



**EAST COAST VULCAN MINING CORPORATION**  
**formerly EAST COAST VULCAN CORPORATION**

U1502, Pacific Star Bldg., Sen. Gil Puyat Ave., Cor. Makati Ave., Bel-Air, Makati City  
1209 Tel (632) 8511-8312: Fax (632) 8550-1468  
Website: [www.eastcoastvulcanmining.com](http://www.eastcoastvulcanmining.com)

August 14, 2025

**Philippine Stock Exchange, Inc.**  
6<sup>th</sup> Floor PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City, Taguig City

Attention: **Ms. Stefanie Ann B. Go**  
Officer-In-Charge, Disclosure Department

Gentlemen:

In connection with the submission of East Coast Vulcan Mining Corporation (the "**Corporation**")'s SEC Form 17-Q for the period ended June 30, 2025, the Corporation would like to inform the Exchange that no exploration activities were conducted during the said period.

For reference, the most recent exploration results remain as reported in the 2014 Exploration Report for the Libjo Laterite Nickel Project, under MPSA-233-2007-XIII (SMR), and the 2024 Annual Mineral Resource/Ore Reserve Inventory Report of Cagdianao Mining Corporation under MPSA-078-97-XIII (SMR). Copies of these reports are enclosed for reference and in compliance with the relevant disclosure requirements.

Should there be any developments or resumption of exploration activities, the Corporation will submit an updated summary in accordance with the required format and timelines.

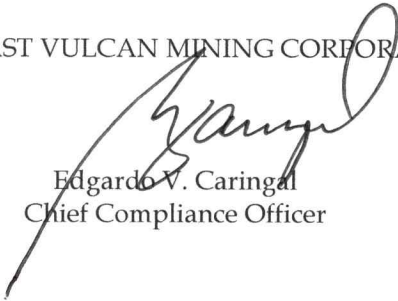
Please let us know if further information is required.

Thank you for your attention to this matter.

Very truly yours,

EAST COAST VULCAN MINING CORPORATION

By:

  
Edgardo V. Caringal  
Chief Compliance Officer

# COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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

|                                              |
|----------------------------------------------|
| Atty. Gaspar R. Andres Jr.<br>Contact Person |
|----------------------------------------------|

|                          |
|--------------------------|
| 8511-8312                |
| Company Telephone Number |

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 Month                  Day  
 Fiscal Year

**SEC Form 17-Q**  
June 30, 2025  
FORM TYPE

05  
Month

31  
Day

Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

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To be accomplished by SEC Personnel concerned

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**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17 – Q**  
**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE**  
**17(2) (b) THEREUNDER**

1. For the quarterly period ended **June 30, 2025**
2. Commission identification number **7443**
3. BIR Tax Identification No. **000 – 062 – 736**
4. Exact name of issuer as specified in its charter

**EAST COAST VULCAN MINING CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code: ..... (SEC Use Only)
7. Address of issuer's principal office **15<sup>TH</sup> Flr, Pacific Star Bldg., High Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines** Postal Code **1209**
8. Issuer's telephone number, including area code **Tel (632) 8511-8312**
9. Former name, former address and former fiscal year, if changed since last report

EAST COAST VULCAN CORPORATION, 4<sup>TH</sup> Flr, Pacific Star Bldg., Low Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines

10. Securities registered pursuant to Sections 8 and 12 of the RSA

| Title of each class | Number of shares of common stock outstanding |
|---------------------|----------------------------------------------|
| <b>Common</b>       | <b>6,630,000,000</b>                         |

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes ☒ No ☐

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and RSC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 28 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or such shorter period the registrant was required to file such reports)

Yes ☒ No ☐

- (b) has been subject to such filing requirements for the past 90 days

Yes ☒ No ☐

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## PART I - FINANCIAL INFORMATION

### Item 1. Management's Discussion and Analysis of Financial Condition and Results of Operations

Comparative financial highlights for the quarter ended June 30, 2025 and June 30, 2024 are presented below:

|                                | <b>Consolidated Unaudited<br/>30 June 2025</b> | <b>Consolidated Unaudited<br/>30 June 2024</b> |
|--------------------------------|------------------------------------------------|------------------------------------------------|
| Revenues                       | 107,720,683                                    | 21,112,221                                     |
| Net Income (Loss)              | 26,740,863                                     | (26,094,902)                                   |
| Total Assets                   | 2,171,585,985                                  | 2,018,600,952                                  |
| Total Liabilities              | 874,260,693                                    | 695,656,266                                    |
| Net Worth                      | 1,297,325,292                                  | 1,322,944,686                                  |
| Issued and Outstanding Capital | 6,630,000,000                                  | 6,630,000,000                                  |

The Company has revenue amounting to ₱107.7 million for the period June 30, 2025 and ₱21.11 million for the period June 30, 2024. The revenue increase is due to more shipments this period. And incurred a net income ₱26.7 million in June 30, 2025 and net loss ₱26.1 million in June 30, 2024. The net income pertains increase of revenue this period.

The Company has total assets of ₱2.17 Billion and ₱2.01 Billion as of the period ended June 30, 2025 and June 30, 2024, respectively. The increase of assets is due to increase in mineral rights on explored Mineral resources.

The Company's total liabilities decreased to ₱874.26 million as of June 30, 2025 as compared to ₱685.66 million as of June 30, 2024 due to loan.

The Company's net worth decreased to P1.29 Billion as of June 30, 2025 compared to P1.32 Billion as of June 30, 2024. The decrease was due to decrease of income from previous period.

The following discussion is based on the unaudited interim consolidated financial statements for the 2nd quarter period ended June 30, 2025, with comparative figures for the corresponding periods in 2023 and audited consolidated financial statements as of December 31, 2024, 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.

#### **Financial Condition as of June 30, 2025 and December 31, 2024 and Results of Operation for the Six months and Three months ended June 30, 2025 and June 30, 2024**

##### **Statement of Comprehensive income**

##### **Revenues**

The Company's total revenue on June 30, 2025 was ₱107.72 million which is notably higher by ₱86.61 million or 410.23% as compared to ₱21.11 million on June 30, 2024. The increase was mainly due to the increase of shipments by LMC and CMC and the increase of price of nickel. The result of operations was a net income ₱26.74 in 2025 compared to net loss of ₱26.09 million in 2024.

**General and admin exp.**

General and admin expenses decrease by 7.29% or ₱3.21 million from ₱44.11 million for the 2nd quarter period last year to ₱40.90 million this year. The decrease was due to decrease in miscellaneous expense.

**Statement of Financial Position****Assets**

The consolidated total assets of the Company increase by ₱80.54 million from ₱2.09 billion as of December 31, 2024 to ₱2.17 billion as of June 30, 2025. The 3.5% increase was mainly due to the following:

- **Trade and other receivable** increase by ₱7.04 million or 5.95% from ₱118.41 million to ₱125.45 million in 2025 mainly due to the increase of trade receivable.
- **Advance to related parties** increase by ₱69.54 million from none in 2024.

**Liabilities**

The consolidated total liabilities of the Company increase by ₱53.80 million from ₱820.46 million as of December 31, 2024 to ₱874.26 million as of June 30, 2025. The 6.56% increase was mainly due to the following:

- **Trade and other payable** increase by ₱43.57 million or 27.82% from ₱156.67 million to ₱200.24 million in 2025 mainly due to the increase of accounts payable account.
- **Advances from related party** increase by ₱15.13 or 33.07% from ₱45.76 million to ₱60.89 million in 2025 mainly due to loan from Stockholders.

**Equity**

The stockholders' equity of the Company increased by ₱26.74 million or 2.10% from ₱1.27 billion in 2024 to ₱1.30 billion as of June 30, 2025. This was due to the net income incurred during the period.

**Statement of Cash Flows**

As of June 30, 2025, the net cash provided from operating activities amounting to ₱10.62 million was mainly due to the decrease of advances to related parties and increase trade payables. Net cash used for investing activities amounting to ₱211.28 thousand was mainly due to increase of other noncurrent asset. The net effect of the foregoing operating, investing, and financing activities is a decrease of ₱9.05 million in cash, leaving a balance of ₱16.16 million in cash during the period.

**Item 2. Financial Statements**

The financial statements are filed as part of this Form 17-Q.

The interim financial reports of the Company are in compliance with the generally accepted accounting principles applied on a basis consistent with that of the preceding quarters/period.

The financial statements are prepared in conformity with the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

## Horizontal and Vertical Analysis:

|                                      | Horizontal Analysis        |                 |              |             | Vertical Analysis |         |
|--------------------------------------|----------------------------|-----------------|--------------|-------------|-------------------|---------|
|                                      | June 30, 2025<br>Unaudited | 2024<br>Audited | Change       | %<br>Change | June 2025         | 2024    |
| ASSETS                               |                            |                 |              |             |                   |         |
| Current Assets                       |                            |                 |              |             |                   |         |
| Cash and cash equivalent             | ₱16,162,488                | ₱7,116,126      | ₱9,046,362   | 127.12%     | 0.74%             | 0.34%   |
| Trade and other receivables          | 125,454,913                | 118,410,662     | 7,044,251    | 5.95%       | 5.78%             | 5.66%   |
| Due from related parties             | 69,543,489                 | —               | 69,543,489   | -           | 3.20%             | 0.00%   |
| Prepayments and other current assets | 80,171,710                 | 71,130,018      | 9,041,692    | 12.71%      | 3.69%             | 3.40%   |
| Total Current Assets                 | 291,332,600                | 196,656,806     | 94,675,796   | 48.14%      | 13.42%            | 9.40%   |
| Noncurrent Assets                    |                            |                 |              |             |                   |         |
| Property and equipment (net)         | 129,766,981                | 143,882,633     | (14,115,654) | (9.81%)     | 5.98%             | 6.88%   |
| Intangible asset                     | 425,097                    | 441,552         | (16,456)     | (3.73%)     | 0.02%             | 0.02%   |
| Mining rights                        | 1,597,677,797              | 1,597,677,797   | -            | -           | 76.40%            | 76.41%  |
| Deferred exploration costs           | 147,909,653                | 147,909,653     | -            | -           | 7.07%             | 7.07%   |
| Deferred tax asset - net             | 4,473,857                  | 4,473,857       | -            | -           | 0.21%             | 0.21%   |
| Total Noncurrent Assets              | 1,880,253,384              | 1,894,385,492   | (14,132,109) | (0.75%)     | 86.58%            | 90.60%  |
| TOTAL ASSETS                         | ₱2,171,585,985             | ₱2,091,042,298  | 80,543,686   | 3.85%       | 100.00%           | 100.00% |

## LIABILITIES AND EQUITY

|                                                     |                       |                       |                    |                |                |                |
|-----------------------------------------------------|-----------------------|-----------------------|--------------------|----------------|----------------|----------------|
| <b>Current Liabilities</b>                          |                       |                       |                    |                |                |                |
| Trade and other payables                            | ₱200,239,877          | ₱156,673,129          | 43,566,485         | 27.81%         | 9.22%          | 7.49%          |
| Due to related parties                              | 60,896,788            | 45,763,770            | 15,132,018         | 33.07%         | 2.80%          | 2.19%          |
| Loans payable - current portion                     | 588,835,701           | 476,533,418           | 112,302,284        | 23.57%         | 27.12%         | 22.79%         |
| Installment payable - current portion               | -                     | 115,839,113           | (115,839,113)      | (100.00%)      | 0.00%          | 5.54%          |
| <b>Total Current Liabilities</b>                    | <b>849,971,366</b>    | <b>794,809,430</b>    | <b>55,161,674</b>  | <b>6.94%</b>   | <b>39.14%</b>  | <b>38.01%</b>  |
| <b>Noncurrent Liabilities</b>                       |                       |                       |                    |                |                |                |
| Installment payable - noncurrent portion            | 5,990,387             | 7,349,232             | (1,358,845)        | (18.49%)       | 0.28%          | 0.35%          |
| Retirement benefits liability                       | 18,298,940            | 18,298,940            | -                  | 0.00%          | 0.84%          | 0.88%          |
| <b>Total Noncurrent Liabilities</b>                 | <b>24,289,327</b>     | <b>25,648,172</b>     | <b>(1,358,845)</b> | <b>(5.30%)</b> | <b>1.12%</b>   | <b>1.23%</b>   |
| <b>Total Liabilities</b>                            | <b>874,260,693</b>    | <b>820,457,602</b>    | <b>53,802,829</b>  | <b>6.56%</b>   | <b>40.26%</b>  | <b>39.24%</b>  |
| <b>Equity</b>                                       |                       |                       |                    |                |                |                |
| Capital stock                                       | 6,172,497,120         | 6,172,497,120         | -                  | -              | 295.18%        | 295.19%        |
| Equity reserve                                      | (5,258,607,201)       | (5,258,607,201)       | -                  | -              | (251.47%)      | (251.48%)      |
| Remeasurement gain on retirement benefits liability | 5,836,310             | 5,836,310             | -                  | -              | 0.28%          | 0.28%          |
| Retained earnings                                   | 377,599,063           | 350,858,467           | 26,740,858         | (152.12%)      | 17.39%         | 16.78%         |
| <b>Total Equity</b>                                 | <b>1,297,325,292</b>  | <b>1,270,584,696</b>  | <b>26,740,858</b>  | <b>2.10%</b>   | <b>59.74%</b>  | <b>60.76%</b>  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                 | <b>₱2,171,585,985</b> | <b>₱2,091,042,298</b> | <b>80,543,686</b>  | <b>(3.85%)</b> | <b>100.00%</b> | <b>100.00%</b> |

|                                | For the Six-months ended June 30 |                    | Horizontal Analysis    |                  | Vertical Analysis |               |
|--------------------------------|----------------------------------|--------------------|------------------------|------------------|-------------------|---------------|
|                                | 2025<br>Unaudited                | 2024<br>Unaudited  | Increase<br>(decrease) | % Change         | 2024              | 2023          |
| <b>REVENUE</b>                 | <b>₱107,720,683</b>              | <b>₱21,112,221</b> | <b>₱86,608,462</b>     | <b>(410.23%)</b> | <b>100.0%</b>     | <b>100.0%</b> |
| <b>GENERAL AND ADMIN. EXP.</b> | <b>40,903,475</b>                | <b>44,121,388</b>  | <b>(3,217,913)</b>     | <b>(7.29%)</b>   | <b>38.0%</b>      | <b>209%</b>   |

|                                        |                     |               |              |           |         |          |
|----------------------------------------|---------------------|---------------|--------------|-----------|---------|----------|
| <b>INCOME (LOSS) FROM OPERATIONS</b>   | <b>66,817,208</b>   | (23,009,167)  | (89,826,375) | (390.39%) | 62.0%   | (109.0%) |
| <b>INTEREST EXPENSE</b>                | <b>(29,780,730)</b> | (877,130)     | (28,903,600) | 3295.25%  | (27.6%) | (4.2%)   |
| <b>OTHER INCOME</b>                    |                     |               |              |           |         |          |
| <b>INTEREST INCOME FROM DEPOSITS</b>   | <b>674</b>          | 770           | (96)         | (12.47%)  | 0.0%    | 0.0%     |
| <b>OTHER INCOME (CHARGES) – NET</b>    | <b>(175,017)</b>    | (449,874)     | 274,857      | (61.10%)  | (0.2%)  | (2.1%)   |
| <b>INCOME (LOSS) BEFORE INCOME TAX</b> | <b>36,862,135</b>   | (24,335,401)  | 61,197,536   | (251.48%) | 34.2%   | (115.3%) |
| <b>INCOME TAX EXPENSE</b>              | <b>10,121,272</b>   | 1,759,501     | 8,361,771    | 475.24%   | 9.4%    | 8.3%     |
| <b>NET INCOME (LOSS)</b>               | <b>₱26,740,863</b>  | (₱26,094,902) | ₱52,835,765  | (202.48%) | 24.8%   | (123.6%) |

|                                        | For the Three-months ended June 30 |                   | Horizontal Analysis    |              | Vertical Analysis |        |
|----------------------------------------|------------------------------------|-------------------|------------------------|--------------|-------------------|--------|
|                                        | 2025<br>Unaudited                  | 2024<br>Unaudited | Increase<br>(decrease) |              |                   |        |
| <b>REVENUE</b>                         | <b>₱96,777,809</b>                 | ₱21,112,221       | ₱75,665,588            | 358.40%      | 100.0%            | 100.0% |
| <b>GENERAL AND ADMIN. EXP.</b>         | <b>24,545,369</b>                  | 21,161,319        | 3,384,050              | 15.99%       | 25.4%             | 100.2% |
| <b>INCOME (LOSS) FROM OPERATIONS</b>   | <b>72,232,440</b>                  | (49,097)          | 72,281,537             | (147221.04%) | 74.6%             | (0.2%) |
| <b>INTEREST EXPENSE</b>                | <b>(14,348,683)</b>                | (426,589)         | (13,922,094)           | 3263.58%     | (14.8%)           | (2.0%) |
| <b>OTHER INCOME</b>                    |                                    |                   |                        |              |                   |        |
| <b>INTEREST INCOME FROM DEPOSITS</b>   | <b>349</b>                         | 248               | 102                    | 41.07%       | 0.0%              | 0.0%   |
| <b>OTHER INCOME (CHARGES) – NET</b>    | <b>(191,537)</b>                   | 188,250           | (379,787)              | (201.75%)    | (0.2%)            | 0.9%   |
| <b>INCOME (LOSS) BEFORE INCOME TAX</b> | <b>57,692,569</b>                  | (287,189)         | 57,979,758             | (20188.70%)  | 59.6%             | (1.4%) |
| <b>INCOME TAX EXPENSE</b>              | <b>10,121,212</b>                  | 1,758,621         | 8,362,591              | 475.52%      | 10.5%             | 8.3%   |
| <b>NET INCOME (LOSS)</b>               | <b>₱47,571,357</b>                 | (₱2,045,810)      | ₱49,617,167            | (2425.31%)   | 49.2%             | (9.7%) |

#### Other Information

- 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.
- The Company has NO material commitments for capital expenditures.
- The standards mentioned in SEC Memorandum Circular No. 6 Series of 2013 are not applicable to the Company's interim financial statements as of the period ended September 30, 2023.
- There will be no purchase /sale of significant equipment in the next twelve months.

- e. The number of employees will have no significant change in the next twelve (12) months.
- f. Any material commitment for capital expenditures- the Company has NO material commitments for capital expenditures.
- g. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations is not applicable
- h. Any significant elements of income or loss that did not arise from the issuer's continuing operations is not applicable
- i. Any seasonal aspects that had material effect on the financial condition or results of operations is not applicable
- j. The Company activities expose it to a variety of financial risks. The Board of Directors reviews and approves on policies for managing each of these risks namely:

#### **Key Performance Indicators (KPIs)**

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

The change in key indicators as of June 30, 2025 as compared to June 30, 2024 and December 31, 2024 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><b>Consolidated<br/>30 June 2025</b></u> | <u><b>Consolidated<br/>Dec. 2024</b></u> | <u><b>Consolidated<br/>30 June 2024</b></u> |
|-----------------------------|---------------------------------------------|------------------------------------------|---------------------------------------------|
| <b>Current Ratio</b>        | 0.34:1                                      | 0.25:1                                   | 1.40:1                                      |
| <u>Current Assets</u>       | <u>291,332,601</u>                          | <u>196,656,806</u>                       | <u>856,800,914</u>                          |
| Current Liabilities         | 849,971,366                                 | 794,809,430                              | 611,037,172                                 |
| <b>Debt to Equity Ratio</b> | 0.67:1                                      | 0.65:1                                   | 0.53:1                                      |
| <u>Total Liabilities</u>    | <u>874,260,693</u>                          | <u>820,457,602</u>                       | <u>695,656,265</u>                          |
| Stockholders' Equity        | 1,297,325,292                               | 1,270,584,696                            | 1,322,944,686                               |
| <b>Equity to Debt Ratio</b> | 1.48:1                                      | 1.55:1                                   | 1.91:1                                      |
| <u>Stockholders' Equity</u> | <u>1,297,325,292</u>                        | <u>1,270,584,696</u>                     | <u>1,322,944,686</u>                        |
| Total Liabilities           | 874,260,693                                 | 820,457,602                              | 695,656,265                                 |
| <b>Book Value Per Share</b> | 0.21                                        | 0.21                                     | 0.21                                        |
| <u>Stockholders' Equity</u> | <u>1,297,325,292</u>                        | <u>1,270,584,696</u>                     | <u>1,322,944,686</u>                        |
| Total # of shares           | 6,172,497,120                               | 6,172,497,120                            | 6,172,497,120                               |

|                                  |                   |                     |                     |
|----------------------------------|-------------------|---------------------|---------------------|
| <b>Earnings (Loss) per share</b> | 0.004             | (0.013)             | (0.004)             |
| <u>Net Income (Loss)</u>         | <u>26,740,863</u> | <u>(79,446,223)</u> | <u>(26,094,902)</u> |
| Total # of shares                | 6,172,497,120     | 6,172,497,120       | 6,172,497,120       |

### **Liquidity Risk**

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect to the Company's credit standing.

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 prices. The Company is exposed to equity price risk because of quoted financial assets held by the Company, which are classified on the financial statements of consolidated balance sheets as AFS financial assets.

### **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.

## PART II - OTHER INFORMATION

There were no items for disclosure that were made under SEC Form 17-C during the current interim period (01 January to June 30, 2025).

## PART III – FINANCIAL SOUNDNESS INDICATORS

| <b><i>Profitability Ratios</i></b>          | <b>Consolidated<br/>June 30, 2025</b> | <b>Consolidated<br/>June 30, 2024</b> |
|---------------------------------------------|---------------------------------------|---------------------------------------|
| Return on Assets                            | 1.23%                                 | -1.29%                                |
| Return on Equity                            | 2.06%                                 | -1.97%                                |
| Gross profit margin                         | 100%                                  | 100%                                  |
| Net profit margin                           | 24.82%                                | (123.60%)                             |
| <b><i>Liquidity and Solvency Ratios</i></b> |                                       |                                       |
| Current Ratio                               | 0.34:1                                | 1.40:1                                |
| Quick Ratio                                 | 0.34:1                                | 1.39:1                                |
| Solvency Ratio                              | 2.590:1                               | 3.034:1                               |
| <b><i>Financial Leverage Ratios</i></b>     |                                       |                                       |
| Asset to Equity Ratio                       | 1.67:1                                | 1.53:1                                |
| Debt Ratio                                  | 0.40:1                                | 0.34:1                                |
| Debt to Equity Ratio                        | 0.67:1                                | 0.53:1                                |
| Interest Coverage Ratio                     | 2.25:1                                | (25.71):1                             |

### **Liquidity Ratio**

#### a. Current Ratio

Total Current Assets/ Total Current Liabilities

#### b. Quick Ratio

Quick asset / Total Current Liabilities

### **Solvency Ratio**

#### a. Debt Ratio

Total liabilities / Total assets

#### b. Debt to Equity Ratio

Total liabilities / Shareholder's Equity

**Profitability Ratio**

a. Return on Equity Ratio

Net Income (Loss) / Average shareholder's equity

b. Return on Assets

Net Income (Loss) / Average Total assets

c. Fixed Assets Turnover Ratio:

Revenue/Property Plant and Equipment

d. Asset to Equity Ratio:

Total Assets / Stockholders' Equity

e. Asset Turnover:

Revenue/Total Assets

f. Interest Coverage Ratio

Net Income (Loss) / Interest expense

**SIGNATURE**

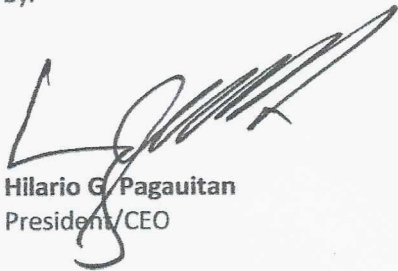
Pursuant to the requirements of Section 11 of the RSA and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, in the City of Makati on \_\_\_\_\_ August 2025.

**EAST COAST VULCAN MINING CORPORATION**

Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:



**Hilario G. Pagautan**  
President/CEO



**Ma. Hilarnie Mercedes P. Parada**  
Treasurer

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

|                                                    | Unaudited<br>June 30, 2025 | Audited<br>December 31, 2024 |
|----------------------------------------------------|----------------------------|------------------------------|
| <b>ASSETS</b>                                      |                            |                              |
| <b>Current Assets</b>                              |                            |                              |
| Cash in bank and on hand                           | ₱16,162,488                | ₱7,116,126                   |
| Trade and other receivables                        | 125,454,913                | 118,410,662                  |
| Advances to related parties                        | 69,543,489                 | —                            |
| Other current assets                               | 80,171,710                 | 71,130,018                   |
| <b>Total Current Assets</b>                        | <b>291,332,600</b>         | <b>196,656,806</b>           |
| <b>Noncurrent Asset</b>                            |                            |                              |
| Property and equipment                             | 129,766,981                | 143,882,633                  |
| Intangible asset                                   | 425,097                    | 441,552                      |
| Mining rights and other mining asset               | 1,597,677,797              | 1,597,677,797                |
| Deferred exploration cost                          | 147,909,653                | 147,909,653                  |
| Deferred tax asset                                 | 4,473,857                  | 4,473,857                    |
| <b>Total NonCurrent Assets</b>                     | <b>1,880,253,384</b>       | <b>1,894,385,492</b>         |
| <b>TOTAL ASSETS</b>                                | <b>₱2,171,585,985</b>      | <b>₱2,091,042,298</b>        |
| <b>LIABILITIES AND EQUITY</b>                      |                            |                              |
| <b>Current Liabilities</b>                         |                            |                              |
| Trade and other payable                            | ₱200,239,877               | ₱156,673,129                 |
| Advances from related parties                      | 60,896,788                 | 45,763,770                   |
| Loans payable - Current                            | 588,835,701                | 476,533,418                  |
| Installment payable - Current                      | -                          | 115,839,113                  |
| <b>Total Current Liabilities</b>                   | <b>849,971,366</b>         | <b>794,809,430</b>           |
| <b>Noncurrent Liabilities</b>                      |                            |                              |
| Installment payable - Noncurrent                   | 5,990,387                  | 7,349,232                    |
| Retirement benefit liability                       | 18,298,940                 | 18,298,940                   |
| <b>Total Noncurrent Liabilities</b>                | <b>24,289,327</b>          | <b>25,648,172</b>            |
| <b>Total Liabilities</b>                           | <b>874,260,693</b>         | <b>820,457,602</b>           |
| <b>Equity</b>                                      |                            |                              |
| Capital stock                                      | 6,630,000,000              | 6,630,000,000                |
| Subscription receivable                            | (457,502,880)              | (457,502,880)                |
| Equity reserve                                     | (5,258,607,201)            | (5,258,607,201)              |
| Remeasurement gain on retirement benefit liability | 5,836,310                  | 5,836,310                    |
| Retained earnings (deficit)                        | 377,599,063                | 350,858,467                  |
| <b>Total Equity</b>                                | <b>1,297,325,292</b>       | <b>1,270,584,696</b>         |
| <b>TOTAL LIABILITIES AND EQUITY</b>                | <b>₱2,171,585,985</b>      | <b>₱2,091,042,298</b>        |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|                                           | For the Three-months ended June 30, |                     | For the Six-months ended June 30, |                      |
|-------------------------------------------|-------------------------------------|---------------------|-----------------------------------|----------------------|
|                                           | 2025                                | 2024                | 2025                              | 2024                 |
|                                           | Unaudited                           | Unaudited           | Unaudited                         | Unaudited            |
| <b>REVENUE</b>                            | <b>₱96,777,809</b>                  | <b>₱21,112,221</b>  | <b>₱107,720,683</b>               | <b>₱21,112,221</b>   |
| <b>GENERAL AND ADMIN. EXP.</b>            | <b>24,545,369</b>                   | <b>21,161,319</b>   | <b>40,903,475</b>                 | <b>44,121,388</b>    |
| <b>INCOME (LOSS) FROM OPERATIONS</b>      | <b>72,232,440</b>                   | <b>(49,097)</b>     | <b>66,817,208</b>                 | <b>(23,009,167)</b>  |
| <b>INTEREST EXPENSE</b>                   | <b>(14,348,683)</b>                 | <b>(426,589)</b>    | <b>(29,780,730)</b>               | <b>(877,130)</b>     |
| <b>OTHER INCOME</b>                       |                                     |                     |                                   |                      |
| <b>INTEREST INCOME FROM BANK DEPOSITS</b> | <b>349</b>                          | <b>248</b>          | <b>674</b>                        | <b>770</b>           |
| <b>OTHER INCOME (CHARGES) - NET</b>       | <b>(191,537)</b>                    | <b>188,250</b>      | <b>(175,017)</b>                  | <b>(449,874)</b>     |
| <b>INCOME (LOSS) BEFORE INCOME TAX</b>    | <b>57,692,569</b>                   | <b>(287,189)</b>    | <b>36,862,135</b>                 | <b>(24,335,401)</b>  |
| <b>PROVISION FOR INCOME TAX - CURRENT</b> | <b>10,121,212</b>                   | <b>1,758,621</b>    | <b>10,121,272</b>                 | <b>1,759,501</b>     |
| <b>COMPREHENSIVE INCOME (LOSS)</b>        | <b>₱47,571,357</b>                  | <b>(₱2,045,810)</b> | <b>₱26,740,863</b>                | <b>(₱26,094,902)</b> |
| <b>BASIC/DILUTED LOSSES PER SHARE</b>     | <b>₱0.007</b>                       | <b>(₱0.000)</b>     | <b>₱0.004</b>                     | <b>(₱0.004)</b>      |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**

|                                                       | Unaudited<br>June 30, 2025 | Audited<br>December 31, 2024 |
|-------------------------------------------------------|----------------------------|------------------------------|
| <b>CAPITAL STOCK</b>                                  |                            |                              |
| Authorized:                                           |                            |                              |
| Common shares - ₱1 par value                          |                            |                              |
| 12,000,000,000/4,000,000,000 shares                   | <b>₱12,000,000,000</b>     | ₱12,000,000,000              |
| Issued and subscribed:                                |                            |                              |
| Common shares - ₱1 par value                          |                            |                              |
| 6,172,497,120 shares                                  | <b>₱6,630,000,000</b>      | ₱6,630,000,000               |
| Subscription receivable:                              |                            |                              |
| Common shares - ₱1 par value                          |                            |                              |
| ₱457,502,880)                                         | <b>(457,502,880)</b>       | (457,502,880)                |
|                                                       | <b>₱6,172,497,120</b>      | ₱6,172,497,120               |
| <b>RETAINED EARNINGS</b>                              |                            |                              |
| Beginning                                             | <b>₱350,858,467</b>        | ₱430,304,690                 |
| Add Net (loss) gain during the period                 | <b>26,740,863</b>          | (79,446,223)                 |
| Stock issuance cost                                   | -                          | -                            |
| Ending                                                | <b>377,599,063</b>         | 350,858,467                  |
| <b>EQUITY RESERVE</b>                                 | <b>(5,258,607,201)</b>     | (5,258,607,201)              |
| <b>REMEASUREMENT GAIN ON<br/>RETIREMENT LIABILITY</b> | <b>5,836,310</b>           | 5,836,310                    |
| <b>BALANCE</b>                                        | <b>₱1,297,325,292</b>      | ₱1,270,584,696               |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

|                                                    | <b>June 30, 2025</b> | <b>June 30, 2024</b> |
|----------------------------------------------------|----------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>        |                      |                      |
| Net income (loss)                                  | <b>₱36,862,135</b>   | (₱24,335,401)        |
| Adjustments for:                                   |                      |                      |
| Depreciation                                       | <b>14,343,120</b>    | 13,583,910           |
| Interest expense                                   | <b>29,780,730</b>    | 877,130              |
| Interest income                                    | <b>(674)</b>         | (770)                |
| Operating loss before working capital changes      | <b>80,985,311</b>    | (9,875,131)          |
| Decrease (increase) in:                            |                      |                      |
| Trade and other receivables                        | <b>(7,044,251)</b>   | 10,914,627           |
| Advances to related parties                        | <b>(69,543,489)</b>  | 196,718,842          |
| Other current assets                               | <b>(9,041,693)</b>   | (291,231)            |
| Increase (decrease) in:                            |                      |                      |
| Trade and other payables                           | <b>43,566,748</b>    | 12,082,278           |
| Loan payable current                               | <b>(3,536,830)</b>   | (3,503,601)          |
| Advances from related parties                      | <b>15,132,018</b>    | (204,343,596)        |
| Net cash flows from operations                     | <b>50,517,814</b>    | 1,702,188            |
| Interest paid                                      | <b>(29,780,730)</b>  | (877,130)            |
| Income taxes paid                                  | <b>(10,121,272)</b>  | (1,759,501)          |
| Interest received                                  | <b>674</b>           | 770                  |
| Net cash flows from (used in) operating activities | <b>10,616,486</b>    | (933,673)            |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>         |                      |                      |
| Additions to property and equipment                | <b>(227,735)</b>     | -                    |
| Additions to intangible asset                      | <b>16,456</b>        | (12,575)             |
| Net cash (used in) investing activities            | <b>(211,279)</b>     | (12,575)             |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>         |                      |                      |
| Payments of installment payable                    | -                    | -                    |
| Payments of loans payable                          | <b>(1,358,845)</b>   | -                    |
| Net cash from (used in) Financing activities       | <b>(1,358,845)</b>   | -                    |
| <b>NET INCREASE (DECREASE) IN CASH</b>             | <b>9,046,362</b>     | (946,248)            |
| <b>CASH AT BEGINNING OF YEAR</b>                   | <b>7,116,126</b>     | 8,147,811            |
| <b>CASH AT END OF YEAR</b>                         | <b>₱16,162,488</b>   | ₱7,201,563           |

**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 29, 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 (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 (OVMPC) (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 ₱79,446,223 in 2023 and the Group's current liabilities exceeded its current assets by ₱598,152,624 as of December 31, 2024. 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

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2024 and has therefore prepared the financial reporting on a going concern basis.

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## 2. **Basis of Preparation, Statement of Compliance, 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, 2024 and 2023.

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, 2024 and 2023 and for each of the three years in the period ended December 31, 2024.

### **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, 2024 and 2023 and for each of the three years in the period ended December 31, 2024. 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 over 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.

NCI represents the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from equity attributable to holders of

the Parent Company. NCI shares in losses even if the losses exceed the NCI in the subsidiary.

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

### **Changes in Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective as at January 1, 2024. Unless otherwise indicated, adoption of the new standard did not have an impact on the consolidated financial statements of the Group.

- 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.

### **Standards Issued but not yet Effective**

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. The adoption of future accounting standards is not expected to have a material impact on the Group's consolidated financial statements and parent company's financial statements.

#### ***Effective beginning on or after January 1, 2025***

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

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

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- 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 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

#### *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 asset at amortized cost includes cash in bank.

#### *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:

| Category                      | Number of<br>Years |
|-------------------------------|--------------------|
| 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.

The Group's intangible asset pertains to the acquired computer software, which is estimated to have a useful life of five (5) years.

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 PFRSs.

### 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 PFRSs.

### 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 PFRSs 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. These matters include continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources, confirmatory and exploration activities to further enhance Ore Reserves/Resources, management of expenditure 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 and improvement of the efficiency of the production level of operations through strategic operational changes and capital developments to increase cash inflows. 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, 2024 and 2023, the carrying values of the Group’s trade receivables amounted to ₱118,410,662 and ₱51,750,865, respectively, and the carrying values of the Group’s due from related parties amounted to nil and ₱948,319,068. No allowance for expected credit losses were recognized as of December 31, 2024 and 2023 (see Notes 5 and 18).

#### *Assessing Recoverability of Mining Rights*

The application of the Group's accounting policy for mining rights requires judgements in determining whether it is likely that future economic benefits are certain. Mining rights shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. Estimates and assumptions made may change if new information becomes available. If, after mining rights are capitalized, information become available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written-off in the statements of comprehensive income in the period when the new information becomes available. An impairment loss is recognized when the carrying value of these assets do not exceed their fair value.

As at December 31, 2024 and 2023, mining rights amounted to ₱1,597,677,797 and ₱860,367,776, respectively. No allowance for impairment loss on mining rights were recognized as of December 31, 2024 and 2023, (see Note 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 2024, 2023 and 2022 are 8.41%, 7.05% and 5.52% in 2024, 2023 and 2022, 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 2024 and 2023. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2024 and 2023. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2024 and 2023 (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 ₱6,520,171 and ₱6,047,671 million as of December 31, 2024 and 2023, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱268,763,028 and ₱93,310,511 as of December 31, 2024 and 2023, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱100,271,959 and ₱93,310,511 as of December 31, 2024 and 2023, 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  |          |
|--------------|--------------------|------------|-----------------|----------|
|              | JUNE 30, 2025      | 2024       | JUNE 30, 2025   | 2024     |
| Cash on hand | <b>₱5,000</b>      | ₱105,000   | <b>₱100,000</b> | ₱100,000 |
| Cash in bank | <b>15,879,838</b>  | 7,011,126  | <b>177,649</b>  | 166,402  |
|              | <b>₱15,884,838</b> | ₱7,116,126 | <b>₱277,649</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 |      |
|-----------------|---------------|--------|----------------|------|
|                 | JUNE 30, 2025 | 2024   | JUNE 30, 2025  | 2024 |
| Interest income | <b>₱626</b>   | ₱1,986 | <b>₱47</b>     | ₱73  |

## 5. Trade and Other Receivables

|                       | Consolidated        |              | Parent Company |      |
|-----------------------|---------------------|--------------|----------------|------|
|                       | JUNE 30, 2025       | 2024         | JUNE 30, 2025  | 2024 |
| Trade receivables     |                     |              |                |      |
| Third parties         | <b>₱121,919,895</b> | ₱97,757,142  | <b>₱–</b>      | ₱–   |
| Related parties       | <b>2,480,080</b>    | 16,277,957   | –              | –    |
| Advances to employees | <b>1,054,938</b>    | 4,375,563    | <b>50,000</b>  | –    |
|                       | <b>₱125,454,913</b> | ₱118,410,662 | <b>₱50,000</b> | ₱–   |

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.

### JUNE 30, 2025

|                             | Current   | Days past due      |            |                     |           | Total               |
|-----------------------------|-----------|--------------------|------------|---------------------|-----------|---------------------|
|                             |           | < 30 days          | 30-60 days | 61-90 days          | >91 days  |                     |
| Trade and other receivables | ₱–        | ₱12,973,743        | ₱–         | ₱108,946,152        | ₱–        | ₱121,919,895        |
| <b>Total</b>                | <b>₱–</b> | <b>₱12,973,743</b> | <b>₱–</b>  | <b>₱108,946,152</b> | <b>₱–</b> | <b>₱121,919,895</b> |

### December 31, 2024

|                             | Current   | Days past due      |            |                    |           | Total               |
|-----------------------------|-----------|--------------------|------------|--------------------|-----------|---------------------|
|                             |           | < 30 days          | 30-60 days | 61-90 days         | >91 days  |                     |
| Trade and other receivables | ₱–        | ₱32,668,385        | ₱–         | ₱81,366,714        | ₱–        | ₱114,035,099        |
| <b>Total</b>                | <b>₱–</b> | <b>₱32,668,385</b> | <b>₱–</b>  | <b>₱81,366,714</b> | <b>₱–</b> | <b>₱114,035,099</b> |

## 6. Prepayments and Other Current Assets

|                              | Consolidated       |             | Parent Company    |          |
|------------------------------|--------------------|-------------|-------------------|----------|
|                              | JUNE 30, 2025      | 2024        | JUNE 30, 2025     | 2024     |
| Creditable withholding taxes | <b>₱72,662,937</b> | ₱66,459,680 | <b>₱–</b>         | ₱–       |
| Prepayments                  | <b>6,483,923</b>   | 3,244,489   | –                 | –        |
| Input VAT                    | <b>1,024,851</b>   | 1,425,849   | <b>1,024,851</b>  | 962,821  |
|                              | <b>₱80,171,711</b> | ₱71,130,018 | <b>₱1,024,851</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

June 30, 2025

Consolidated

|                                 | Land       | Building and<br>other structures | Furniture and<br>fixtures | Office<br>equipment | Transportation<br>equipment | Other<br>Equipment | Mining &<br>Heavy<br>Equipment | Total        |
|---------------------------------|------------|----------------------------------|---------------------------|---------------------|-----------------------------|--------------------|--------------------------------|--------------|
| <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                       | –          | –                                | –                         | –                   | –                           | –                  | –                              | –            |
| 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                        | 2,554,057                 | 3,791,232           | 56,605,197                  | 667,535            | 92,522,221                     | 165,340,242  |
| Depreciation (Note 16)          | –          | –                                | 32,520                    | –                   | –                           | –                  | –                              | 7,170,573    |
| Ending balances                 | –          | 9,200,000                        | 2,554,057                 | 3,791,232           | 56,605,197                  | 667,535            | 92,522,221                     | 165,340,242  |
| Net book values                 | ₱5,300,000 | ₱–                               | ₱100,270                  | ₱677,814            | ₱29,962,146                 | ₱191,302           | ₱93,535,449                    | ₱129,766,981 |

|                                 | Land       | Building and<br>other structures | Furniture and<br>fixtures | Office<br>equipment | Transportation<br>equipment | Other<br>Equipment | Mining &<br>Heavy<br>Equipment | Total        |
|---------------------------------|------------|----------------------------------|---------------------------|---------------------|-----------------------------|--------------------|--------------------------------|--------------|
| <b>Cost:</b>                    |            |                                  |                           |                     |                             |                    |                                |              |
| Beginning balances              | ₱5,300,000 | ₱9,200,000                       | ₱2,670,587                | ₱4,332,194          | ₱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  |
| Net book values                 | ₱5,300,000 | ₱–                               | ₱116,530                  | ₱742,760            | ₱33,601,762                 | ₱227,395           | ₱103,894,186                   | ₱143,882,633 |

Total additions to property and equipment includes non-cash additions amounting to ₱ 9,100,000 and ₱145,022,321 in 2024 and 2023, respectively, which pertains to equipment financing availed from a bank (Note 12).

|                              | Parent Company |         |
|------------------------------|----------------|---------|
|                              | JUNE 30, 2025  | 2024    |
| Cost:                        |                |         |
| Beginning and ending balance | <b>₱65,495</b> | ₱65,495 |
| Accumulated depreciation     |                |         |
| Beginning balances           | <b>46,392</b>  | 46,392  |
| Depreciation (Note 16)       | <b>19,103</b>  | 19,103  |
| Ending balance               | <b>65,495</b>  | 65,495  |
| <b>Net book value</b>        | <b>₱–</b>      | ₱–      |

The Group does not have property and equipment that are idle as at June 30, 2025 and 2024.

## 8. Intangible Asset

|                           | Consolidated    |          | Parent Company |      |
|---------------------------|-----------------|----------|----------------|------|
|                           | JUNE 30, 2025   | 2024     | JUNE 30, 2025  | 2024 |
| Cost:                     |                 |          |                |      |
| Beginning balance         | <b>₱779,909</b> | ₱779,909 | <b>₱–</b>      | ₱–   |
| Addition                  | <b>98,214</b>   | 98,214   | –              | –    |
| Ending balance            | <b>878,123</b>  | 878,123  | –              | –    |
| Accumulated amortization: |                 |          |                |      |
| Beginning balance         | <b>263,119</b>  | 263,119  | –              | –    |
| Amortization              | <b>189,908</b>  | 173,452  | –              | –    |
| Ending balance            | <b>453,027</b>  | 436,571  | –              | –    |
| <b>Net book value</b>     | <b>₱425,097</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 |      |
|---------------------------|-----------------------|----------------|----------------|------|
|                           | JUNE 30, 2025         | 2024           | JUNE 30, 2025  | 2024 |
| Cost:                     |                       |                |                |      |
| Beginning balance         | <b>₱979,721,396</b>   | ₱979,721,396   | <b>₱–</b>      | ₱–   |
| Additions                 | <b>884,078,726</b>    | 884,078,726    | –              | –    |
| Ending balance            | <b>1,863,800,122</b>  | 1,863,800,122  | –              | –    |
| Accumulated amortization: |                       |                |                |      |
| Beginning balance         | <b>119,353,620</b>    | 119,353,620    | –              | –    |
| Amortization (Note 16)    | <b>146,768,705</b>    | 146,768,705    | –              | –    |
| Ending balance            | <b>266,122,325</b>    | 266,122,325    | –              | –    |
| <b>Net book value</b>     | <b>₱1,597,677,797</b> | ₱1,597,677,797 | <b>₱–</b>      | ₱–   |

Additions to mining rights include those incurred on 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 2024 and 2023. No provision for impairment loss was recognized in 2024 and 2023.

#### 10. Deferred Exploration Costs

|                               | Consolidated        |                     | Parent Company |           |
|-------------------------------|---------------------|---------------------|----------------|-----------|
|                               | JUNE 30, 2025       | 2024                | JUNE 30, 2025  | 2024      |
| Balances at beginning of year | <b>₱147,909,653</b> | <b>₱—</b>           | <b>₱—</b>      | <b>₱—</b> |
| Exploration costs incurred    | —                   | 147,909,653         | —              | —         |
|                               | <b>₱147,909,653</b> | <b>₱147,909,653</b> | <b>₱—</b>      | <b>₱—</b> |

Deferred exploration costs pertain to the exploration expenditures on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation 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.

There were no impairment losses recognized on the Group's deferred exploration costs in 2024 and 2023. No provision for impairment loss was recognized as of December 31, 2024 and 2023.

#### 11. Trade and Other Payables

|                             | Consolidated        |                     | Parent Company    |                   |
|-----------------------------|---------------------|---------------------|-------------------|-------------------|
|                             | JUNE 30, 2025       | 2024                | JUNE 30, 2025     | 2024              |
| Trade payables              | <b>₱118,406,502</b> | ₱108,392,317        | <b>₱—</b>         | <b>₱—</b>         |
| Output VAT                  | <b>25,712,507</b>   | 22,585,857          | —                 | —                 |
| Statutory payables          | <b>10,812,414</b>   | 9,410,557           | <b>10,000</b>     | 10,000            |
| Accrued expenses and others | <b>45,308,454</b>   | 16,284,398          | <b>2,297,295</b>  | 2,124,297         |
|                             | <b>₱200,239,877</b> | <b>₱156,673,129</b> | <b>₱2,307,295</b> | <b>₱2,134,297</b> |

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 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 |      |
|---------------------------|---------------------|--------------|----------------|------|
|                           | JUNE 30, 2025       | 2024         | JUNE 30, 2025  | 2024 |
| Security Bank Corporation | <b>₱476,533,418</b> | ₱476,533,418 | <b>₱—</b>      | ₱—   |
| Loan to shareholder       | —                   | —            | —              | —    |
|                           | <b>476,533,418</b>  | 476,533,418  | —              | —    |
| Less: current portion     | <b>476,533,418</b>  | 476,533,418  | —              | —    |
| Noncurrent portion        | <b>₱—</b>           | ₱—           | <b>₱—</b>      | ₱—   |

|                           | Consolidated       |                 |                    | Parent Company |           |
|---------------------------|--------------------|-----------------|--------------------|----------------|-----------|
|                           | JUNE 30, 2025      |                 |                    | JUNE 30, 2024  |           |
|                           | Availment          | Payment         | Restructuring      | Availment      | Payment   |
| Security Bank Corporation | <b>₱40,000,000</b> | <b>₱—</b>       | <b>₱24,152,468</b> | <b>₱—</b>      | <b>₱—</b> |
| Loan to shareholder       | —                  | 338,693         | —                  | —              | —         |
|                           | <b>₱40,000,000</b> | <b>₱338,693</b> | <b>₱24,152,468</b> | <b>₱—</b>      | —         |
|                           |                    |                 |                    | <b>₱—</b>      | <b>₱—</b> |

|                           | Consolidated       |                 |                    | Parent Company |           |
|---------------------------|--------------------|-----------------|--------------------|----------------|-----------|
|                           | 2024               |                 |                    | 2024           |           |
|                           | Availment          | Payment         | Restructuring      | Availment      | Payment   |
| Security Bank Corporation | <b>₱40,000,000</b> | <b>₱—</b>       | <b>₱24,152,468</b> | <b>₱—</b>      | <b>₱—</b> |
| Loan to shareholder       | —                  | 338,693         | —                  | —              | —         |
| CMC                       | <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 ₱500 million with a prevailing SBC average lending rate of 8.75%, 7.75, and 6.875% in 2024, 2023, 2022. Total interest expense incurred amounted to ₱54,184,323,

₱13,660,411 and ₱9,060,000 in 2024, 2023 and 2022, respectively.

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.

#### *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 ₱6,895, ₱83,938, and ₱171,962 in 2024, 2023 and 2022, respectively.

#### *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 ₱850.0 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.

Total interest expense incurred amounted to nil, ₱91,322 and ₱5,240,844 in 2024, 2023 and 2022, respectively.

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).

The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

|                                                        | Consolidated        |              | Parent Company |           |
|--------------------------------------------------------|---------------------|--------------|----------------|-----------|
|                                                        | JUNE 30, 2025       | 2024         | JUNE 30, 2025  | 2024      |
| Within one (1) year                                    | <b>₱118,639,920</b> | ₱118,639,920 | <b>₱–</b>      | <b>₱–</b> |
| After one (1) year but<br>not more than four (4) years | <b>8,062,152</b>    | 8,062,152    | –              | –         |
| Total minimum lease payments                           | <b>126,702,072</b>  | 126,702,072  | –              | –         |
| Less: interest charges                                 | <b>3,513,727</b>    | 3,513,727    | –              | –         |
| Present value of minimum<br>lease payments             | <b>123,188,345</b>  | 123,188,345  | –              | –         |
| Less current portion                                   | <b>115,839,113</b>  | 115,839,113  | –              | –         |
| Noncurrent portion                                     | <b>₱7,349,232</b>   | ₱7,349,232   | <b>₱–</b>      | <b>₱–</b> |

Total interest expense incurred amounted to ₱15,432,047, ₱17,740,255 and ₱8,207,522 in March 31, 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 |      |
|----------------------|-------------------|------------|----------------|------|
|                      | JUNE 30, 2025     | 2024       | JUNE 30, 2025  | 2024 |
| Interest cost        | <b>₱1,806,871</b> | ₱1,806,871 | <b>₱—</b>      | ₱—   |
| Current service cost | <b>803,129</b>    | 803,129    | —              | —    |
|                      | <b>₱1,890,000</b> | ₱1,890,000 | <b>₱—</b>      | ₱—   |

Changes in the present value of the defined benefit obligation are as follows:

|                                             | Consolidated       |             | Parent Company |      |
|---------------------------------------------|--------------------|-------------|----------------|------|
|                                             | JUNE 30, 2025      | 2024        | JUNE 30, 2025  | 2024 |
| Present value of defined benefit obligation | <b>₱17,730,365</b> | ₱17,730,365 | <b>₱—</b>      | ₱—   |
| Interest cost                               | <b>1,086,871</b>   | 1,086,871   | —              | —    |
| Current service cost                        | <b>803,129</b>     | 803,129     | —              | —    |
| Actuarial losses (gains) due to:            |                    |             | —              | —    |
| Demographic adjustments                     | <b>(86,110)</b>    | (86,110)    | —              | —    |
| Experience adjustments                      | <b>(1,291,808)</b> | (1,291,808) | —              | —    |
| Changes in financial assumptions            | <b>56,493</b>      | 56,493      | —              | —    |
|                                             | <b>₱18,298,940</b> | ₱18,298,940 | <b>₱—</b>      | ₱—   |

Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

|                                  | Consolidated        |              | Parent Company |      |
|----------------------------------|---------------------|--------------|----------------|------|
|                                  | JUNE 30, 2025       | 2024         | JUNE 30, 2025  | 2024 |
| Actuarial losses (gains) due to: |                     |              |                |      |
| Experience adjustments           | <b>(₱1,291,808)</b> | (₱1,291,808) | <b>₱—</b>      | ₱—   |
| Changes in financial assumptions | <b>56,493</b>       | 56,493       | —              | —    |
| Demographic adjustments          | <b>(86,110)</b>     | (86,110)     | —              | —    |
|                                  | <b>(₱1,321,425)</b> | (₱1,321,425) | <b>₱—</b>      | ₱—   |

Cumulative remeasurement losses recognized in other comprehensive income as of March 31, 2025 and 2024 are as follows:

|                              | Consolidated      |            | Parent Company |      |
|------------------------------|-------------------|------------|----------------|------|
|                              | JUNE 30, 2025     | 2024       | JUNE 30, 2025  | 2024 |
| Balance at beginning of year | <b>₱4,845,241</b> | ₱4,845,241 | <b>₱—</b>      | ₱—   |
| Actuarial gains (loss)       | <b>1,321,425</b>  | 1,321,425  | —              | —    |
| Income tax effect            | <b>(330,356)</b>  | (330,356)  | —              | —    |
|                              | <b>₱5,836,310</b> | ₱5,836,310 | <b>₱—</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:

|                             | JUNE 30, 2025 | 2024          |
|-----------------------------|---------------|---------------|
| Discount rate               | <b>6.09%</b>  | <b>6.09%</b>  |
| Future salary increase rate | <b>11.00%</b> | <b>11.00%</b> |

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<br>(decrease)     | JUNE 30, 2025       | 2024         |
|------------------------|----------------------------|---------------------|--------------|
| Discount rate          | +100 basis<br>points (bps) | <b>(P1,298,467)</b> | (P1,298,467) |
|                        | -100 bps                   | <b>1,553,526</b>    | 1,553,526    |
| Future salary increase | +100 bps                   | <b>P1,464,298</b>   | P1,464,298   |
|                        | -100 bps                   | <b>(1,256,136)</b>  | (1,256,136)  |

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2024 and 2023:

|                                            | JUNE 30, 2025     | 2024       |
|--------------------------------------------|-------------------|------------|
| One year                                   | <b>P9,556,843</b> | P9,556,843 |
| More than one (1) year to five (5) years   | <b>1,214,571</b>  | 1,214,571  |
| More than five (5) years to ten (10) years | <b>1,380,632</b>  | 1,380,632  |

The average duration of the defined benefit obligation is 7.8 years and 8.1 years as at December 31, 2024 and 2023, respectively.

#### 14. Equity

##### *Capital stock*

|                                                                                                          |                       |                |
|----------------------------------------------------------------------------------------------------------|-----------------------|----------------|
| Authorized:                                                                                              | JUNE 30, 2025         | 2024           |
| Common shares - P1 par value, 12,000,0000<br>shares                                                      | <b>12,000,000,000</b> | 12,000,000,000 |
| Issued:                                                                                                  |                       |                |
| Common shares - P1 par value,<br>6,143,944,338 shares                                                    | <b>P6,143,944,338</b> | P6,143,944,338 |
| Subscribed:                                                                                              |                       |                |
| Common shares - P1 par value, 486,055,662<br>shares (net of subscriptions receivable of<br>P457,502,880) | <b>28,552,782</b>     | 28,552,782     |
|                                                                                                          | <b>P6,172,497,120</b> | P6,172,497,120 |

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 June 30, 2025, 2024 and 2023:

|               | <b>JUNE 30, 2025</b> | 2024  | 2023  |
|---------------|----------------------|-------|-------|
| Common shares | <b>1,906</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 2024 | 4,000,000,000            | 992,497,120          | ₱1.00     |
| 2024          | 8,000,000,000            | 5,180,000,000        | 1.00      |
| <b>Total</b>  | <b>12,000,000,000</b>    | <b>6,172,497,120</b> |           |

#### *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.

|                                                              | <b>JUNE 30, 2025</b>    | 2024             |
|--------------------------------------------------------------|-------------------------|------------------|
| Effect of:                                                   |                         |                  |
| Adjustment of the legal capital of ECVMC                     | <b>(₱992,497,120)</b>   | (₱992,497,120)   |
| Elimination of ECMRCI Capital                                | <b>925,000,000</b>      | 925,000,000      |
| Issuance of additional shares                                | <b>(5,180,000,000)</b>  | (5,180,000,000)  |
| Stock issuance costs                                         | <b>73,141,470</b>       | 73,141,470       |
| Identifiable net liabilities of ECVMC as at acquisition date | <b>(84,251,551)</b>     | (84,251,551)     |
|                                                              | <b>(₱5,258,607,201)</b> | (₱5,258,607,201) |

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

|                                           |                      |
|-------------------------------------------|----------------------|
| <b>Assets</b>                             |                      |
| Cash                                      | ₱163,339             |
| Prepayments and other current assets      | 300,434              |
| Property and equipment                    | 43,663               |
|                                           | <b>507,436</b>       |
| <b>Liabilities</b>                        |                      |
| Trade and other payables                  | 177,448              |
| Due to related parties                    | 84,581,539           |
|                                           | <b>84,758,987</b>    |
| <b>Total identifiable net liabilities</b> | <b>(₱84,251,551)</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                                       | P163,339 |

<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  |                 |
|-----------------------------|----------------|----------------|-----------------|-----------------|
|                             | JUNE 30, 2025  | 2024           | JUNE 30, 2025   | 2024            |
| Capital stock               | P6,172,497,120 | P6,172,497,120 | P6,172,497,120  | P6,172,497,120  |
| Retained earnings (Deficit) | 377,599,063    | 350,858,467    | (1,097,718,914) | (1,093,245,209) |
|                             | P6,550,096,183 | P6,523,355,587 | P5,074,778,206  | P5,079,251,911  |

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 June 30, 2025, 2024 and 2023.

## 15. Revenues

|                                 | Consolidated  |              | Parent Company |      |
|---------------------------------|---------------|--------------|----------------|------|
|                                 | JUNE 30, 2025 | 2024         | JUNE 30, 2025  | 2024 |
| Royalty income                  | 50,605,736    | P112,330,287 | P–             | P–   |
| Commission and marketing income | 33,623,299    | 103,839,957  | –              | –    |
| Others                          | 23,491,648    | 73,058,975   | –              | –    |
|                                 | P107,720,683  | P289,229,219 | P–             | P–   |

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    |                   |
|-----------------------------------------------|--------------------|---------------------|-------------------|-------------------|
|                                               | JUNE 30, 2025      | 2024                | JUNE 30, 2025     | 2024              |
| Amortization of mining rights (Note 9)        | <b>P-</b>          | <b>P146,768,705</b> | <b>P-</b>         | <b>P-</b>         |
| Depreciation and amortization (Notes 7 and 8) | <b>14,343,120</b>  | 27,666,442          | —                 | 19,103            |
| Agent and commission fees                     |                    | 20,226,065          | —                 | —                 |
| Salaries and wages                            | <b>4,618,092</b>   | 15,467,384          | —                 | —                 |
| Management fee                                | <b>5,386,034</b>   | 14,461,461          | —                 | —                 |
| Professional and consultant fees              | <b>6,589,393</b>   | 10,756,405          | <b>1,362,350</b>  | 3,530,000         |
| Employee benefits                             |                    | 5,733,064           | —                 | —                 |
| Transportation and travel                     | <b>1,010,996</b>   | 1,263,282           | <b>21,535</b>     | 35,717            |
| Gasoline, oil & fuels                         | <b>961,051</b>     | 1,958,271           | —                 | —                 |
| Representation                                | <b>761,347</b>     | 1,828,990           | <b>701,397</b>    | 716,283           |
| Taxes and licenses                            | <b>954,018</b>     | 1,756,291           | <b>250,000</b>    | 261,495           |
| Bank charges                                  |                    | 1,704,971           | —                 | —                 |
| Communication, Light and water                | <b>852,290</b>     | 1,630,974           | —                 | —                 |
| Repairs and maintenance                       | <b>794,303</b>     | 1,214,343           | —                 | —                 |
| Rental                                        | <b>928,428</b>     | 1,116,855           | <b>928,428</b>    | 1,116,855         |
| Outside services                              | <b>521,737</b>     | 1,104,291           | <b>102,917</b>    | 266,650           |
| Service fees                                  |                    | 352,300             | —                 | —                 |
| Utilities                                     | <b>204,618</b>     | 282,681             | <b>113,630</b>    | 158,701           |
| Donations                                     | <b>60,000</b>      | 143,060             | —                 | —                 |
| Office supplies                               | <b>12,228</b>      | 65,470              | <b>1,333</b>      | —                 |
| Director's fees                               | <b>440,000</b>     | —                   | <b>440,000</b>    | 360,000           |
| Miscellaneous                                 | <b>2,465,821</b>   | 11,289,934          | <b>487,267</b>    | 496,644           |
|                                               | <b>P40,903,477</b> | <b>P266,791,239</b> | <b>P4,473,755</b> | <b>P6,961,448</b> |

## 17. Income Taxes

- The provision for current income tax represents MCIT in 2024 and RCIT in 2023 and 2022 for the Group and the Parent Company has no provision for current income tax in 2024, 2023 and 2022 due to its gross loss and net taxable loss position.
- 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         |           |
|-------------------------------------------------------------------------------|---------------|-------------------------|------------------------|-----------|
|                                                                               | JUNE 30, 2025 | 2024                    | JUNE 30, 2025          | 2024      |
| At statutory income tax rate 25% for the Group and 20% for the Parent Company |               | <b>P- (P13,810,191)</b> | <b>P- (P1,392,275)</b> |           |
| Additions to (reductions in) income tax resulting from:                       |               |                         |                        |           |
| Royalty income already subjected to final tax                                 | —             | (28,082,572)            | —                      | —         |
| Final tax paid on royalty income                                              | —             | 22,466,447              | —                      | —         |
| Changes in unrecognized deferred tax asset                                    | —             | 43,596,509              | —                      | 1,392,290 |

(Forward)

|                                                | Consolidated  |                    | Parent Company |           |
|------------------------------------------------|---------------|--------------------|----------------|-----------|
|                                                | JUNE 30, 2025 | 2024               | JUNE 30, 2025  | 2024      |
| Stock issuance costs                           | ₱–            | ₱–                 | ₱–             | ₱–        |
| Interest income already subjected to final tax | –             | (497)              | –              | (15)      |
| Nondeductible expenses                         | –             | 35,765             | –              | –         |
| Reversal of deferred tax asset                 | –             | –                  | –              | –         |
|                                                | <b>₱–</b>     | <b>₱24,205,461</b> | <b>₱–</b>      | <b>₱–</b> |

c. The components of the deferred tax assets are as follows:

|                                                          | Consolidated       |                   | Parent Company |           |
|----------------------------------------------------------|--------------------|-------------------|----------------|-----------|
|                                                          | JUNE 30, 2025      | 2024              | JUNE 30, 2025  | 2024      |
| <i>Recognized directly in profit or loss</i>             |                    |                   |                |           |
| Retirement benefits liability                            | <b>₱6,520,171</b>  | ₱6,520,171        | <b>₱–</b>      | <b>₱–</b> |
| Unrealized foreign exchange loss                         | <b>(100,877)</b>   | (100,877)         | –              | –         |
| <i>Recognized directly in other comprehensive income</i> |                    |                   |                |           |
| Retirement benefits liability                            | <b>(1,945,437)</b> | (1,945,437)       | –              | –         |
|                                                          | <b>₱4,473,857</b>  | <b>₱4,473,857</b> | <b>₱–</b>      | <b>₱–</b> |

## 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.

|                        | Parent Company |                     |            |                     | Terms                                                    | Conditions |
|------------------------|----------------|---------------------|------------|---------------------|----------------------------------------------------------|------------|
|                        | JUNE 30, 2025  |                     | 2024       |                     |                                                          |            |
|                        | Volume         | Outstanding Balance | Volume     | Outstanding Balance |                                                          |            |
| Due to related parties |                |                     |            |                     |                                                          |            |
| Affiliates             |                |                     |            |                     |                                                          |            |
| APHC                   | ₱–             | ₱3,178,883          | ₱–         | ₱3,178,883          | Noninterest-bearing; Payable in cash; Due and demandable | Unsecured  |
| ECMRCI                 |                | 79,348,879          | 75,148,747 | 76,292,122          | Noninterest-bearing; Payable in cash; Due and demandable | Secured    |
| LMC                    |                | 20,441,340          | 10,640,988 | 12,157,953          | Noninterest-bearing; Payable in cash; Due and demandable | Secured    |
| Stockholder            |                |                     |            |                     |                                                          |            |

| Parent Company         |        |                        |           |                        |                                                             |            |
|------------------------|--------|------------------------|-----------|------------------------|-------------------------------------------------------------|------------|
| JUNE 30, 2025          |        | 2024                   |           |                        |                                                             |            |
|                        | Volume | Outstanding<br>Balance | Volume    | Outstanding<br>Balance | Terms                                                       | Conditions |
| Individual stockholder | –      | 1,297,897              | 1,071,497 | 1,071,497              | Noninterest-bearing;<br>Payable in cash; Due and demandable | Secured    |
| <b>Total</b>           |        | <b>₱104,267,000</b>    |           | <b>₱92,700,455</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. Starting January 1, 2022, the Group has 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.

#### Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,597,243 and ₱9,628,637, and ₱9,942,797 for the years ended December 31, 2024, 2023 and 2022, respectively.

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**19. Basic/Diluted Earnings (Losses) Per Share**

|                                                           | Consolidated         |               | Parent Company       |               |
|-----------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                           | JUNE 30, 2025        | 2024          | JUNE 30, 2025        | 2024          |
| Net income (loss)<br>for the year/qtr                     | <b>₱31,214,567)</b>  | (₱78,455,154) | <b>(₱4,473,707)</b>  | (₱6,961,375)  |
| Divided by weighted<br>average number of<br>common shares | <b>6,172,497,120</b> | 6,172,497,120 | <b>6,172,497,120</b> | 6,172,497,120 |
| Basic/diluted earnings<br>(losses) per share              | <b>(₱0.0051)</b>     | (₱0.013)      | <b>(₱0.0007)</b>     | (₱0.001)      |

As of December 31, 2024, 2023 and 2022, 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 June 30, 2025 and 2024:

|                             | Consolidated  |              | Parent Company |          |
|-----------------------------|---------------|--------------|----------------|----------|
|                             | JUNE 30, 2025 | 2024         | JUNE 30, 2025  | 2024     |
| Cash in banks               | ₱16,162,488   | ₱7,011,125   | ₱277,649       | ₱166,402 |
| Trade and other receivables | 125,454,913   | 114,035,099  | –              | –        |
| Due from related parties    | 65,543,489    | 78,719,812   | –              | –        |
|                             | ₱207,160,890  | ₱199,766,036 | ₱277,649       | ₱166,402 |

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:

#### **June 30, 2024**

##### *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 | ₱–      | ₱12,973,743   | ₱–         | ₱108,946,152 | ₱–       | ₱121,919,895 |
| ECL                                              | ₱–      | ₱–            | ₱–         | ₱–           | ₱–       | ₱–           |

#### **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 | ₱–      | ₱32,668,385   | ₱–         | ₱81,366,714 | ₱–       | ₱114,035,099 |
| ECL                                              | ₱–      | ₱–            | ₱–         | ₱–          | ₱–       | ₱–           |

#### *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.

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## **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 29, 2025, 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 2024, 2023 and 2022, the Group earned royalty income amounting to ₱112,330,287, ₱161,685,814 and ₱435,183,065, respectively, and commission and marketing income amounting to ₱103,839,957, ₱125,482,671 and ₱168,204,287, 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.

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**23. 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 2024:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2024. The Company has no sales subject to VAT of 12% for the year ended December 31, 2024.

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 2024 statement of comprehensive income.

National:

|                        |          |
|------------------------|----------|
| PSE annual listing fee | ₱253,500 |
|------------------------|----------|

Local:

|                      |       |
|----------------------|-------|
| Permits and licenses | 7,995 |
|----------------------|-------|

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|  |          |
|--|----------|
|  | ₱261,495 |
|--|----------|

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Withholding Taxes

Withholding taxes paid and accrued by the Company in 2024 are as follows:

|                                                | Paid     | Accrued |
|------------------------------------------------|----------|---------|
| EWT                                            | ₱110,000 | ₱10,000 |
| Withholding taxes on compensation and benefits | —        | —       |
|                                                | ₱110,000 | ₱10,000 |

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#### 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, 2024.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
INDEX TO THE FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES  
AS OF JUNE 30, 2025**

**COMPANY FINANCIAL STATEMENTS**

Statements of Financial Position as of June 30, 2025 and December 31, 2024

Statements of Income for the years/qtr ended June 30, 2025 and December 31, 2024

Statements of Comprehensive Income for the year and qtr ended June 30 and December 31, 2024

Statements of Changes in Equity (Capital Deficiency) for the year and qtr ended June 30, 2025 and December 31, 2024

Statements of Cash Flows for the year and qtr ended June 30, 2025 and December 31, 2024

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**  
**JUNE 30, 2025**

| Name of issuing entity and<br>association of each issue | Number of<br>shares or<br>principal<br>amounts of<br>bonds and<br>notes | Amount shown<br>in the statement<br>of financial<br>position | Value based on<br>market<br>quotation at<br>end of<br>reporting<br>period | Income<br>received<br>and accrued |
|---------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------|
| <b><i>Cash and related parties</i></b>                  |                                                                         |                                                              |                                                                           |                                   |
| Cash                                                    |                                                                         | ₱15,879,838                                                  | ₱7,116,126                                                                | ₱1,986                            |
| Trade and other receivables                             |                                                                         | 125,454,913                                                  | 114,035,099                                                               | —                                 |
| <b>Total</b>                                            |                                                                         | <b>₱141,334,751</b>                                          | <b>₱121,151,225</b>                                                       | <b>₱1,986</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)  
JUNE 30, 2025**

| Name and<br>Designation<br>of Debtor | Balance<br>at<br>Beginning<br>period | Additions | Amounts<br>Collected | Amounts<br>Written<br>off | Current | Not<br>Current | Balance at<br>end of<br>period |
|--------------------------------------|--------------------------------------|-----------|----------------------|---------------------------|---------|----------------|--------------------------------|
|--------------------------------------|--------------------------------------|-----------|----------------------|---------------------------|---------|----------------|--------------------------------|

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at June 30, 2025 equal to or above the established threshold of the Rule.

**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  
JUNE 30, 2025**

| Name and Designation of Debtor                           | Balance at<br>Beginning period | Additions | Amounts<br>Collected/<br>Settlements | Amounts Written<br>off | Current     | Not Current | Balance at end<br>of period |
|----------------------------------------------------------|--------------------------------|-----------|--------------------------------------|------------------------|-------------|-------------|-----------------------------|
| East Coast Vulcan Mining<br>Corporation (Parent Company) | ₱78,719,813                    | ₱629,067  | ₱-                                   | ₱-                     | ₱79,348,879 | ₱-          | ₱79,348,879                 |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(FORMERLY EAST COAST VULCAN CORPORATION)**  
**SCHEDULE D - LONG-TERM DEBT**  
**June 30, 2025**

| Title of Issue and<br>type of obligation | Amount<br>authorized<br>by: Indenture | Amount shown under<br>the caption "Current<br>Portion of long-term<br>debt" in related<br>statement of financial<br>position | Amount shown<br>under caption<br>"Long-term debt" in<br>related statement of<br>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)  
JUNE 30, 2025**

| <u>Name of Related Party</u> | <u>Balance at beginning of period</u> | <u>Balance at end of period</u> |
|------------------------------|---------------------------------------|---------------------------------|
| <i>-Not applicable-</i>      |                                       |                                 |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS  
JUNE 30, 2025**

| Name of issuing<br>entity of securities<br>guaranteed by the<br>company for which<br>this statement is filed | Title of<br>issue of<br>each class<br>of securities<br>guaranteed | Total amount<br>guaranteed and<br>outstanding | Amount owed<br>by person for<br>which<br>statement is<br>filed | Nature of<br>guarantee |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------------------------|------------------------|
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------------------------|------------------------|

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*—Not applicable—*

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY**  
**(FORMERLY EAST COAST VULCAN CORPORATION)**  
**SCHEDULE G - CAPITAL STOCK**  
**JUNE 30, 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              | 6,172,497,120                                                                                          | —                                                                             | —                        | 6,139,380,844                     | 33,116,276 |

**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 JUNE 30, 2025**

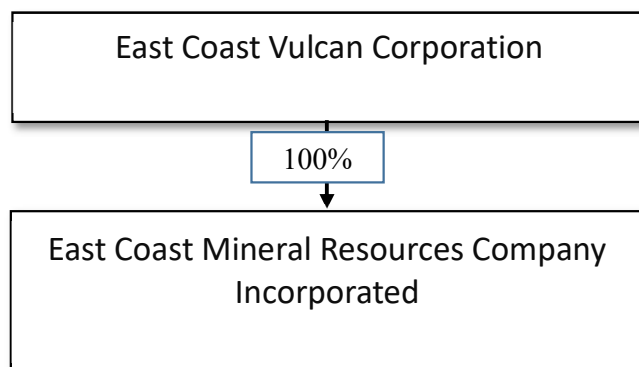
|                                                                                                                                                                   |   |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-------------------------|
| <b>Unappropriated Retained Earnings, beginning of reporting period</b>                                                                                            |   |                         |
|                                                                                                                                                                   |   | <u>₱(1,093,245,206)</u> |
| <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>                                                                                                              |   | (1,093,245,206)         |
| <b>Add/Less: Net Income (loss) for the current year</b>                                                                                                           |   | (4,473,707)             |
| <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)                 | — |                         |
| <b>Sub-total</b>                                                                                                                                                  |   | <u>—</u>                |
| <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)                   | — |                         |
| <b>Sub-total</b>                                                                                                                                                  |   | <u>—</u>                |
| <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>(4,473,707)</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>₱—</b>          |
| <i>The amount is zero since the reconciliation results to a deficit of ₱1,093,245,209 as at December 31, 2024.</i>                                                                                                                                                     |   |                    |

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY  
(FORMERLY EAST COAST VULCAN CORPORATION)  
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)  
FOR THE YEAR AND QTR ENDED JUNE 30, 2025 AND DECEMBER 31, 2024**

| <b>Ratio</b>                                 | <b>Formula</b>                                                | <b>MAR 31, 2025</b> | <b>2024</b> |
|----------------------------------------------|---------------------------------------------------------------|---------------------|-------------|
| <b><i>Liquidity and Solvency Ratios:</i></b> |                                                               |                     |             |
| Current ratio                                | Total Current Assets<br>Divided by: Total Current Liabilities | 0.34:1              | 0.25:1      |
| Quick ratio                                  | (Cash + Receivables)<br>Divided by: Total Current Liabilities | 0.34:1              | 0.16:1      |
| Solvency ratio                               | (Net Income + Depreciation)<br>Divided by: Total Liabilities  | 2.59:1              | 0.12:1      |
| <b><i>Financial Leverage Ratios:</i></b>     |                                                               |                     |             |
| Asset to equity ratio                        | Total Assets<br>Divided by: Total Equity                      | 1.67:1              | 1.65:1      |
| Debt ratio                                   | Total Liabilities<br>Divided by: Total Assets                 | 0.40:1              | 0.39:1      |
| Debt to equity ratio                         | Total Liabilities<br>Divided by: Total Equity                 | 0.67:1              | 0.65:1      |
| Interest coverage ratio                      | Net Income Before Tax<br>Divided by: Interest Expense         | 2.25:1              | (0.71:1)    |
| Price earnings ratio                         | Current Share Price<br>Divided by: Earnings Per Share         | 0.014:1             | (24.39:1)   |
| <b><i>Profitability Ratios:</i></b>          |                                                               |                     |             |
| Return on assets                             | Net Income Before Tax<br>Divided by: Total Assets             | 1.23%               | (3%)        |
| Return on equity                             | Net Income Before Tax<br>Divided by: Total Equity             | 2.06%               | (4%)        |
| Gross profit margin                          | Gross income<br>Divided by: Net Sales                         | 100%                | 8%          |
| Net profit margin                            | Net Income<br>Divided by: Net Sales                           | 24.82%              | (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 JUNE 30, 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 and qtr ended June 30, 2025 and December 31, 2024**

|                                       | JUNE 30, 2025 | 2024              |
|---------------------------------------|---------------|-------------------|
| <b>Total Audit Fees</b>               | <b>₱-</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>₱-</b>     | <b>₱2,080,000</b> |