	(582,588)	–	–	–
Finance income (Note 4)	3,052	1,986	24,054	133	73	64
	<b>(60,284,771)</b>	(77,678,742)	(23,731,658)	<b>133</b>	73	64
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(9,291,042)</b>	(55,240,762)	171,702,579	<b>(7,890,545)</b>	(6,961,375)	(11,933,465)
<b>BENEFIT FROM (PROVISION FOR)</b>						
<b>INCOME TAX</b> (Note 17)						
Current	(1,461,225)	(1,964,989)	(5,062,959)	–	–	–
Final	(53,826,892)	(22,466,447)	(32,341,972)	–	–	–
Deferred	326,296	225,975	107,930	–	–	–
	<b>(54,961,821)</b>	(24,205,461)	(37,297,001)	–	–	–
<b>NET INCOME (LOSS)</b>	<b>(₱64,252,863)</b>	(₱79,446,223)	₱134,405,578	<b>(₱7,890,545)</b>	(₱6,961,375)	(₱11,933,465)
<b>Basic/Diluted Earnings (Loss)</b>						
<b>Per Share</b> (Note 19)	<b>(₱0.010)</b>	(₱0.013)	₱0.033	<b>(₱0.001)</b>	(₱0.001)	(₱0.002)

See accompanying Notes to Financial Statements.



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**

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**STATEMENTS OF COMPREHENSIVE INCOME**

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
<b>NET INCOME (LOSS)</b>	<b>(¥64,252,863)</b>	(¥79,446,223)	¥134,405,578	<b>(¥7,890,545)</b>	(¥6,961,375)	(¥11,933,465)
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>						
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>						
Remeasurement gain (loss) on retirement benefits liability - net of tax	1,373,892	991,069	(302,473)	-	-	-
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(¥62,878,971)</b>	(¥78,455,154)	¥134,103,105	<b>(¥7,890,545)</b>	(¥6,961,375)	(¥11,933,465)

*See accompanying Notes to Financial Statements.*



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**

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

	Capital Stock (Note 14)				Consolidated			
	Issued	Subscribed	Subscription Receivable	Total	Equity Reserve (Note 14)	Remeasurement Gain (Loss) on Retirement Benefits Liability	Retained Earnings (Deficit)	Total
Balances at January 1, 2023	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱67,497,120)	₱5,147,714	₱369,040,582	₱1,299,188,296
Net income	–	–	–	–	–	–	134,405,578	134,405,578
Other comprehensive income	–	–	–	–	–	(302,473)	–	(302,473)
Total comprehensive income	–	–	–	–	–	(302,473)	134,405,578	134,103,105
Issuance of capital stock	5,180,000,000	–	–	5,180,000,000	–	–	–	5,180,000,000
Stock issuance costs (Note 14)	–	–	–	–	–	–	(73,141,470)	(73,141,470)
Effect of reverse acquisition	–	–	–	–	(5,191,110,081)	–	–	(5,191,110,081)
Balances at December 31, 2023	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	4,845,241	430,304,690	1,349,039,850
Net loss	–	–	–	–	–	–	(79,446,223)	(79,446,223)
Other comprehensive income	–	–	–	–	–	991,069	–	991,069
Total comprehensive income (loss)	–	–	–	–	–	991,069	(79,446,223)	(78,455,154)
Balances at December 31, 2024	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	5,836,310	350,858,467	1,270,584,696
Net loss	–	–	–	–	–	–	(64,252,863)	(64,252,863)
Other comprehensive income	–	–	–	–	–	1,373,892	–	1,373,892
Total comprehensive income (loss)	–	–	–	–	–	1,373,892	(64,252,863)	(62,878,971)
<b>Balances at December 31, 2025</b>	<b>₱6,143,944,338</b>	<b>₱486,055,662</b>	<b>(₱457,502,880)</b>	<b>₱6,172,497,120</b>	<b>(₱5,258,607,201)</b>	<b>₱7,210,202</b>	<b>₱286,605,604</b>	<b>₱1,207,705,725</b>

See accompanying Notes to Financial Statements.



**EAST COAST VULCAN MINING CORPORATION**  
**(Formerly East Coast Vulcan Corporation)**  
**STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

	<b>Parent Company</b>					
	<b>Capital Stock (Note 14)</b>			<b>Total</b>	<b>Deficit</b>	<b>Total</b>
	<b>Issued</b>	<b>Subscribed</b>	<b>Subscription Receivable</b>			
Balances at January 1, 2023	P963,944,338	P486,055,662	(P457,502,880)	P992,497,120	(P1,001,208,899)	(P8,711,779)
Net loss	-	-	-	-	(11,933,465)	(11,933,465)
Other comprehensive loss	-	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	-	(11,933,465)	(11,933,465)
Issuance of capital stock	5,180,000,000	-	-	5,180,000,000	-	5,180,000,000
Stock issuance costs	-	-	-	-	(73,141,470)	(73,141,470)
<b>Balances at December 31, 2023</b>	<b>6,143,944,338</b>	<b>486,055,662</b>	<b>(457,502,880)</b>	<b>6,172,497,120</b>	<b>(1,086,283,834)</b>	<b>5,086,213,286</b>
Net loss	-	-	-	-	(6,961,375)	(6,961,375)
Other comprehensive loss	-	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	-	(6,961,375)	(6,961,375)
<b>Balances at December 31, 2024</b>	<b>6,143,944,338</b>	<b>486,055,662</b>	<b>(457,502,880)</b>	<b>6,172,497,120</b>	<b>(1,093,245,209)</b>	<b>5,079,251,911</b>
Net loss	-	-	-	-	(7,890,545)	(7,890,545)
Other comprehensive loss	-	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	-	(7,890,545)	(7,890,545)
<b>Balances at December 31, 2025</b>	<b>P6,143,944,338</b>	<b>P486,055,662</b>	<b>(P457,502,880)</b>	<b>P6,172,497,120</b>	<b>(P1,101,135,754)</b>	<b>P5,071,361,366</b>

See accompanying Notes to Financial Statements.



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**  
**STATEMENTS OF CASH FLOWS**

	<b>Consolidated</b>		
	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income (loss) before income tax	(₱9,291,042)	(₱55,240,762)	₱171,702,579
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 9)	317,380,594	174,435,147	92,328,188
Finance cost (Note 12 and 13)	61,291,486	78,084,240	23,173,124
Current service cost on retirement benefits liability (Note 13)	1,114,405	803,129	697,409
Unrealized foreign exchange loss (gain) - net	(1,003,663)	(403,512)	582,588
Interest income (Note 4)	(3,052)	(1,986)	(24,054)
Operating income before working capital changes	369,488,728	197,676,256	288,459,834
Decrease (increase) in:			
Trade and other receivables	(174,380,725)	(104,704,109)	(44,299,580)
Prepayments and other current assets	(23,331,355)	(14,258,361)	(25,397,196)
Increase (decrease) in trade and other payables	(36,869,272)	50,965,085	57,738,514
Net cash flows generated from operations	134,907,376	129,678,871	276,501,572
Interest paid	(60,500,556)	(32,692,541)	(22,043,194)
Income taxes paid	(55,288,117)	(24,431,436)	(37,404,931)
Interest received	3,052	1,986	24,054
Net cash flows from operating activities	19,121,755	72,556,880	217,077,501
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Increase in due from related parties (Note 18)	(281,082,257)	(95,761,561)	(373,499,672)
Additions to:			
Property and equipment (Note 7)	(201,100)	(276,710)	(7,599,036)
Intangible asset (Note 8)	(111,429)	(98,214)	(128,570)
Deferred exploration costs (Note 10)	-	-	(147,909,653)
Cash of ECVMC before reverse acquisition (Note 14)	-	-	163,339
Net cash flows used in investing activities	(281,394,786)	(96,136,485)	(528,973,592)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in due to related parties (Note 18)	290,733,200	2,193,470	117,134,362
Payments of installment payable (Note 12)	(17,164,681)	(19,306,857)	(45,653,131)
Payments of loans payable (Note 12)	(4,685,911)	(338,693)	(57,570,278)
Availment of loans payable (Note 12)	-	40,000,000	300,000,000
Net cash flows from financing activities	268,882,608	22,547,920	313,910,953
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>6,609,577</b>	<b>(1,031,685)</b>	<b>2,014,862</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>7,116,126</b>	<b>8,147,811</b>	<b>6,132,949</b>
<b>CASH AT END OF YEAR (Note 4)</b>	<b>₱13,725,703</b>	<b>₱7,116,126</b>	<b>₱8,147,811</b>

See accompanying Notes to Financial Statements.



**EAST COAST VULCAN MINING CORPORATION**  
**(Formerly East Coast Vulcan Corporation)**

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**STATEMENTS OF CASH FLOWS**

	<b>Parent Company</b>		
	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss	<b>(₱7,890,545)</b>	(₱6,961,375)	(₱11,933,465)
Adjustments for:			
Depreciation (Note 7)	–	19,103	32,747
Interest income (Note 4)	<b>(133)</b>	(73)	(64)
Operating loss before working capital changes	<b>(7,890,678)</b>	(6,942,345)	(11,900,782)
Increase in prepayments and other current assets	<b>(226,927)</b>	(168,183)	(563,442)
Increase in trade and other payables	<b>492,229</b>	70,920	1,576,994
Net cash flows used in operations	<b>(7,625,376)</b>	(7,039,608)	(10,887,230)
Interest received	<b>133</b>	73	64
Net cash flows used in operating activities	<b>(7,625,243)</b>	(7,039,535)	(10,887,166)
<b>CASH FLOW FROM A FINANCING ACTIVITY</b>			
Increase in due to related parties	<b>7,695,481</b>	7,142,560	10,887,230
<b>NET INCREASE IN CASH</b>	<b>70,238</b>	103,025	64
<b>CASH AT BEGINNING OF YEAR</b>	<b>266,402</b>	163,377	163,313
<b>CASH AT END OF YEAR (Note 4)</b>	<b>₱336,640</b>	₱266,402	₱163,377

*See accompanying Notes to Financial Statements.*



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(Formerly East Coast Vulcan Corporation)**

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**NOTES TO FINANCIAL STATEMENTS**

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**1. Corporate Information and Status of Operations**

Corporate Information

East Coast Vulcan Mining Corporation (formerly, Vulcan Industrial & Mining Corporation, ECVMC, the Parent Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. The primary and secondary purpose of ECVMC is as a holding company and such other purposes as management deems fit and in the best interest of the Parent Company.

*Amendment of Articles of Incorporation*

In 2021, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 15th Floor, High Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares.

In 2022, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On May 29, 2023, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

*ECVMC and ECMRCI Share-for-Share Swap Transaction*

On July 1, 2021, the Parent Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription up to 5,180.00 million shares of ECVMC arising from the increase in authorized capital stock. Upon approval of the SEC on May 29, 2023, the Parent Company issued 5,180,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVMC obtaining 100% interest in and control over ECMRCI. ECVMC and its subsidiary, ECMRCI, are referred to as "the Group".

*Status of Operations*

As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047 (see Note 22).
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA (see Note 22).



- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMP) (see Note 22).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Company's registered office address is at Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209.

*The Group's Ability to Continue as a Going Concern*

The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively. Further, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated
- made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

*Authorization for Issue of the Parent and Consolidated Financial Statements*

The consolidated and parent company financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the BOD on April 27, 2026.



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## 2. **Basis of Preparation, Statement of Compliance, Basis of Consolidation, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information**

### **Basis of Preparation**

The Group's and Parent Company's consolidated and parent company financial statements have been prepared under the historical cost basis. The consolidated and parent company financial statements are presented in Philippine peso (₱), which is the Group's and Parent Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

### **Acquisition of ECMRCI**

As discussed in Note 1, ECVMC and HGP Group entered into a Share Swap transaction that resulted in ECVMC owning 100% of ECMRCI.

The Share Swap transaction is an asset acquisition because ECMRCI was deemed to be the accounting acquirer for accounting purposes accounted for under the reverse acquisition method following the guidance provided by the standard. In a reverse acquisition, the legal parent, ECVMC is identified as the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary ECMRCI is adjudged to be the entity that gained control over the legal parent. Accordingly, the consolidated financial statements of ECVMC have been prepared as a continuation of the financial statements of ECMRCI. ECMRCI has accounted for the acquisition of ECMRCI on May 29, 2023, which was the date when ECMRCI acquired or gained control over ECVMC.

The Group determined that ECMRCI obtained control over ECVMC upon issuance of shares on May 29, 2023. As allowed under PFRS 3, *Business Combinations*, an entity may designate an acquisition date of the end or the beginning of a month (convenience date), the date on which it closes its books, rather than the actual acquisition date. The Group determined that the date of acquisition is on May 29, 2023 (convenience date) rather than the actual date of issuance of shares there are no material transactions that occurred from May 29, 2023 to May 31, 2023.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

The comparative December 31, 2022 and January 1, 2022 information presented in the consolidated statements of changes in equity is that of ECMRCI, not originally presented in the previous financial statements of the legal parent (the Parent Company - accounting acquiree) and is also retroactively adjusted to reflect the legal capital (i.e., the number and type of capital stock issued) of ECVMC. The adjustment, which is the difference between the capital structure of ECVMC and ECMRCI, is recognized as part of the equity reserve in the consolidated statements of financial position as at December 31, 2025 and 2024.

Because the accompanying consolidated financial statements represent a continuation of the financial statements of ECMRCI, except for its capital structure, the consolidation reflects:

- a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;



- b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
- c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
- d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as “Equity reserve”.
- e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

### **Statement of Compliance**

The consolidated and parent company financial statements have been prepared in accordance 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, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company’s accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.



If the Group loses control o/ver a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity while any resulting gain or loss is recognized in the consolidated statement of income. Any investment retained is recognized at fair value.

### ***Changes in Accounting Policies and Disclosures***

#### New Standards, Interpretations and Amendments

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

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

- 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. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.



*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*

***Summary of Material Accounting Policies***

The accounting policies set out below have been applied consistently to all periods presented in the Group's consolidated and parent company's financial statements, unless otherwise indicated.

**Presentation of Financial Statements**

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

**Fair Value Measurement**

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

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

The principal or the most advantageous market must be accessible 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 nonfinancial 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 and parent company financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - 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 the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

#### Financial Instruments

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*

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 fair value through profit or loss (FVTPL), transaction costs.

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.

#### *Contractual Cash Flows Characteristics*

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.



*Financial Assets: Subsequent Measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Group's financial assets are all classified and measured at amortized cost.

*Financial Assets at Amortized Cost*

This category is 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.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in "Interest income" in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Group's financial assets at amortized cost include cash in bank, trade and other receivables, and due from related parties.

*Impairment of Financial Assets*

The Group recognizes expected credit losses (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 measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.



Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

*Stage 1: 12-month ECL*

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

*Stage 2: Lifetime ECL - not credit-impaired*

For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

*Stage 3: Lifetime ECL - credit-impaired*

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

*Financial Liabilities: Initial Recognition and Measurement*

Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities are all classified and measured at amortized cost.

*Subsequent Measurement – Financial Liabilities at Amortized Cost*

This is the category most relevant to the Group. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the statements of comprehensive income.

The Group's financial liabilities at amortized cost consist of trade and other payables, due to related parties, loans payable and installment payable.



### *Reclassifications of Financial Instruments*

The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

### Derecognition of Financial Assets and 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 primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. 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
3. 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 the risks and rewards of the asset but has transferred control of the asset.

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

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.

#### *Financial Liabilities*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

### Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle 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.

### Prepayments and Other Current Assets

Prepayments and other current assets are composed of prepaid expenses, creditable withholding taxes (CWTs), advances to suppliers and contractors, and input value-added tax (VAT). These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.



Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.

Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

<u>Category</u>	<u>Number of Years</u>
Building and other structures	5
Furniture and fixtures	5
Office equipment	5
Tools and Equipment	5
Communications Equipment	5
Transportation equipment	7
Other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income.



Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

#### Intangible Asset

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite useful lives, and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the asset's useful or economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortization period and method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization on intangible assets with finite lives is recognized in the statements of comprehensive income consistent with the function of the intangible asset.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of comprehensive income.

#### *Mining Rights*

Mining rights are identifiable intangible assets acquired by the entity to explore, extract, and retain, at least, a portion of the benefits from mineral deposits. Mining rights shall be recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Mining rights pertain to the right of the Group as the holder of the MPSA-078-97-XIII-SMR located in Cagdianao, Dinagat Islands, MPSA-233-2007-XIII-SMR located in Libjo, Dinagat Islands and MPSA-232-2007-XIII-SMR located in Surigao del Norte, Hibuson Island. The mining rights is acquired through the assignment of MPSA from CMC, LMC, Norte Este and WNC.

Mining rights with finite useful life is stated at cost less amortization and accumulated impairment in value. Impairment assessments are made if events or changes in circumstances indicate that a carrying value of the assets may not be recoverable.

The net carrying amount of mining rights of the Group is amortized using the units of production method based on the estimated economically recoverable reserves to which they relate or are written off if the properties covered by the mining rights are abandoned.

#### Deferred Exploration Costs

Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred.



Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to mine and mining properties under "Property and equipment". 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.

Major development expenditures incurred to expose the ore, increase production or extend the life of an existing mine are capitalized.

#### Impairment of Nonfinancial Assets

##### *Nonfinancial prepayments and other current and noncurrent assets*

The Group assesses at each financial reporting date, its prepayments and other current assets and deposits and other noncurrent assets to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of prepayments and other current assets and deposits and other noncurrent assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Group provides allowance for impairment losses on nonfinancial prepayments and other current assets and deposits and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease prepayments and other current assets and deposits and other noncurrent assets.

##### *Property and equipment, intangible assets and mining rights*

The Group assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) 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. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.



### Deferred Exploration Costs

An impairment review is performed, either individually or at the CGU level, 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, at the end of the reporting period in which this is determined.

Deferred exploration costs are reassessed on a regular basis. Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area
- When a service contract where the Group has participating interest in is permanently abandoned, and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

### Retirement Benefits Costs

The Group has a non-funded, non-contributory defined retirement benefit plan covering substantially all its employees. The retirement benefits costs are actuarially determined using the projected unit credit method and incorporates assumptions concerning employees' projected salaries.

Retirement benefits costs comprise of the following:

- Service cost
- Net interest on the net retirement benefit liability or asset
- Remeasurements of net retirement 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 statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest cost on the retirement benefit liability or asset is the change during the period in the net retirement liability that arises from the passage of time which is determined by applying the discount rate in government bonds to the net retirement benefit liability, determined at the start of the period, after considering any payments to the net retirement benefit liability during the period. Interest on the retirement benefit liability is recognized as finance expense in the statements of comprehensive income.

Remeasurements comprising actuarial gains and losses were previously recognized immediately in statements of comprehensive income in the period in which they arise.



### Capital Stock

The Parent Company has issued capital stock that is classified as equity and recorded at par. Incremental costs incurred directly attributable to the issuance of new shares are deducted from additional paid-in capital (APIC). If APIC is not sufficient, the excess is charged against retained earnings (deficit).

### Subscription Receivable

Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

### Basic/Diluted Earnings/Losses Per Share

Basic earnings/losses per share is computed by dividing net loss attributable to equity holders of the Group for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Group currently does not have potential dilutive common shares.

### Retained Earnings (Deficit)

Retained earnings (deficit) includes accumulated profits and losses attributable to the Group's stockholders. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

### Equity Reserve

Equity reserve represents the residual amount recognized in the consolidated financial statements to reflect the equity of the legal subsidiary (accounting acquirer) before the business combination, which was accounted for as a reverse acquisition. However, the equity structure (i.e., the number and type of equity instruments issued) still reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the legal parent to effect the combination.

### Reverse Acquisitions

Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

### Combination of Entities under Common Control

Combination of entities under common control are accounted for by applying the pooling-of-interest method. The pooling-of-interests method generally involved the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair value or recognize any new assets or liabilities at the date of combination. The only adjustments that are made are those adjustments to harmonize the accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the entity acquired is reflected within equity.



- The consolidated statement of income, comprehensive income and cash flows reflect the result of the combining entities in full, irrespective of when the combination takes place.
- Comparative financial information are presented as if the entities had always been combined, or on the date the common control existed on the combining entities, whichever comes earlier.
- The effects of any intercompany transactions are eliminated to the extent possible.

#### OCI

OCI includes items of income and expenses (including items previously presented under statement of changes in equity) that are not recognized in the statement of comprehensive income for the year in accordance with PFRS Accounting Standards.

#### Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.

The following specific recognition criteria must also be met before revenue is recognized:

#### *Royalty income*

Royalty income is main source of revenue and is recognized from the share of sale of export of raw minerals by the Operators which rate is equivalent to certain percentage of gross receipts as stated in the agreements with various Operators.

#### *Commission and marketing income*

Commission income is recognized either based on the ore price per WMT at the date of loading and also equivalent to certain percentage of gross receipts depending on the agreement with various operators.

#### *Other income*

Other income is recognized as they are earned.

#### Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Costs and expenses are recognized when the services are used, or the expense arises.

#### *General and administrative expenses*

General and administrative expenses consist of costs associated with the development and execution of day-to-day operations of the Group. These are generally recognized when the service is incurred or the related expense arises.

#### *Other charges*

Other charges are recognized as they are incurred.

#### Income Taxes

##### *Current Income Tax*

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or 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 at the reporting date.



Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

#### *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 assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

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

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

#### OCI

OCI comprises items of income and expense (including items previously presented under the consolidated statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards.

#### Segment Reporting

An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Group has only one business and geographical segment.

#### Related Party Transactions

Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

#### Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.



When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

#### Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

#### Events After the Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

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### 3. Significant Accounting Judgments, Estimates and Assumptions

The Group's financial statements prepared in accordance with PFRS Accounting Standards require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's financial statements. Actual results could differ from such estimates.

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.

#### Judgments

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

#### *Assessing Going Concern*

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcome of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Group has neither the intention nor the need to liquidate the business.

Note 1 to the consolidated financial statements discusses the matters considered by management in concluding the appropriateness of the use of going concern assumption in the preparation of the financial statements. As such, the financial statements have been prepared on a going concern basis of accounting.

#### *Accounting for the reverse acquisition of ECVMC and ECMRCI*

As discussed in Notes 1 and 2, as at May 31, 2023, the equity share swap transaction between ECVMC and ECMRCI became effective.



Management judgment was required to determine that ECVMC did not meet the definition of a “business” and should not be accounted for as a business combination.

*Combination of Entities under Common Control*

A combination involving entities or business under common control is a combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the acquisition, and that is control is not transitory.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

Estimates and Assumptions

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

*Estimating Allowance for ECL on Trade and Other Receivables and Due from Related Parties*

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual default in the future. The information about the ECLs on the Group’s trade and other receivables is disclosed in Note 5.

For the Group’s advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. 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 ECL, 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. Significant management’s judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

As at December 31, 2025 and 2024, the carrying values of the Group’s trade receivables amounted to ₱61,873,245 and ₱118,410,662, respectively, and the carrying values of the Group’s due from related parties amounted to ₱196,143,247 and nil. No allowance for expected credit losses were recognized as of December 31, 2025 and 2024 (see Notes 5 and 18).



#### *Estimating Impairment on Property and Equipment and Mining Rights*

The Group assesses impairment on property and equipment and mining rights whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or negative trends

Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash generating unit under its existing operating agreements with various operators of the Group's MPSAs.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) nickel prices which are estimated with reference to external market forecasts; e) foreign exchange rates based on the current and forecasts in different banks; and f) discount rate which is computed using the weighted average cost of capital.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on mining rights, and property and equipment in 2025, 2024 and 2023 (see Notes 7 and 9).

#### *Assessing Unit-of-Production Depletion*

Estimated recoverable mineral reserves are key inputs in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Estimated recoverable mineral reserves for development projects is, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies, which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors.

Estimated recoverable reserves are used in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group use the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively in accordance with PAS 8. Average depletion rates used by the Group in 2025, 2024 and 2023 are 8.07%, 8.41%, and 7.05% in 2025, 2024 and 2023, respectively.

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

The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may



change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

*Estimating Realizability of Deferred Tax Assets*

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts 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 in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

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4. **Cash**

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash on hand	<b>₱105,000</b>	₱105,000	<b>₱100,000</b>	₱100,000
Cash in bank	<b>13,620,703</b>	7,011,126	<b>236,640</b>	166,402
	<b>₱13,725,703</b>	₱7,116,126	<b>₱336,640</b>	₱266,402

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest income	<b>₱3,052</b>	₱1,986	₱24,054	<b>₱133</b>	₱73	₱64



## 5. Trade and Other Receivables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade receivables				
Third parties	<b>₱58,776,093</b>	₱16,277,957	₱-	₱-
Related parties (Note 18)	-	97,757,142	-	-
Advances to employees	<b>3,097,152</b>	4,375,563	-	-
	<b>₱61,873,245</b>	₱118,410,662	₱-	₱-

Trade receivables are noninterest-bearing and are generally settled within 30 days.

Advances to employees are noninterest-bearing and are normally liquidated within 14 days upon receipt.

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of December 31, 2025 and 2024.

## 6. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	2025	2024	2025	2024
Creditable withholding taxes	<b>₱88,868,017</b>	₱66,459,680	₱-	₱-
Prepayments	<b>4,421,469</b>	3,244,489	<b>50,000</b>	-
Input VAT	<b>1,171,887</b>	1,425,849	<b>1,139,748</b>	962,821
	<b>₱94,461,373</b>	₱71,130,018	<b>₱1,189,748</b>	₱962,821

CWTs, which are claimed against the income tax due, are carried over in the succeeding period for the same purpose.

Prepayments pertain to those expenses paid in advance which are to be amortized within 12 months from the end of the financial reporting period.

Input VAT, which is presented net of output VAT, represents taxes paid on purchases of goods and services which can be recovered as tax credit against future VAT liability of the Group.



## 7. Property and Equipment

December 31, 2025

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining and Heavy Equipment	
<b>Cost:</b>								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	–	–	–	135,974	–	65,126	–	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
<b>Accumulated depreciation</b>								
Beginning balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	–	–	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	–	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
<b>Net book values</b>	<b>₱5,300,000</b>	<b>₱–</b>	<b>₱84,010</b>	<b>₱494,633</b>	<b>₱26,370,075</b>	<b>₱210,083</b>	<b>₱83,176,712</b>	<b>₱115,635,513</b>

December 31, 2024

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	
<b>Cost:</b>								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,332,192	₱81,032,049	₱894,930	₱196,416,407	₱299,846,165
Additions	–	–	–	201,800	9,174,910	–	–	9,376,710
Ending balances	5,300,000	9,200,000	2,670,587	4,533,992	90,206,959	894,930	196,416,407	309,222,875
<b>Accumulated depreciation</b>								
Beginning balances	–	9,200,000	2,521,537	3,423,181	50,311,666	586,121	71,804,747	137,847,252
Depreciation (Note 16)	–	–	32,520	368,051	6,293,531	81,414	20,717,474	27,492,990
Ending balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
<b>Net book values</b>	<b>₱5,300,000</b>	<b>₱–</b>	<b>₱116,530</b>	<b>₱742,760</b>	<b>₱33,601,762</b>	<b>₱227,395</b>	<b>₱103,894,186</b>	<b>₱143,882,633</b>



Total additions to property and equipment includes non-cash additions amounting to nil and ₱9,100,000 in 2025 and 2024, respectively, which pertains to equipment financing availed from a bank (Note 12).

	Parent Company	
	2025	2024
Cost:		
Beginning and ending balance	<b>₱65,495</b>	₱65,495
Accumulated depreciation		
Beginning balances	<b>65,495</b>	46,392
Depreciation (Note 16)	–	19,103
Ending balance	<b>65,495</b>	65,495
Net book value	<b>₱–</b>	₱–

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱105,485,125 as at December 31, 2025 and 2024, respectively. The Group does not have property and equipment that are idle as at December 31, 2025 and 2024.

## 8. Intangible Asset

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	<b>₱878,123</b>	₱779,909	<b>₱–</b>	₱–
Addition	<b>111,429</b>	98,214	–	–
Ending balance	<b>989,552</b>	878,123	–	–
Accumulated amortization:				
Beginning balance	<b>436,571</b>	263,119	–	–
Amortization (Note 16)	<b>193,090</b>	173,452	–	–
Ending balance	<b>629,661</b>	436,571	–	–
Net book value	<b>₱359,891</b>	₱441,552	<b>₱–</b>	₱–

Intangible asset pertains to computer software used in Group's operations.

## 9. Mining Rights

Mining rights represent the cost transferred from deferred exploration costs as there has been established mineral deposit that is commercially mineable.

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	<b>₱1,863,800,122</b>	₱979,721,396	<b>₱–</b>	₱–
Additions	–	884,078,726	–	–
Ending balance	<b>1,863,800,122</b>	1,863,800,122	–	–

(Forward)



	Consolidated		Parent Company	
	2025	2024	2025	2024
Accumulated amortization:				
Beginning balance	<b>₱266,122,325</b>	₱119,353,620	<b>₱-</b>	₱-
Amortization (Note 16)	<b>288,739,284</b>	146,768,705	-	-
Ending balance	<b>554,861,609</b>	266,122,325	-	-
Net book value	<b>₱1,308,938,513</b>	₱1,597,677,797	<b>₱-</b>	₱-

No additions to mining rights in 2025. Additions generally include costs incurred under the MPSA for the further development of the mines, drilling activities, and other direct costs related to development and production activities of the existing MPSAs. There was no impairment losses recognized on the Group's mining rights in 2025 and 2024.

## 10. Deferred Exploration Costs

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balances at beginning of year	<b>₱147,909,653</b>	₱147,909,653	<b>₱-</b>	₱-
Exploration costs incurred	-	-	-	-
	<b>₱147,909,653</b>	₱147,909,653	<b>₱-</b>	₱-

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation (88 KMDC) to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Group, through a letter dated April 26, 2024, filed an application for registration of the Operating Agreements executed between ECMRCI and 88 KMDC for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024, the MGB issued a letter requiring the Group to further submit documentary requirements for the said registration, which request has already been complied with by the Group. In 2025, the Group applied for the renewal of the EP/EXPA to MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024.

## 11. Trade and Other Payables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade payables	<b>₱31,958,351</b>	₱108,392,317	<b>₱-</b>	₱-
Output VAT	<b>25,206,618</b>	22,585,857	-	-
Statutory payables	<b>10,917,353</b>	9,410,557	<b>10,000</b>	10,000
Accrued expenses and others	<b>8,933,284</b>	16,284,398	<b>2,616,526</b>	2,124,297
	<b>₱77,015,606</b>	₱156,673,129	<b>₱2,626,526</b>	₱2,134,297

Trade payables are liabilities incurred by the Group for the purchase of services from suppliers. These are noninterest-bearing and are normally settled in a 30-day term.



Statutory payables include, among others, Social Security System (SSS) and PAG-IBIG premiums payable which are payable to the Philippine government.

Accrued expenses and others are payables for services already rendered to the Group which are not yet billed as at year-end and are generally settled in 30-90 days' term.

## 12. Loans Payable and Installment Payables

### a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Security Bank Corporation	<b>₱471,847,507</b>	₱476,533,418	<b>₱-</b>	₱-
Less: current portion	<b>471,847,507</b>	476,533,418	-	-
Noncurrent portion	<b>₱-</b>	₱-	<b>₱-</b>	₱-

	Consolidated			Parent Company	
	2025		Others	2025	
	Availment	Payment		Availment	Payment
Security Bank Corporation	<b>₱-</b>	<b>₱4,685,911</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>
Loan to shareholder	-	-	-	-	-
	<b>₱-</b>	<b>₱4,685,911</b>	<b>₱-</b>	<b>₱-</b>	-

	Consolidated			Parent Company	
	2024		Others	2024	
	Availment	Payment		Availment	Payment
Security Bank Corporation	₱40,000,000	₱-	₱24,152,468	₱-	₱-
Loan to shareholder	-	338,693	-	-	-
	<b>₱40,000,000</b>	<b>₱338,693</b>	<b>₱24,152,468</b>	<b>₱-</b>	<b>₱-</b>

#### *Loan with SBC Facility Loan*

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023, respectively. Total interest expense incurred amounted to ₱41,685,388, ₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, respectively. The loan is secured by multiple real estate properties owned by the shareholders.

In 2024, the Group entered into a loan restructuring agreement with SBC, which included an additional loan of ₱40,000,000 and adding the unpaid interest amounting to ₱24,152,468 as part of the carrying amount of the loan.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations. The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.



In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding loan balance became immediately due and demandable and was reclassified as a current liability as of year-end. As of April 27, 2026, the Group made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025.

*Loan to shareholder*

The Group availed a loan from its shareholder for a transportation equipment amounting to ₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and ₱83,938 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

*Loan with CMC*

The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI in 2024. The loan was settled in 2024.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

b. Installment Payable

Equipment Financing

Starting 2020, the Group acquired various units of transportation equipment through a three-year financing agreement with SBC terms of (a) down payment of an average 30% and (b) the remaining balance payable in installments and will mature in accordance with terms and conditions of the agreements. The related nonfinancial assets were recognized since the lease term is for the major part of the economic life of the transportation equipment (see Note 7).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.



The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Within one (1) year	<b>₱105,699,114</b>	₱118,639,920	₱-	₱-
After one (1) year but not more than four (4) years	<b>3,050,121</b>	8,062,152	-	-
Total minimum lease payments	<b>108,749,235</b>	126,702,072	-	-
Less: interest charges	<b>2,725,571</b>	3,513,727	-	-
Present value of minimum lease payments	<b>106,023,664</b>	123,188,345	-	-
Less current portion	<b>102,973,543</b>	115,839,113	-	-
Noncurrent portion	<b>₱3,050,121</b>	₱7,349,232	₱-	₱-

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

### 13. Retirement Benefits Liability

The Group has an unfunded, noncontributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement cost recognized in the statements of income follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest cost	<b>₱790,930</b>	₱1,806,871	₱1,129,930	₱-	₱-	₱-
Current service cost	<b>1,114,405</b>	803,129	697,409	-	-	-
	<b>₱1,905,335</b>	₱2,610,000	₱1,827,339	₱-	₱-	₱-

Changes in the present value of the defined benefit obligation are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Present value of defined benefit obligation	<b>₱18,298,940</b>	₱17,730,365	₱-	₱-
Interest cost	<b>790,930</b>	1,086,871	-	-
Current service cost	<b>1,114,405</b>	803,129	-	-
Actuarial losses (gains) due to:				
Experience adjustments	<b>(1,432,485)</b>	(1,291,808)	-	-
Changes in financial assumptions	<b>(524,053)</b>	56,493	-	-
Demographic adjustments	<b>124,682</b>	(86,110)	-	-
	<b>₱18,372,419</b>	₱18,298,940	₱-	₱-



Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Actuarial losses (gains) due to:						
Experience adjustments	(P1,432,485)	(P1,291,808)	(P1,235,463)	P-	P-	P-
Changes in financial assumptions	(524,053)	56,493	1,487,107	-	-	-
Demographic adjustments	124,682	(86,110)	151,653	-	-	-
	<b>(P1,831,856)</b>	<b>(P1,321,425)</b>	<b>P403,297</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>

Cumulative remeasurement losses recognized in other comprehensive income as of December 31, 2025 and 2024 are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balance at beginning of year	<b>P5,836,310</b>	P4,845,241	<b>P-</b>	<b>P-</b>
Actuarial gains	<b>1,831,856</b>	1,321,425	-	-
Income tax effect	<b>(457,964)</b>	(330,356)	-	-
	<b>1,373,892</b>	991,069	-	-
	<b>P7,210,202</b>	<b>P5,836,310</b>	<b>P-</b>	<b>P-</b>

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	<b>6.46%</b>	6.09%
Future salary increase rate	<b>11.00%</b>	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	2025	2024
Discount rate	+100 basis points (bps)	<b>(P1,257,914)</b>	(P1,298,467)
	-100 bps	<b>1,499,251</b>	1,553,526
Future salary increase	+100 bps	<b>1,418,666</b>	1,464,298
	-100 bps	<b>(1,220,734)</b>	(1,256,136)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	<b>P9,184,414</b>	P9,556,843
More than one (1) year to five (5) years	<b>1,187,555</b>	1,214,571
More than five (5) years to ten (10) years	<b>1,266,217</b>	1,380,632

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.



## 14. Equity

### Capital stock

	2025	2024
Authorized:		
Common shares - ₱1 par value, 12,000,0000 shares	<b>₱12,000,000,000</b>	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	<b>6,143,944,338</b>	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	<b>28,552,782</b>	28,552,782
	<b>₱6,172,497,120</b>	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of December 31, 2025, 2024 and 2023:

	2025	2024	2023
Common shares	<b>1,901</b>	1,856	1,908

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	-	-	1.00
Total	8,000,000,000	5,180,000,000	₱-



*Equity reserves*

The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	2025	2024
Effect of:		
Adjustment of the legal capital of ECVMC	(P992,497,120)	(P992,497,120)
Elimination of ECMRCI Capital	925,000,000	925,000,000
Issuance of additional shares	(5,180,000,000)	(5,180,000,000)
Stock issuance costs	73,141,470	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	(84,251,551)	(84,251,551)
	<b>(P5,258,607,201)</b>	<b>(P5,258,607,201)</b>

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

<b>Assets</b>	
Cash	P163,339
Prepayments and other current assets	300,434
Property and equipment	43,663
	<u>507,436</u>
<b>Liabilities</b>	
Trade and other payables	177,448
Due to related parties	84,581,539
	<u>84,758,987</u>
Total identifiable net liabilities	<b>(P84,251,551)</b>

Net cash inflow on acquisition is as follows:

Cash consideration	P-
Less cash acquired with the subsidiary <sup>(a)</sup>	163,339
Net cash inflow	<b>P163,339</b>

<sup>(a)</sup>Cash acquired with the subsidiary is included in investing activities in consolidated statement of cash flows.

**Capital Management**

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Group considers the following as its core economic capital:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Capital stock	P6,172,497,120	P6,172,497,120	P6,172,497,120	P6,172,497,120
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
	<b>P6,459,102,724</b>	<b>P6,523,355,587</b>	<b>P5,071,361,366</b>	<b>P5,079,251,911</b>

The Group manages its capital structure and adjusts it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may obtain additional advances from related parties and stockholders or look for strategic and financial investors to invest in the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025 and 2024.



## 15. Revenues

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Royalty income	<b>₱269,131,535</b>	₱112,330,287	₱161,685,814	₱-	₱-	₱-
Commission and marketing income	<b>147,934,881</b>	103,839,957	125,482,671	-	-	-
Others	<b>33,882,956</b>	73,058,975	88,277,284	-	-	-
	<b>₱450,949,372</b>	₱289,229,219	₱375,445,769	₱-	₱-	₱-

Royalty and commission and marketing income are earned equivalent to a certain percentage of the gross sales of all ores sold for the mineral properties covered by the operating agreements (Note 22).

Other income pertains to equipment rental and mining lease.

## 16. Operating Expenses

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Amortization of mining rights (Note 9)	<b>₱288,739,284</b>	₱146,768,705	₱65,303,172	₱-	₱-	₱-
Depreciation and amortization (Notes 7 and 8)	<b>28,641,310</b>	27,666,442	27,025,016	-	19,103	32,748
Agent and commission fees	<b>15,818,335</b>	20,226,065	-	-	-	-
Salaries and wages	<b>14,063,315</b>	15,467,384	13,555,577	-	-	-
Transportation and travel	<b>13,263,200</b>	1,263,282	7,862,851	<b>21,535</b>	35,717	51,724
Professional and consultant fees	<b>10,199,357</b>	10,756,405	12,221,431	<b>3,889,964</b>	3,530,000	4,691,825
Taxes and licenses	<b>5,761,807</b>	1,756,291	5,292,796	<b>250,000</b>	261,495	291,808
Employee benefits	<b>4,499,008</b>	5,733,064	5,862,047	-	-	-
Repairs and maintenance	<b>3,061,199</b>	1,214,343	4,184,808	-	-	-
Gasoline, oil & fuels	<b>2,196,786</b>	1,958,271	1,531,498	-	-	-
Communication, Light and water	<b>1,657,956</b>	1,630,974	1,430,240	-	-	-
Rental	<b>1,486,855</b>	1,116,855	-	<b>1,486,855</b>	1,116,855	779,214
Representation	<b>1,277,820</b>	1,828,990	3,798,340	<b>851,077</b>	716,283	839,880
Service fees	<b>1,227,437</b>	352,300	835,900	-	-	-
Outside services	<b>1,048,073</b>	1,104,291	3,959,840	<b>210,431</b>	266,650	3,959,840
Utilities	<b>400,731</b>	282,681	52,346	<b>223,734</b>	158,701	70,081
Donations	<b>113,500</b>	143,060	205,429	-	-	-
Office supplies	<b>105,347</b>	65,470	218,070	-	-	-
Bank Charges	<b>29,261</b>	1,704,971	806,688	-	-	-
Director's fees	-	-	-	<b>440,000</b>	360,000	665,000
Management fee	-	14,461,461	18,772,288	-	-	-
Miscellaneous	<b>6,365,062</b>	11,289,934	7,093,195	<b>517,082</b>	496,644	551,409
	<b>₱399,955,643</b>	₱266,791,239	₱180,011,532	<b>₱7,890,678</b>	₱6,961,448	₱11,933,529



## 17. Income Taxes

- a. The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.
- b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
At statutory income tax rate 25% for the Group and 20% for the Parent Company	<b>(₱1,928,233)</b>	(₱13,810,191)	₱42,925,645	<b>(₱1,578,109)</b>	(₱1,392,275)	(₱2,386,693)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	<b>(67,282,884)</b>	(28,082,572)	(40,421,454)	–	–	–
Final tax paid on royalty income	<b>53,826,892</b>	22,466,447	32,341,972	–	–	–
Changes in unrecognized deferred tax asset	<b>70,318,427</b>	43,596,509	2,383,800	<b>1,578,136</b>	1,392,290	17,015,000
Stock issuance costs	–	–	–	–	–	(₱14,628,294)
Interest income already subjected to final tax	<b>(757)</b>	(497)	(6,013)	<b>(27)</b>	(15)	(13)
Nondeductible expenses	<b>28,376</b>	35,765	73,051	–	–	–
	<b>₱54,961,821</b>	₱24,205,461	₱37,297,001	<b>₱–</b>	₱–	₱–

- c. The components of the deferred tax assets are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
<i>Recognized directly in profit or loss</i>				
Retirement benefits liability	<b>₱6,996,507</b>	₱6,520,171	₱–	₱–
Unrealized foreign exchange loss	<b>(250,917)</b>	(100,877)	–	–
<i>Recognized directly in other comprehensive income</i>				
Retirement benefits liability	<b>(2,403,401)</b>	(1,945,437)	–	–
	<b>₱4,342,189</b>	₱4,473,857	<b>₱–</b>	₱–

- d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	2025	2024	2025	2024
NOLCO	<b>₱530,051,300</b>	₱266,798,039	<b>₱101,370,406</b>	₱100,271,959
MCIT	<b>1,461,225</b>	1,964,989	–	–
	<b>₱531,512,525</b>	₱268,763,028	<b>₱101,370,406</b>	₱100,271,959

- e. On September 30, 2020, the Bureau of Internal Revenue (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 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Group					
Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱-	₱-
2021	2022-2026	2,082,495	-	-	2,082,495
2022	2023-2025	5,339,977	5,339,977	-	-
2023	2024-2026	85,074,999	-	-	85,074,999
2024	2025-2027	166,526,075	-	-	166,526,075
2025	2026-2028	276,367,731	-	-	276,367,731
		₱536,204,317	₱6,153,017	₱-	₱530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱-	₱-
2021	2022-2026	2,082,495	-	-	2,082,495
2022	2023-2025	5,339,977	5,339,977	-	-
2023	2024-2026	85,074,999	-	-	85,074,999
2024	2025-2027	6,961,448	-	-	6,961,448
2025	2026-2028	7,251,464	-	-	7,251,464
		₱107,523,423	₱6,153,017	₱-	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

*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 FTAAAs. 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.

## 18. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under the common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

In the normal course of business, the Group has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Group's working capital requirements.

	Consolidated				Terms	Conditions
	2025		2024			
	Volume	Outstanding Balance	Volume	Outstanding Balance		
<b>Due from related parties</b>						
<i>Affiliates</i>						
LMC	P-	P97,757,142	P-	P-	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Hua Sheng Metals and Minerals Holdings, Inc. (HSMMI)	139,968,283	98,386,105	-	-	Noninterest-bearing; Payable in cash; Due and demandable	Secured

(Forward)



Consolidated						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
<i>Stockholder</i>						
Individual stockholder	₱141,113,974	₱-	₱95,761,561	₱-		Unsecured
					Noninterest-bearing; Payable in cash; Due and demandable	
<b>Total</b>	<b>₱281,082,257</b>	<b>₱196,143,247</b>	<b>₱95,761,561</b>	<b>₱-</b>		
<b>Due to related parties</b>						
<i>Affiliates</i>						
LMC	₱8,689,890	₱50,203,283	₱2,193,470	₱41,513,390	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Anglo Philippine Holdings Corporation (APHC)	-	3,178,883	-	3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<i>Stockholder</i>						
Individual stockholder	282,043,310	9,042,240	-	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Total</b>	<b>₱290,733,200</b>	<b>₱62,424,406</b>	<b>₱2,193,470</b>	<b>₱45,763,770</b>		
<b>Trade Receivables</b>						
<i>Affiliate</i>						
LMC	₱-	₱-	₱47,358,550	₱97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Total</b>	<b>₱-</b>	<b>₱-</b>	<b>₱47,358,550</b>	<b>₱97,757,142</b>		
<b>Royalty income</b>						
LMC	₱147,923,424	₱33,333,834	₱36,138,897	₱-	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Commission and marketing income</b>						
LMC	18,618,734	9,305,686	11,219,653	-	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Equipment Rental Income</b>						
LMC	23,195,244	24,162,755	63,705,484	97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Management Fee</b>						
HSMMI	-	-	14,461,461	-	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<b>Total</b>	<b>₱189,737,402</b>	<b>₱66,802,275</b>	<b>₱125,525,495</b>	<b>₱97,757,142</b>		
<b>Parent</b>						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
<b>Due to related parties</b>						
<i>Affiliates</i>						
APHC	₱-	₱3,178,883	₱-	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	1,611,745	80,281,558	2,427,691	78,719,813	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	5,974,336	22,780,158	4,714,869	16,872,822	Noninterest-bearing; Payable in cash; Due and demandable	Secured
<i>Stockholder</i>						
Individual stockholder	-	1,297,897	-	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Secured
<b>Total</b>	<b>₱7,586,081</b>	<b>₱107,538,496</b>	<b>₱7,142,560</b>	<b>₱99,843,015</b>		

The Group has transactions with related parties, the most significant of which are as follows:

- a. On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to ₱47.62 million and ₱533.58 million, respectively.



- b. On January 1, 2022, the Group agreed to engage the services of Hua Sheng Metals & Minerals Holding Co. for a qualified management consultation services. In consideration of the contracted services, a management fee in the amount equivalent to five (5) percent of gross revenue before income tax is being collected. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.
- c. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to ₱231.92 million and ₱41.58 million, respectively.
- d. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to ₱42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,165,325 and ₱9,597,243 and ₱9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

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**19. Basic/Diluted Earnings (Losses) Per Share**

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Net income (loss) for the year	<b>(₱64,252,863)</b>	(₱79,446,223)	₱134,405,578	<b>(₱7,890,545)</b>	(₱6,961,375)	(₱11,933,465)
Divided by weighted average number of common shares	<b>6,172,497,120</b>	6,172,497,120	4,014,163,787	<b>6,172,497,120</b>	6,172,497,120	6,172,497,120
Basic/diluted earnings (losses) per share	<b>(₱0.010)</b>	(₱0.013)	₱0.033	<b>(₱0.001)</b>	(₱0.001)	(₱0.002)

As of December 31, 2025, 2024 and 2023, the Group and the Parent Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

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**20. Segment Information**

The Group is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Parent Company has not earned revenue and is only a holding company. Noncurrent assets of the Group are located in the Philippines.

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**21. Financial Risk Management Objectives and Policies**

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.



The Group's principal financial instruments consist of cash in banks, trade and other receivables and due to/from related parties, trade and other payables, loan payables and installment payable. The main purpose of these financial instruments is to finance the Group's operations.

The main risks arising from the Group's or financial instruments are credit risk and liquidity risk. The BOD reviews and agrees policies for managing each of these risks and are summarized below:

*Credit Risk*

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

Since the Group trades only with recognized parties, there is no requirement for collateral.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The table below shows the maximum exposure to credit risk of the Group's financial assets as at December 31, 2025 and 2024:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash in banks	₱13,620,703	₱7,011,125	₱236,640	₱166,402
Trade and other receivables	58,776,093	114,035,099	–	–
Due from related parties	196,143,247	–	–	–
	<b>₱268,540,043</b>	<b>₱121,046,224</b>	<b>₱236,640</b>	<b>₱166,402</b>

For cash in banks, the Group has established probability of default (PD) rates based on available credit ratings published by third-party credit rating agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics.

While cash with banks are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

*Trade and other receivables*

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a 12-month expected loss allowance for all trade receivables. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.



Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

**December 31, 2025**

*Consolidated*

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	₱58,776,093	P-	P-	P-	₱58,776,093
ECL	P-	P-	P-	P-	P-	P-

**December 31, 2024**

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	₱32,668,385	P-	₱81,366,714	P-	₱114,035,099
ECL	P-	P-	P-	P-	P-	P-

*Due from related parties*

ECL on due from related parties are assessed based on either 12-month or lifetime ECL. The Group considers reasonable and supportable information such as historical experience and forward-looking information available at each reporting period to determine whether there has been a significant increase in credit risk since initial recognition. The Group determines the realizable amount of due from related parties based on cashflow forecast. The allowance for ECL on due from related parties is nil since the Group's expected cash flows to be received exceeds the contractual cash flows due. Some of the due from related parties are also secured with financial guarantee contract.

*Liquidity Risk*

Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stress circumstances. To manage this risk, the Group maintains a balance between continuity of funding and flexibility of cash flows through cash planning.

As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet working capital requirements. The Group avails of funds from related parties when needed.

The table below summarizes the maturity profile of the Group's financial liabilities and financial assets based on contractual undiscounted payments.

**As at December 31, 2025**

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P-	₱66,208,253	P-	₱66,208,253
Due to related parties	62,424,406	-	-	62,424,406
Loans and installment payable	-	574,821,050	3,050,121	577,871,171
Future interest on loans and installment payable	-	42,296,475	1,569,556	43,866,031
	₱62,424,406	₱683,325,778	₱4,619,677	₱750,369,861

\*Excluding statutory payables amounting to ₱10,807,353



	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial assets:</i>				
<b>Cash</b>				
Cash on hand	₱105,000	₱-	₱-	₱105,000
Cash in bank	13,620,703	-	-	13,620,703
Trade receivables	-	58,776,093	-	58,776,093
Due from related parties	196,143,247	-	-	196,143,247
	<b>₱209,868,950</b>	<b>₱58,776,093</b>	<b>₱-</b>	<b>₱268,645,043</b>

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial liabilities:</i>				
<b>Trade and other payables*</b>				
	₱-	₱2,616,526	₱-	₱2,616,526
<b>Due to related parties</b>	<b>107,538,496</b>	<b>-</b>	<b>-</b>	<b>107,538,496</b>
	<b>₱107,538,496</b>	<b>₱2,616,526</b>	<b>₱-</b>	<b>₱110,155,022</b>

\* Excluding statutory payables amounting to ₱10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial assets:</i>				
<b>Cash</b>				
Cash on hand	₱100,000	₱-	₱-	₱100,000
Cash in bank	236,640	-	-	236,640
	<b>₱336,640</b>	<b>₱-</b>	<b>₱-</b>	<b>₱336,640</b>

As at December 31, 2024

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial liabilities:</i>				
<b>Trade and other payables*</b>				
	₱-	₱124,703,657	₱-	₱124,703,657
Due to related parties	45,763,770	-	-	45,763,770
Loans and installment payable	-	592,372,531	7,349,232	599,721,763
Future interest on loans and installment payable	-	60,500,556	-	60,500,556
	<b>₱45,763,770</b>	<b>₱777,576,744</b>	<b>₱7,349,232</b>	<b>₱830,689,746</b>

\*Excluding statutory payables amounting to ₱31,969,472

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial assets:</i>				
<b>Cash</b>				
Cash on hand	₱105,000	₱-	₱-	₱105,000
Cash in bank	7,011,125	-	-	7,011,125
Trade receivables	-	114,035,099	-	114,035,099
Due from related parties	78,719,812	-	-	78,719,812
	<b>₱85,835,937</b>	<b>₱114,035,099</b>	<b>₱-</b>	<b>₱199,871,036</b>



	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial liabilities:</i>				
Trade and other payables*	₱-	₱2,124,295	₱-	₱2,124,295
Due to related parties	99,843,015	-	-	99,843,015
	₱99,843,015	₱2,124,295	₱-	₱101,967,310

\* Excluding statutory payables amounting to ₱10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
<i>Financial assets:</i>				
Cash				
Cash on hand	₱105,000	₱-	₱-	₱105,000
Cash in bank	7,011,125	-	-	7,011,125
	₱7,116,125	₱-	₱-	₱7,116,125

### Fair Values of Financial Instruments

The Company's financial asset and financial liabilities except installment payables approximate their fair values due to the short-term nature and/or maturity as of December 31, 2025 and 2024. The fair value of installment payables is estimated by discounting future contractual cash flows using current market interest rates available to the Group for similar financial instruments.

### Fair Value Hierarchy

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at December 31, 2025 and 2024:

	Consolidated 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Cash on hand and in banks	₱13,725,703	₱-	₱-	₱13,725,703
Trade receivables	58,776,093	-	-	58,776,093
Due from related parties	196,143,247	-	-	196,143,247
	₱268,645,043	₱-	₱-	₱268,645,043
<b>Liabilities</b>				
Trade and other payables*	₱38,385,110	₱-	₱-	₱38,385,110
Due to related parties	62,424,406	-	-	62,424,406
Loans payable	471,847,507	-	-	471,847,507
Installment payable	106,023,664	-	-	106,023,664
	₱678,680,687	₱-	₱-	₱678,680,687

\* Excluding statutory payables amounting to ₱10,807,353

	Parent 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Cash in banks	₱236,640	₱-	₱-	₱236,640
<b>Liabilities</b>				
Trade and other payables*	₱2,616,526	₱-	₱-	₱2,616,526
Due to related parties	107,538,496	-	-	107,538,496
	₱110,155,022	₱-	₱-	₱110,155,022

\* Excluding statutory payables amounting to ₱10,000



Consolidated				
2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Cash in banks	₱7,011,125	₱-	₱-	₱7,011,125
Trade receivables	114,035,099	-	-	114,035,099
Due from related parties	-	-	-	-
	<b>₱121,046,224</b>	<b>₱-</b>	<b>₱-</b>	<b>₱121,046,224</b>
<b>Liabilities</b>				
Trade and other payables*	₱122,579,362	₱-	₱-	₱122,579,362
Due to related parties	45,763,769	-	-	45,763,769
Loans payable	476,533,418	-	-	476,533,418
Installment payable	123,188,345	-	-	123,188,345
	<b>₱768,064,894</b>	<b>₱-</b>	<b>₱-</b>	<b>₱768,064,894</b>

\*Excluding statutory payables amounting to ₱31,969,472

Parent				
2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Cash in banks	₱166,402	₱-	₱-	₱166,402
<b>Liabilities</b>				
Trade and other payables*	₱2,053,377	₱-	₱-	₱2,053,377
Due to related parties	92,700,455	-	-	92,700,455
	<b>₱94,753,832</b>	<b>₱-</b>	<b>₱-</b>	<b>₱94,753,832</b>

\* Excluding statutory payables amounting to ₱10,000

The Group has determined that the carrying amounts of cash in banks, trade receivables, trade and other payables (except government payables), advances from/to related parties and loans and installment payable, reasonably approximate their fair values because these are mostly short-term in nature.

There were no transfers between Level 1 and 2 fair value measurements and no transfers into and out of Level 3 fair value measurement as at December 31, 2025 and 2024.

## 22. Significant Contracts

### ***Memorandum of Agreement with CMC***

On November 19, 1997, the Group entered into a Memorandum of Agreement (MOA) with CMC which allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, the Group and CMC executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to the Group.



Thereafter, CMC shall pay ECMRCI commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 28, 2019, the Group and CMC entered into a supplemental agreement amending the memorandum of agreement stating that after the full payment of ECMRCI's loan to CMC, royalty percentage rates will range from 2.50% to 4.50% depending on the monthly average LME nickel settlement price. In 2023, ECMRCI settled the loan to CMC, hence, the new royalty percentage rates became effective.

As at December 31, 2024, the survey plan for the MPSA renewal is already approved by the MGB and is awaiting for the approval of the DENR. On March 2, 2022, MGB ordered the renewal of the MPSA between the Government and Group for another twenty-five (25) years.

#### ***Operating Agreement with LMC***

On April 26, 2012, the Group entered into an Operating Agreement with LMC which allows LMC to explore, develop, exploit and operate the mineral property located in Libjo, Dinagat Islands and to extract, mine, process, market, sell, dispose or convey any and all minerals and ores found therein during the lifetime of this Operating Agreement.

For and in consideration of the rights granted, LMC shall pay the Group a royalty equivalent to 3% on the gross sales amount of nickel sold.

Thereafter, the Group and LMC executed a Supplemental Agreement to provide for the following:

- Goodwill bonus amounting to ₱200.0 million, net of tax, to be paid within 15 days from the date of signing;
- Additional royalty equivalent to 4.0% on the gross sales amount of all nickel ore, net of tax; and Marketing share of one USD per WMT for all ores shipped out, net of tax.

#### ***Memorandum of Agreement with OVMPC***

The Group has an existing MOA with OVMPC which allows OVMPC to explore, develop, exploit, operate and utilize the mineral property covered by this MOA subject to the provisions of MPSA granted by the Philippine Government. OVMPC shall carry on and conduct immediate exploration, commence development and utilization works within two years from the signing of MOA.

For and in consideration of the rights granted, OVMPC shall pay the Group a commission equivalent to 5% on the gross sales amount of nickel sold.

#### ***Memorandum of Agreement with Norte Este Corporation (Norte Este)***

In 2021, the Group entered into an Operating Agreement with Norte Este which allows Norte Este to explore, develop, extract, operate and market the minerals in the Phase 3 Mineral Property located in Libjo, Dinagat Islands. Norte Este has also the right to construct and maintain roads, bridges, causeway, buildings, plants, and other improvements of all kinds as may be deemed necessary and convenient to its mining operations.



Thereafter, Norte Este shall pay the Group royalties and marketing as follows:

- Royalties ranging from 7% to 15% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Marketing ranging from \$0.75 to \$3.50 on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and

***Memorandum of Agreement with Westernshore Nickel Corporation***

In 2023, the Group entered into an Operating Agreement with Westernshore Nickel Corporation (WNC) which allows WNC to explore, develop, extract, operate and market the minerals in the Phase 2 Mineral Property located in Libjo, Dinagat Islands.

Thereafter, WNC shall pay the Group mining lease of 3% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price.

As at April 27, 2026, the Group's respective agreements with CMC, LMC, OVMPC and Norte Este have not been terminated and continue to be in full force and effect, subject to the supplemental terms agreed by the Group each with CMC, LMC, OVMPC and Norte Este.

In 2025, 2024 and 2023, the Group earned royalty income amounting to ₱269,131,535, ₱112,330,287, and ₱161,685,814 respectively, and commission and marketing income amounting to ₱147,934,881, ₱103,839,957, and ₱125,482,671, respectively from CMC, LMC and Norte Este. (Note 15).

No royalty and commission earned yet from OVMPC as the current MPSA is still under exploration phase.

## 23. Supplemental Disclosures to Statements of Cash Flows

The following table summarizes the changes in liabilities arising from financing activities of consolidated statements of cash flows:

	Cash flows				December 31, 2025
	January 1, 2025	Availments	Payments	Others	
Loans payable	₱476,533,418	₱-	(₱4,685,913)	₱-	₱471,847,505
Installment payable	123,188,345	-	(17,164,681)	-	106,023,664
Due to related parties	45,763,770	282,043,310	-	(274,072,563)	53,734,517
	<b>₱645,485,533</b>	<b>₱282,043,310</b>	<b>(₱21,850,594)</b>	<b>(₱274,072,563)</b>	<b>₱631,605,686</b>

	Cash flows				December 31, 2024
	January 1, 2024	Availments	Payments	Others	
Loans payable	₱412,719,643	₱40,000,000	(₱338,693)	₱24,152,468	₱476,533,418
Installment payable	113,242,842	-	(19,306,857)	29,252,360	123,188,345
Due to related parties	242,020,027	2,193,470	-	(198,449,727)	45,763,770
	<b>₱767,982,512</b>	<b>₱42,193,470</b>	<b>(₱19,645,550)</b>	<b>(₱145,044,899)</b>	<b>₱645,485,533</b>

Other movements in financing activities in 2025 pertain to the following:

- Offsetting of amounts due to related parties against existing amounts due from related parties amounting to ₱316.86 million
- Assignment, transfer, and release of trade payables to due to related parties amounting to ₱42.78 million.



Other movements in financing activities in 2024 pertain to the following:

- a. Restructuring of loans payable and installment payable amounting to ₱24.15 million and ₱29.25 million, respectively.
- b. Offsetting of amounts due to related parties against existing amounts due from related parties to ₱198.45 million.

Non-cash investing activities in consolidated statements of cash flows pertain to the following:

- a. Reclassifications from trade receivables to due from related parties amounting to ₱231.92 million and ₱38.45 million in 2025 and 2024, respectively.

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#### 24. Events after the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting events as at December 31, 2025:

##### *Amendments of Articles of Incorporation of Parent Company*

On March 24, 2026, during the special board meeting of the Parent Company, the Board approved the amendment of the Seventh Articles of the Company's Articles of Incorporation from twelve billion pesos (₱12,000,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of One Peso (₱1.00) per share to Nine Billion Six Hundred Million Pesos (₱9,600,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (₱0.80) per share.

##### *Other matters approved by the Board of Directors on March 24, 2026*

- Subject to further stockholders' approval, a 1:8 stock split on the Common Shares with par value of ₱0.80 per share, such that the resulting par value of the Common Shares shall become ₱0.10 per share after the stock split.
- The conduct of a Follow-On Offering at a size and offer price to be determined at a later date by the Board of Directors in accordance with the rules of the Securities and Exchange Commission and Philippine Stock Exchange.

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#### 25. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

##### VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended December 31, 2025.



Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under “Taxes and licenses”, which is presented under “Operating expense” line item in the 2025 statement of comprehensive income.

National:		
PSE annual listing fee		₱250,000
Local:		
Permits and licenses		—
		<hr/>
		₱250,000
		<hr/> <hr/>

Withholding Taxes

Withholding taxes paid and accrued by the Company in 2025 are as follows:

	Paid	Accrued
<hr/> EWT	₱110,000	₱10,000
Withholding taxes on compensation and benefits	—	—
	<hr/> ₱110,000	<hr/> ₱10,000
	<hr/> <hr/>	<hr/> <hr/>

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2025.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders  
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)  
Unit 1502, Pacific Star Building  
Sen. Gil J. Puyat Ave.  
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) 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 April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company'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 financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic 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 financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



## **INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

The Board of Directors and Stockholders  
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)  
Unit 1502, Pacific Star Building  
Sen. Gil J. Puyat Ave.  
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) 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 April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic 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 Company'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 financial statements prepared in accordance with PFRS Accounting Standards. Except for price per share, the components of these financial soundness indicators have been traced to the Company's 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.

  
Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
INDEX TO THE FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES  
AS OF DECEMBER 31, 2025**

**COMPANY FINANCIAL STATEMENTS**

Statements of Financial Position as of December 31, 2025 and 2024

Statements of Income for the years ended December 31, 2025, 2024 and 2023

Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023

Statements of Changes in Equity (Capital Deficiency) for the years ended December 31, 2025, 2024 and 2023

Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023

Notes to Financial Statements

**SUPPLEMENTARY SCHEDULES**

- I. Schedules required by Annex 68-J:
  - A. Financial Assets
  - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
  - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
  - D. Long-Term Debt
  - E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
  - F. Guarantees of Securities of Other Issuers
  - G. Capital Stock
- II. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D)
- III. Schedule of Financial Soundness Indicators (Annex 68-E)
- IV. Map showing the relationships of the Companies within the Group
- V. Schedule of External Auditor Fee-related information

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE A - FINANCIAL ASSETS  
DECEMBER 31, 2025**

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
<b><i>Cash and related parties</i></b>				
Cash		₱13,725,703	₱13,725,703	₱3,052
Trade and other receivables		58,776,093	58,776,093	-
Due from related parties		196,143,247	196,143,247	-
<b>Total</b>		<b>₱268,645,043</b>	<b>₱268,645,043</b>	<b>₱3,052</b>

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
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 period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period
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The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at December 31, 2025 equal to or above the established threshold of the Rule.

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**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES  
WHICH ARE ELIMINATED DURING THE  
CONSOLIDATION OF FINANCIAL STATEMENTS  
DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱99,995,626	₱7,542,870	₱-	₱-	₱107,538,496	₱-	₱107,538,496

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE D - LONG-TERM DEBT  
DECEMBER 31, 2025**

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position
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*—Not applicable—*

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES  
(LONG-TERM LOANS FROM RELATED COMPANIES)  
DECEMBER 31, 2025**

Name of Related Party	Balance at beginning of period	Balance at end of period
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*-Not applicable-*

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS  
DECEMBER 31, 2025**

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
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*–Not applicable–*

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE G - CAPITAL STOCK  
DECEMBER 31, 2025**

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	–	–	5,185,937,650	1,444,062,350

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND  
DECLARATION (ANNEX 68-D)  
AS OF DECEMBER 31, 2025**

<b>Unappropriated Retained Earnings, beginning of reporting period</b>	(₱1,093,245,209)
<b>Add: Category A: 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: Category B: Items that are directly debited to Unappropriated Retained Earnings</b>	
Dividend declaration during the reporting period	–
Retained Earnings appropriated during the reporting period	–
Effect of restatements or prior-period adjustments	–
Others (describe nature)	–
	–
<b>Unappropriated Retained Earnings, as adjusted</b>	(1,093,245,209)
<b>Add/Less: Net Income (loss) for the current year</b>	(7,890,545)
<b>Less: Category C.1: 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)	–
Sub-total	–
<b>Add: Category C.2: 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	–
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	–
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–
Sub-total	–
<b>Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>	

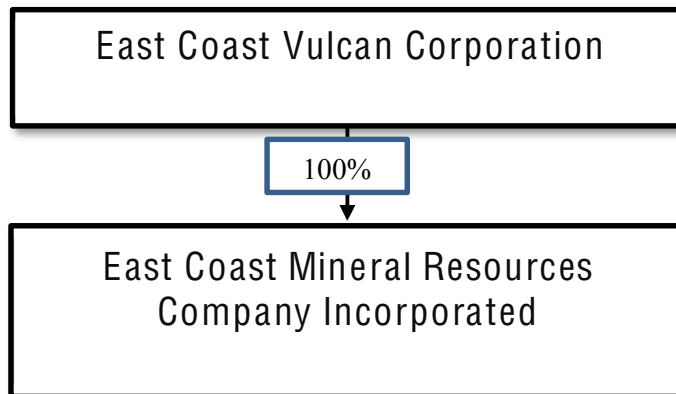
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value 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)	—	
Sub-total		—
<b>Adjusted Net Income/Loss</b>		<b>(7,890,545)</b>
<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
<b>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)</b>		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total		—
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</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	—	
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	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total		—
<b>Total Retained Earnings, end of the reporting period available for dividend</b>		<b>(P1,101,135,754)</b>

*The amount is zero since the reconciliation results to a deficit of (P1,101,135,754) as at December 31, 2025.*

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)  
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024**

Ratio	Formula	2025	2024
<b><i>Liquidity and Solvency Ratios:</i></b>			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.51:1	0.25:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.11:1	0.16:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	0.34:1	0.12:1
<b><i>Financial Leverage Ratios:</i></b>			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.61:1	1.65:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.38:1	0.39:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.61:1	0.65:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	(0.15:1)	(0.71:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	(26.90:1)	(24.39:1)
<b><i>Profitability Ratios:</i></b>			
Return on assets	Net Income Before Tax Divided by: Total Assets	(0%)	(3%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(0%)	(4%)
Gross profit margin	Gross income Divided by: Net Sales	11%	8%
Net profit margin	Net Income Divided by: Net Sales	(14%)	(27%)

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN  
THE GROUP  
AS OF DECEMBER 31, 2025  
PURSUANT TO REVISED SRC RULE 68**



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR  
FEE-RELATED INFORMATION  
For the year ended December 31, 2025 and 2024**

	2025	2024
<b>Total Audit Fees</b>	<b>₱2,230,000</b>	<b>₱2,080,000</b>
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
<b>Total Non-audit Fees</b>	<b>-</b>	<b>-</b>
<b>Total Audit and Non-audit Fees</b>	<b>₱2,230,000</b>	<b>₱2,080,000</b>