COVER SHEET

- 7 4 4 3 -

SEC Registration Number

EAST COAST VULCAN MINING CORPORATION (FORMERLY, EAST COAST VULCAN CORPORATION)

(Company's Full Name)

15TH FLOOR, HIGH RISE PACIFIC STAR BLDG., SEN. GIL PUYAT AVE MAKATI CITY, METRO MANILA

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

Atty. Ana Maria A. Katigbak	8511-8312
Contact Person	Company Telephone Number

SEC Form *17-Q*

June 30, 2026

1 2	3 1		0 5	3 1
Month	Day	FORM TYPE	Month	Day
Fiscal Year			Annual Meeting	

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

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, 2026**

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 **15TH 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, 4TH 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
Common	**6,630,000,000**

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

    Yes [X] 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 [X] No [ ]

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

    Yes [X] 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, 2026 and June 30, 2025 are presented below:

	Consolidated Unaudited 30 June 2026	Consolidated Unaudited 30 June 2025
Revenues	184,305,623	107,720,683
Net Income	82,043,001	26,740,863
Total Assets	2,018,743,685	2,171,585,985
Total Liabilities	728,994,959	874,260,693
Net Worth	1,289,748,726	1,297,325,292
Issued and Outstanding Capital	6,630,000,000	6,630,000,000

The Company has revenue amounting to ₱184.3 million for the period June 30, 2026 and ₱107.7 million for the period June 30, 2025. The revenue increase is due to more shipments this period. And incurred a net income ₱82.0 million in June 30, 2026 and ₱26.7 million in June 30, 2025. The net income pertains increase of revenue this period.

The Company has total assets of ₱2.19 Billion and ₱2.17 Billion as of the period ended June 30, 2026 and June 30, 2025, respectively. The increase of assets is due to increase in mineral rights on explored Mineral resources.

The Company's total liabilities decreased to ₱729.00 million as of June 30, 2026 as compared to ₱875.26 million as of June 30, 2026 due to payment of loan.

The Company's net worth decreased to P1.29 Billion as of June 30, 2026 compared to P1.30 Billion as of June 30, 2025. 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, 2026, with comparative figures for the corresponding periods in 2025 and audited consolidated financial statements as of December 31, 2025, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

Financial Condition as of June 30, 2026 and December 31, 2025 and Results of Operation for the Six months and Three months ended June 30, 2026 and June 30, 2025

Statement of Comprehensive income

Revenues

The Company's total revenue on June 30, 2026 was ₱185.31 million which is notably higher by ₱76.58 million or 71.10% as compared to ₱107.72 million on June 30, 2025. 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 ₱82.04 in 2026 compared to net income of ₱26.74 million in 2025.

General and admin exp.
General and admin expenses increase by 20.02% or ₱8.19 million from ₱40.90 million for the 2nd quarter period last year to ₱49.09 million this year. The increase was due to increase in salaries ₱1.5 million, repairs and maintenance ₱2.8 million, professional fees ₱2.3 and miscellaneous expenses ₱1.4 million.

Statement of Financial Position
Assets
The consolidated total assets of the Company increase by ₱75.35 million from ₱1.94 billion as of December 31, 2025 to ₱2.02 billion as of June 30, 2026. The 3.9% increase was mainly due to the following:

- **Trade and other receivable** increase by ₱45.39 million or 73.36% from ₱61.87 million to ₱107.27 million in 2026 mainly due to the increase of trade receivable.
- **Due from related parties** decrease by ₱72.50 million or 36.97% from ₱196.14 million to ₱123.64 million in 2026 pertains to the adjustment.
- **Other current assets** increase by ₱5.51 million or 5.83% from ₱94.47 million to ₱99.97 million in 2026 mainly due to increase in creditable withholding tax.
- **Property and equipment** decrease by ₱11.34 million or 9.81% from ₱115.64 million to ₱104.30 million in 2026 mainly due to depreciation.
- **Mining rights and other mining assets** increase by ₱98.37 million or 7.52% from ₱1.41 Billion to ₱1.31 billion in 2026 mainly due to addition of mining rights and mining assets.

Liabilities
The consolidated total liabilities of the Company decrease by ₱6.69 million from ₱735.68 million as of December 31, 2025 to ₱729.00 million as of June 30, 2026. The 0.91% decrease was mainly due to the following:

- **Due to related parties** increase by ₱81.89 or 131.18% from ₱62.42 million to ₱144.31 million in 2026 mainly due to adjustments.
- **Loans payable** decrease by ₱72.35 or 15.35% from ₱471.85 million to ₱399.40 million in 2026 mainly due to payment of loans.
- **Installment payable - current** decrease by ₱14.39 or 13.98% from ₱102.97 million to ₱88.58 million in 2026 mainly due to payment of installment payables.

Equity
The stockholders' equity of the Company increased by ₱82.04 million or 6.79% from ₱1.21 billion in 2025 to ₱1.29 billion as of June 30, 2026. This was due to the net income incurred during the period.

Statement of Cash Flows
As of June 30, 2026, the net cash provided from operating activities amounting to ₱111.22 million was due to the net income incurred for this period, the decrease of due from related parties and increase of due to related parties. Net cash used for investing activities amounting to ₱103.50 million was mainly due to addition of noncurrent asset. The net effect of the foregoing operating, investing, and financing activities is an increase of ₱13.73 million in cash, leaving a balance of ₱21.44 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, 2026 Unaudited	2025 Audited	Change	% Change	June 2026	June 2025
ASSETS						
Current Assets						
Cash in bank and on hand	**₱21,444,749**	₱13,725,703	₱7,719,046	56.24%	1.06%	0.71%
Trade and other receivables	**107,265,800**	61,873,245	45,392,555	73.36%	5.31%	3.18%
Due from related parties	**123,638,826**	196,143,247	(72,504,421)	(36.97%)	6.12%	10.09%
Prepayments and other current assets	**99,966,883**	94,461,373	5,505,510	5.83%	4.95%	4.86%
Total Current Assets	**352,316,258**	366,203,568	(13,887,310)	(3.79%)	17.45%	18.84%
Noncurrent Assets						
Property and equipment (net)	**104,296,618**	115,635,513	(11,338,895)	(9.81%)	5.17%	5.95%
Intangible asset	**410,311**	359,891	50,420	14.01%	0.02%	0.02%
Mining rights	**1,407,324,617**	1,308,938,513	98,386,104	7.52%	69.71%	67.35%
Deferred exploration costs	**150,053,692**	147,909,653	2,144,039	1.45%	7.43%	7.61%
Deferred tax asset - net	**4,342,189**	4,342,189	-	-	0.22%	0.22%
Total Noncurrent Assets	**1,666,427,427**	1,577,185,759	89,241,668	5.66%	82.55%	81.16%
TOTAL ASSETS	**₱2,018,743,685**	₱1,943,389,327	75,354,358	3.88%	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	**₱75,280,621**	₱77,015,606	(1,734,985)	(2.25%)	3.73%	3.96%
Due to related parties	**144,314,315**	62,424,406	81,889,909	131.18%	7.15%	3.21%
Loans payable - current portion	**399,395,700**	471,847,507	(72,451,807)	(15.35%)	19.78%	24.28%
Installment payable - current portion	**88,581,783**	102,973,543	(14,391,760)	(13.98%)	4.39%	5.30%
Total Current Liabilities	**707,572,419**	714,261,062	(6,688,643)	(0.94%)	35.05%	36.75%
Noncurrent Liabilities						
Installment payable - noncurrent portion	**3,050,121**	3,050,121	-	0.00%	0.15%	0.16%
Retirement benefits liability	**18,372,419**	18,372,419	-	0.00%	0.91%	0.95%
Total Noncurrent Liabilities	**21,422,540**	21,422,540	-	0.00%	1.06%	1.10%
Total Liabilities	**728,994,959**	735,683,602	(6,688,643)	(0.91%)	36.11%	37.86%
Equity						
Capital stock	**6,172,497,120**	6,172,497,120	-	-	305.76%	317.62%
Equity reserve	**(5,258,607,201)**	(5,258,607,201)	-	-	(260.49%)	(270.59%)
Remeasurement gain on retirement benefits liability	**7,210,202**	7,210,202	-	-	0.36%	0.37%
Retained earnings	**368,648,605**	286,605,604	82,043,001	28.63%	18.26%	14.75%
Total Equity	**1,289,748,726**	1,207,705,725	82,043,001	6.79%	63.89%	62.14%
TOTAL LIABILITIES AND EQUITY	**₱2,018,743,685**	₱1,943,389,327	75,354,358	3.88%	100.00%	100.00%

	For the Six-months ended June 30		Horizontal Analysis		Vertical Analysis	
	2026 Unaudited	2025 Unaudited	Increase (decrease)	% Change	2026	2025
REVENUE	**₱184,305,623**	₱107,720,683	₱76,584,940	71.10%	100.0%	100.0%
GENERAL AND ADMIN. EXP.	**49,090,965**	40,903,475	8,187,490	20.02%	26.6%	38.0%
INCOME (LOSS) FROM OPERATIONS	**135,214,658**	66,817,208	68,397,450	102.37%	73.4%	62.0%
INTEREST EXPENSE	**(26,576,040)**	(29,780,730)	3,204,690	(10.76%)	(14.4%)	(27.6%)
OTHER INCOME						
INTEREST INCOME FROM DEPOSITS	**1,760**	674	1,086	161.13%	0.0%	0.0%
OTHER INCOME (CHARGES) – NET	**(26,024)**	(175,017)	148,993	(85.13%)	(0.0%)	(0.2%)
INCOME (LOSS) BEFORE INCOME TAX	**108,614,354**	36,862,135	71,752,219	194.65%	58.9%	34.2%
INCOME TAX EXPENSE	**26,571,353**	10,121,272	16,450,081	162.53%	14.4%	9.4%
NET INCOME	**₱82,043,001**	₱26,740,863	₱55,302,138	206.81%	44.5%	24.8%

	For the Three-months ended June 30		Horizontal Analysis		Vertical Analysis	
	2026 Unaudited	2025 Unaudited	Increase (decrease)	% Change	2026	2025
REVENUE	**₱184,305,623**	₱96,777,809	₱87,527,814	90.44%	100.0%	100.0%
GENERAL AND ADMIN. EXP.	**26,301,805**	24,545,369	1,756,436	7.16%	14.3%	25.4%
INCOME FROM OPERATIONS	**158,003,818**	72,232,440	85,771,378	118.74%	85.7%	74.6%
INTEREST EXPENSE	**(12,918,092)**	(14,348,683)	1,430,591	(9.97%)	(7.0%)	(14.8%)
OTHER INCOME						
INTEREST INCOME FROM DEPOSITS	**732**	349	383	109.53%	0.0%	0.0%
OTHER INCOME (CHARGES) – NET	**(146,209)**	(191,537)	45,329	(23.67%)	(0.1%)	(0.2%)
INCOME (LOSS) BEFORE INCOME TAX	**144,940,249**	57,692,569	87,247,681	151.23%	78.6%	59.6%
INCOME TAX EXPENSE	**26,571,154**	10,121,212	16,449,942	162.53%	14.4%	10.5%
NET INCOME	**₱118,369,095**	₱47,571,357	₱70,797,739	148.82%	64.2%	49.2%

Other Information

a. 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.

b. The Company has NO material commitments for capital expenditures.

c. 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 June 30, 2026.

d. 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, 2026 as compared to June 30, 2025 and December 31, 2025 noted a significant decrease in all areas due to net loss incurred during each period.

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

	Consolidated 30 June 2026	Consolidated Dec. 2025	Consolidated 30 June 2025
Current Ratio	0.50:1	0.51:1	0.34:1
Current Assets	352,316,258	366,203,568	291,332,601
Current Liabilities	707,572,419	714,261,062	849,971,366
Debt to Equity Ratio	0.56:1	0.61:1	0.67:1
Total Liabilities	728,994,959	735,683,602	874,260,693
Stockholders' Equity	1,289,748,725	1,207,705,725	1,297,325,292

Equity to Debt Ratio	1.77:1	1.64:1	1.48:1
Stockholders' Equity	1,289,748,725	1,207,705,725	1,297,325,292
Total Liabilities	728,994,959	735,683,602	874,260,693
Book Value Per Share	0.21	0.20	0.21
Stockholders' Equity	1,289,748,725	1,207,705,725	1,297,325,292
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120
Earnings (Loss) per share	0.013	(0.01)	0.004
Net Income (Loss)	82,043,001	(64,252,863)	26,740,863
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, 2026).

1. June 17, 2026 – Result of 2026 ASM and OBM
2. June 5, 2026 – List of Stockholders as of Record Date
3. April 7, 2026 - Sofia G. Pagauitan Resignation
4. April 6, 2026 – FAAD Order
5. March 24, 2026 – Result of Special Meeting
6. March 12, 2026 – Amendment of 17C

PART III – FINANCIAL SOUNDNESS INDICATORS

Profitability Ratios	**Consolidated June 30, 2026**	**Consolidated June 30, 2025**
Return on Assets	4.06%	1.23%
Return on Equity	6.36%	2.06%
Gross profit margin	100%	100%
Net profit margin	44.51%	24.82%
Liquidity and Solvency Ratios		
Current Ratio	0.50:1	0.34:1
Quick Ratio	0.50:1	0.34:1
Solvency Ratio	2.788:1	2.590:1
Financial Leverage Ratios		
Asset to Equity Ratio	1.57:1	1.67:1
Debt Ratio	0.36:1	0.40:1

Debt to Equity Ratio	0.57:1	0.67:1
Interest Coverage Ratio	5.09:1	2.25:1

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 2026.

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. Pagauitan
President/CEO

Ma. Hilarnie Mercurie P. Parada
Treasurer

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF FINANCIAL POSITION

	Unaudited June 30, 2026	Audited 2025
ASSETS		
Current Assets		
Cash in bank and on hand	**₱323,973**	₱336,640
Other current assets	**1,293,660**	1,189,748
Total Current Assets	**1,617,633**	1,526,388
Noncurrent Asset		
Investment in subsidiary	**5,180,000,000**	5,180,000,000
Property and equipment	**-**	-
Total NonCurrent Assets	**5,180,000,000**	5,180,000,000
TOTAL ASSETS	**₱5,181,617,633**	₱5,181,526,388
LIABILITIES AND EQUITY		
Current Liabilities		
Accrued expenses	**₱2,254,747**	₱2,626,526
Due to related parties	**113,652,989**	107,538,496
Total Current Liabilities	**115,907,736**	110,165,022
Equity		
Capital stock	**6,172,497,120**	6,172,497,120
Deficit	**(1,106,787,223)**	(1,101,135,754)
Total Equity	**5,065,709,897**	5,071,361,366
TOTAL LIABILITIES AND EQUITY	**₱5,181,617,633**	₱5,181,526,388

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited June 30, 2026	Unaudited June 30, 2025
GENERAL AND ADMIN. EXP.	₱5,651,551	₱4,473,755
OTHER INCOME		
Interest income from bank deposits	82	47
NET LOSS	(5,651,469)	(4,473,708)
OTHER COMPREHENSIVE INCOME	–	–
TOTAL COMPREHENSIVE LOSS	(₱5,651,469)	(₱4,473,708)
BASIC/DILUTED LOSSES PER SHARE	(₱0.001)	(₱0.000)

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Unaudited	
	June 30, 2026	June 30, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
963,944,338 shares	6,630,000,000	6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	457,502,880	457,502,880
	6,172,497,120	6,172,497,120
DEFICIT		
Beginning	(1,101,135,754)	(1,093,245,208)
Add Net loss during the period	(5,651,469)	(4,473,708)
Ending	(1,106,787,223)	(1,097,718,916)
BALANCE	₱5,065,709,897	₱5,074,778,205

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS

	Unaudited June 30, 2026	Unaudited June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(₱5,651,469)	(₱4,473,708)
Adjustments for:		
Depreciation	-	-
Interest income	(82)	(47)
Operating loss before working capital changes	(5,651,551)	(4,473,708)
Decrease (increase) in:		
Advances to Suppliers and Contractors	–	(50,000)
Input VAT	(103,912)	(62,030)
Increase (decrease) in:		
Accrued expenses	(371,779)	173,001
Due to related parties	6,114,493	4,423,986
Net cash flows from operations	(12,749)	11,201
Interest received	82	47
Net cash flows from operating activities	(12,667)	11,248
CASH FLOW FROM AN INVESTING ACTIVITY		
Additions to property and equipment	–	–
NET INCREASE IN CASH	(12,667)	11,248
CASH AT BEGINNING OF YEAR	336,640	266,402
CASH AT END OF YEAR	₱323,973	₱277,650

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

	Unaudited June 30, 2026	Audited December 31, 2025
ASSETS		
Current Assets		
Cash in bank and on hand	**₱21,444,749**	₱13,725,703
Trade and other receivables	**107,265,800**	61,873,245
Due from related parties	**123,638,826**	196,143,247
Prepayments and other current assets	**99,966,883**	94,461,373
Total Current Assets	**352,316,258**	366,203,568
Noncurrent Asset		
Property and equipment	**104,296,618**	115,635,513
Intangible asset	**410,311**	359,891
Mining rights	**1,407,324,617**	1,308,938,513
Deferred exploration cost	**150,053,692**	147,909,653
Deferred tax asset	**4,342,189**	4,342,189
Total NonCurrent Assets	**1,666,427,427**	1,577,185,759
TOTAL ASSETS	**₱2,018,743,685**	₱1,943,389,327
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payable	**₱75,280,621**	₱77,015,606
Due to related parties	**144,314,315**	62,424,406
Loans payable – current portion	**487,977,483**	471,847,507
Installment payable – current portion	**-**	102,973,543
Total Current Liabilities	**707,572,419**	714,261,062
Noncurrent Liabilities		
Installment payable – noncurrent portion	**3,050,121**	3,050,121
Retirement benefit liability	**18,372,419**	18,372,419
Total Noncurrent Liabilities	**21,422,540**	21,422,540
Total Liabilities	**728,994,959**	735,683,602
Equity		
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	**7,210,202**	7,210,202
Retained earnings (deficit)	**368,648,605**	286,605,604
Total Equity	**1,289,748,726**	1,207,705,725
TOTAL LIABILITIES AND EQUITY	**₱2,018,743,685**	₱1,943,389,327

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

	For the Three-months ended June 30,		For the Six-months ended June 30,	
	2026 Unaudited	2025 Unaudited	**2026 Unaudited**	2025 Unaudited
REVENUE	**₱184,305,623**	₱96,777,809	**₱184,305,623**	₱107,720,683
GENERAL AND ADMIN. EXP.	**26,301,805**	24,545,369	**49,090,965**	40,903,475
INCOME (LOSS) FROM OPERATIONS	**158,003,818**	72,232,440	**135,214,658**	66,817,208
INTEREST EXPENSE	**(12,918,092)**	(14,348,683)	**(26,576,040)**	(29,780,730)
OTHER INCOME				
INTEREST INCOME FROM BANK DEPOSITS	**732**	349	**1,760**	674
OTHER INCOME (CHARGES) - NET	**(146,209)**	(191,537)	**(26,024)**	(175,017)
INCOME (LOSS) BEFORE INCOME TAX	**144,940,249**	57,692,569	**108,614,354**	36,862,135
PROVISION FOR INCOME TAX - CURRENT	**26,571,154**	10,121,212	**26,571,353**	10,121,272
COMPREHENSIVE INCOME (LOSS)	**₱118,369,095**	₱47,571,357	**₱82,043,001**	₱26,740,863
BASIC/DILUTED LOSSES PER SHARE	**₱0.013**	₱0.007	**₱0.019**	₱0.004

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

	Unaudited	**Audited**
	June 30, 2026	June 30, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	**₱12,000,000,000**	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
6,172,497,120 shares	**₱6,630,000,000**	₱6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	**(457,502,880)**	(457,502,880)
	₱6,172,497,120	₱6,172,497,120
RETAINED EARNINGS		
Beginning	**₱286,605,604**	₱350,858,467
Add Net (loss) gain during the period	**82,043,001**	26,740,863
Stock issuance cost	**-**	-
Ending	**368,648,605**	377,599,063
EQUITY RESERVE	**(5,258,607,201)**	(5,258,607,201)
REMEASUREMENT GAIN ON RETIREMENTLIABILITY	**7,210,202**	5,836,310
BALANCE	**₱1,289,748,726**	₱1,297,325,292

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

	June 30, 2026	June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	**₱108,614,354**	₱36,862,135
Adjustments for:		
Depreciation	**14,253,623**	14,343,120
Interest expense	**26,576,040**	29,780,730
Interest income	**(1,760)**	(674)
Operating loss before working capital changes	**149,442,257**	80,985,311
Decrease (increase) in:		
Trade and other receivables	**(45,392,555)**	(7,044,251)
Due from related parties	**72,504,421**	(69,543,489)
Other current assets	**(5,505,510)**	(9,041,693)
Increase (decrease) in:		
Trade and other payables	**(1,734,984)**	43,566,748
Loan payable current	**(86,843,567)**	(3,536,830)
Due to related parties	**81,889,909**	15,132,018
Net cash flows from operations	**164,359,970**	50,517,814
Interest paid	**(26,576,040)**	(29,780,730)
Income taxes paid	**(26,571,353)**	(10,121,272)
Interest received	**1,760**	674
Net cash flows from (used in) operating activities	**111,214,337**	10,616,486
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property and equipment	**(103,444,871)**	(227,735)
Additions to intangible asset	**(50,420)**	16,456
Net cash (used in) investing activities	**(103,495,291)**	(211,279)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of loans payable	**-**	(1,358,845)
Net cash from (used in) Financing activities	**-**	(1,358,845)
NET INCREASE (DECREASE) IN CASH	**7,719,046**	9,046,362
CASH AT BEGINNING OF YEAR	**13,725,703**	7,116,126
CASH AT END OF YEAR	**₱21,444,749**	₱16,162,488

1. Corporate Information and Status of Operations

Corporate Information

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

Amendment of Articles of Incorporation

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

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

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

ECVMC and ECMRCI Share-for-Share Swap Transaction

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

Status of Operations

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

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

- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (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 ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively.

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, 2025 and has therefore prepared the financial reporting on a going concern basis.

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, 2025 and 2024.

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

a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;
b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as “Equity reserve”.
e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as

at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Statement of Compliance
The consolidated and parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation
The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

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

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

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

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

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

If the Group loses control 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

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

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

  The amendments clarify:

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

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

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

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

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

- Amendments to PAS 21*, Lack of exchangeability*

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

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

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026
- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
    - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
    - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

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

Deferred effectivity

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

Summary of Material Accounting Policies

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

Presentation of Financial Statements

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

Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

Financial Instruments

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

Financial Assets: Initial Recognition and Measurement

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

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

Contractual Cash Flows Characteristics

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

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

Financial Assets: Subsequent Measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

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

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

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

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

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

The Group's financial 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 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.

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. As such, the financial statements have been prepared on a going concern basis of accounting.

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

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

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

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

Estimates and Assumptions

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

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

For the Group's advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward looking information. Significant management's judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

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

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

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

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

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

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

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

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

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

Assessing Recoverability of Deferred Exploration Costs
The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the

statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

Estimating Realizability of Deferred Tax Assets
The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

3. Cash

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Cash on hand	**₱305,000**	₱105,000	**₱100,000**	₱100,000
Cash in bank	**21,139,749**	13,620,703	**223,972**	236,640
	₱21,444,749	₱13,725,703	**₱323,972**	₱336,640

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, 2026	2025	2024	**June 30, 2026**	2025	2024
Interest income	**₱1,760**	₱3,052	₱1,986	**₱82**	₱133	₱73

4. Trade and Other Receivables

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Trade receivables				

Related parties (Note 18)	**₱–**	₱–	**₱–**	₱–
Third parties	**104,208,965**	58,776,093	**–**	–
Advances to employees	**3,056,835**	3,097,152	**50,000**	–
	₱107,265,800	₱61,873,245	**₱50,000**	₱–

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.

Aging of Receivable

June 30, 2026

		Days past due				
	Current	**< 30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
Trade and other receivables						
	₱80,046,210	**₱–**	**₱–**	**₱–**	**₱24,162,755**	**₱104,208,965**
Total	**₱80,046,210**	**₱–**	**₱–**	**₱–**	**₱24,162,755**	**₱104,208,965**

December 31, 2025

		Days past due				
	Current	< 30 days	30-60 days	61-90 days	>91 days	Total
Trade and other receivables						
	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093
Total	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days and past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of June 30, 2026 and 2025, respectively.

5. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Creditable withholding taxes	**₱96,585,601**	₱88,868,017	**₱–**	₱–
Prepayments	**1,755,428**	4,421,469	**–**	50,000
Input VAT	**1,291,955**	1,171,887	**1,243,660**	1,139,748
Others	**333,899**	–	**–**	–
	₱99,966,883	₱94,461,373	**₱1,243,660**	₱1,189,748

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.

6. Property and Equipment

June 30, 2026

	Consolidated							
	Land	**Building and other structures**	**Furniture and fixtures**	**Office equipment**	**Transportation equipment**	**Other Equipment**	**Mining & Heavy Equipment**	**Total**
Cost:								
Beginning balances	**₱5,300,000**	**₱9,200,000**	**₱2,670,587**	**₱4,669,966**	**₱90,206,959**	**₱960,056**	**₱196,416,407**	**₱309,423,975**
Additions	**–**	**–**	**–**	**27,016**	**2,709,297**	**23,742**	**–**	**2,760,058**
Ending balances	**5,300,000**	**9,200,000**	**2,670,587**	**4,696,982**	**92,916,256**	**983,798**	**196,416,407**	**312,184,033**
Accumulated depreciation								
Beginning balances	**–**	**9,200,000**	**2,586,577**	**4,175,333**	**63,836,884**	**749,973**	**113,239,695**	**193,788,462**
Depreciation (Note 16)	**–**	**–**	**16,260**	**154,660**	**3,565,566**	**47,390**	**10,358,737**	**14,142,613**
Ending balances	**–**	**9,200,000**	**2,602,837**	**4,286,331**	**67,402,450**	**773,583**	**123,598,433**	**207,887,415**
Net book values	**₱5,300,000**	**₱–**	**₱67,750**	**₱410,651**	**₱25,513,806**	**₱186,473**	**₱72,817,975**	**₱104,296,618**

December 31, 2025

	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	Total
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	–	–	–	135,974	–	65,126	–	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	–	–	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	–	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Net book values	₱5,300,000	₱–	₱84,010	₱494,633	₱26,370,075	₱210,083	₱83,176,712	₱115,635,513

	Parent Company	
	June 30, 2026	2025
Cost:		
Beginning and ending balance	**₱65,495**	₱65,495
Accumulated depreciation		
Beginning balances	**–**	–
Depreciation (Note 16)	**(65,495)**	(65,495)
Ending balance	**65,495**	65,495
Net book value	**₱–**	₱–

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱96,149,934 as at June 30, 2026 and 2025, respectively. The Group does not have property and equipment that are idle as at June 30, 2026 and 2025.

7. Intangible Asset

	Consolidated		Parent Company	
	2026	2025	**2026**	2025
Cost:				
Beginning balance	**₱878,123**	₱878,123	**₱–**	₱–
Addition	**161,849**	111,429	**–**	–
Ending balance	**1,039,972**	989,552	**–**	–
Accumulated amortization:				
Beginning balance	**436,571**	436,571	**–**	–
Amortization (Note 16)	**193,090**	193,090	**–**	–
Ending balance	**629,661**	629,661	**–**	–
Net book value	**₱410,311**	₱359,891	**₱–**	₱–

Intangible asset pertains to computer software used in Group's operations.

8. 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, 2026	2025	**June 30, 2026**	2025
Cost:				
Beginning balance	**₱1,863,800,122**	₱1,863,800,122	**₱–**	₱–
Additions	**98,386,104**	–		
Ending balance	**1,962,186,226**	1,863,800,122		
Accumulated amortization:				
Beginning balance	**266,122,325**	266,122,325	**–**	–
Amortization (Note 16)	**288,739,284**	288,739,284	**–**	–
Ending balance	**554,861,609**	554,861,609	**–**	–
Net book value	**₱1,407,324,617**	₱1,308,938,513	**₱–**	₱–

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 June 30, 2026 and 2025. No provision for impairment loss was recognized in June 30, 2026 and 2025.

9. Deferred Exploration Costs

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Balances at beginning of year	**₱147,909,653**	₱147,909,653	**₱–**	₱–
Addition	**2,144,039**			
Exploration costs incurred	**–**	–	**–**	–
	₱150,053,692	₱147,909,653	**₱–**	₱–

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Corporation through a letter dated April 26, 2024, have filed application for registration of the Operating Agreements executed between the Corporation and 88 Kiamba Mining & Development Corporation ("88 KMDC") for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024 the MGB issued a letter requiring the Corporation to further submit documentary requirements for the said registration, which request has already been complied with by the Corporation.

The compliance of the Corporation to the requirements of MGB was duly recorded and noted by the MGB. Furthermore, the MGB issued a letter dated November 6, 2025 in relation to the Operating Agreement between the Corporation and 88 KMDC. The same November 6, 2025 MGB letter also advised that the registration fee for the Operating Agreement and other documents may be paid. Order of Payment dated November 11, 2025 was issued by the MGB for purposes of registration of the Operating Agreement and other documents. Thus, on November 11, 2025, the Corporation on behalf of 88 KMDC paid the registration fees for the Operating Agreement and other documents. To date, despite payment of the registration fees with the MGB, matters related to the renewal of the EP/EXPA remains pending with the MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in June 30, 2026 and 2025. No provision for impairment loss was recognized as of June 30, 2026 and 2025.

10. Trade and Other Payables

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Trade payables	**₱28,737,384**	₱31,958,351	**₱–**	₱–

Output VAT	**24,440,238**	25,206,618	**–**	–
Statutory payables	**10,298,297**	10,917,353	**10,000**	10,000
Accrued expenses and others	**11,804,702**	8,933,284	**3,009,290**	2,616,526
	₱75,280,621	₱77,015,606	**₱3,019,290**	₱2,626,526

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.

11. Loans Payable and Installment Payables

a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	June 30, 2026	2025	**2026**	2025
Security Bank Corporation	**₱399,395,700**	₱471,847,507	**₱–**	₱–
Less: current portion	**399,395,700**	471,847,507	–	–
Noncurrent portion	**₱–**	₱–	**₱–**	₱–

	Consolidated			**Parent Company**	
	June 30, 2026			**June 30, 2026**	
	Availment	**Payment**	**Restructuring**	**Availment**	**Payment**
Security Bank Corporation	**₱–**	**₱26,316,127**	**₱445,531,380**	₱–	₱–
Loan to shareholder	–	–	–	–	–
	₱–	**₱26,316,127**	**₱445,531,380**	₱–	–

	Consolidated			**Parent Company**	
	2026			**2025**	
	Availment	**Payment**	**Restructuring**	**Availment**	**Payment**
Security Bank Corporation	**₱–**	**₱4,685,911**	**₱476,533,418**	₱–	₱–
Loan to shareholder	–	–	–	–	–
	₱–	**₱4,685,911**	**₱476,533,418**	₱–	–

Loan with SBC

Facility Loan

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023. Total interest expense incurred amounted to ₱ 41,685,388,
₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, 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.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations. The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.

In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding balance became due and demandable and was reclassified as a current liability.

Loan to shareholder
The Group availed a loan from its shareholder for a transportation equipment amounting to
₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and 83,938 in 2025, 2024 and 2023, respectively.

Loan with CMC
The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in
two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, 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).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.

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

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Within one (1) year	**₱105,699,113**	₱105,699,113	**₱–**	₱–
After one (1) year but not more than four (4) years	**3,050,122**	3,050,122	**–**	–
Total minimum lease payments	**108,749,235**	108,749,235	**–**	–
Less: interest charges	**2,725,571**	2,725,571	**–**	–
Present value of minimum lease payments	**106,023,664**	106,023,664	**–**	–
Less current portion	**102,973,543**	102,973,543	**–**	–
Noncurrent portion	**₱3,050,121**	₱3,050,121	**₱–**	₱–

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

12. 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, 2026	2025	2024	**June 30, 2026**	2025	2024
Interest cost	**₱790,930**	₱790,930	₱1,806,871	**₱–**	₱–	₱–
Current service cost	**1,114,405**	1,114,405	803,129	**–**	–	–
	₱1,905,335	₱1,905,335	₱2,610,000	**₱–**	₱–	₱–

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

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Present value of defined benefit obligation	**₱18,298,940**	₱18,298,940	**₱–**	₱–
Interest cost	**790,930**	790,930	**–**	–
Current service cost	**1,114,405**	1,114,405	**–**	–
Actuarial losses (gains) due to:			**–**	–
Demographic adjustments	**124,682**	124,682	**–**	–
Experience adjustments	**(1,432,485)**	(1,432,485)	**–**	–
Changes in financial assumptions	**(524,053)**	(524,053)	**–**	–

	₱18,372,419	₱18,372,419		**₱–**	₱–

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

	Consolidated			Parent Company		
	June 30, 2026	2025	2024	**June 30, 2026**	2025	2024
Actuarial losses (gains) due to:						
Experience adjustments	**(₱1,432,485)**	(₱1,432,485)	(₱1,291,808)	**₱–**	₱–	₱–
Changes in financial assumptions	**(524,053)**	(524,053)	56,493		–	–
Demographic adjustments	**124,682**	124,682	(86,110)	**–**	–	–
	(₱1,831,856)	(₱1,831,856)	(₱1,321,425)	**₱–**	₱–	₱–

Cumulative remeasurement losses recognized in other comprehensive income as of June 30, 2026 and 2025 are as follows:

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Balance at beginning of year	**₱5,836,310**	₱5,836,310	**₱–**	₱–
Actuarial gains	**1,831,856**	1,831,856	**–**	–
Income tax effect	**(457,964)**	(457,964)	**–**	–
	1,373,892	1,373,892	**–**	–
	₱7,210,202	₱7,210,202	**₱–**	₱–

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	**6.46%**	6.09%
Future salary increase rate	**11.00%**	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	**2025**	2024
Discount rate	+100 basis points (bps)	**(₱1,257,914)**	(₱1,257,914)
	-100 bps	**1,499,251**	1,499,251
Future salary increase	+100 bps	**1,418,666**	1,418,666
	-100 bps	**(1,220,734)**	(1,220,734)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	**₱9,184,414**	**₱9,184,414**

More than one (1) year to five (5) years	**1,187,555**	**1,187,555**
More than five (5) years to ten (10) years	**1,266,217**	**1,266,217**

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.

13. **Equity**

Capital stock

Authorized:	**June 30, 2026**	2025
Common shares - ₱1 par value, 12,000,0000 shares	**₱12,000,000,000**	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	**6,143,944,338**	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	**28,552,782**	28,552,782
	₱6,172,497,120	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of June 30, 2026, 2025 and 2024:

	June 30, 2026	2025	2024
Common shares	**1,899**	**1,901**	1,856

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	–	–	1.00
Total	8,000,000,000	5,180,000,000	

Equity reserves
The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	June 30, 2026	2025
Effect of:		
Adjustment of the legal capital of ECVMC	**(₱992,497,120)**	(₱992,497,120)
Elimination of ECMRCI Capital	**925,000,000**	925,000,000
Issuance of additional shares	**(5,180,000,000)**	(5,180,000,000)
Stock issuance costs	**73,141,470**	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	**(84,251,551)**	(84,251,551)
	(₱ 5,258,607,201)	(₱ 5,258,607,201)

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

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

Net cash inflow on acquisition is as follows:

Cash consideration	₱–
Less cash acquired with the subsidiary[(a)]	163,339
Net cash inflow	₱163,339

[(a)] *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, 2026	2025	**June 30, 2026**	2025
Capital stock	**₱6,172,497,120**	₱6,172,497,120	**₱6,172,497,120**	₱6,172,497,120
Retained earnings (Deficit)	**368,648,605**	286,605,604	**(1,106,787,223)**	(1,101,135,754)
	₱6,541,145,725	₱6,459,102,724	**₱5,065,709,897**	₱5,071,361,366

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 relates 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, 2026 and 2025.

14. **Revenues**

	Consolidated			Parent Company		
	June 30, 2026	2025	2024	**June 30, 2026**	2025	2024
Royalty income	**₱132,885,078**	₱269,131,535	₱112,330,287	**₱–**	₱–	₱–
Commission and marketing income	**51,450,545**	147,934,881	103,839,957	**–**	–	–
Others	**–**	33,882,956	73,058,975	**–**	–	–
	₱184,305,623	₱450,949,372	₱289,229,219	**₱–**	₱–	₱–

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.

15. **Operating Expenses**

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Amortization of mining rights (Note 9)	**₱-**	₱288,739,284	**₱–**	₱–
Depreciation and amortization (Notes 7 and 8)	14,253,623	28,641,310	**–**	–
Agent and commission fees	2,672,398	15,818,335	**–**	–
Salaries and wages	6,146,370	14,063,315	**–**	–
Transportation and travel	1,945,420	13,263,200	9,372	21,535
Professional and consultant fees	8,880,420	10,199,357	1,355,425	3,889,964
Taxes and licenses	530,311	5,761,807	293,683	250,000
Employee benefits	–	4,499,008	–	–
Repairs and maintenance	3,622,030	3,061,199	–	–
Gasoline, oil & fuels	1,147,983	2,196,786	–	–
Communication, Light and water	913,612	1,657,956	–	–
Rental	1,285,356	1,486,855	1,285,356	1,486,855
Representation	901,084	1,277,820	854,959	851,077
Service fees	844,894	1,227,437	–	–
Outside services	859,017	1,048,073	510,000	210,431
Utilities	264,034	400,731	128,207	223,734
Donations	130,000	113,500	–	–
Office supplies	262,154	105,347	49,161	–
Bank Charges	–	29,261	–	–
Director's fees	610,000	–	610,000	440,000
Management fee	–	–	–	–
Miscellaneous	3,822,260	6,365,062	555,388	517,082
	₱49,090,966	₱399,955,643	**₱5,651,551**	₱7,890,678

16. **Income Taxes**

a. The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.

b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	June 30, 2026	2025	2024	**June 30, 2026**	2025	2024
At statutory income tax rate 25% for the Group and 20% for the Parent Company	**(₱1,928,233)**	(₱1,928,233)	(₱13,810,191)	**(₱1,578,109)**	(₱1,578,109)	(₱1,392,275)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	**(67,282,884)**	(67,282,884)	(28,082,572)	–	–	–
Final tax paid on royalty income	**53,826,892**	53,826,892	22,466,447	–	–	–
Changes in unrecognized deferred tax asset	**70,318,427**	70,318,427	43,596,509	**1,578,136**	1,578,136	1,392,290

(Forward)

	Consolidated			Parent Company		
	June 30, 2026	2025	2024	**June 30, 2026**	2025	2024
Stock issuance costs	**₱–**	₱–	₱–	**₱–**	₱–	₱–
Interest income already subjected to final tax	**(757)**	(757)	(497)	**(27)**	(27)	(15)
Nondeductible expenses	**28,376**	28,376	35,765	**–**	–	–
	₱54,961,821	₱54,961,821	₱24,205,461	**₱–**	₱–	₱–

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

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Recognized directly in profit or loss				
Retirement benefits liability	**₱6,996,507**	₱6,996,507	**₱–**	₱–
Unrealized foreign exchange loss	**(250,917)**	(250,917)	**–**	–
Recognized directly in other comprehensive income			**–**	–
Retirement benefits liability	**(2,403,401)**	(2,403,401)	**–**	–
	₱4,342,189	₱4,342,189	**₱–**	₱–

d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
NOLCO	**₱530,051,300**	₱530,051,300	**₱101,370,406**	₱100,271,959
MCIT	**1,461,225**	1,461,225	**–**	–
	₱531,512,525	₱531,512,525	**₱101,370,406**	₱100,271,959

e. On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4(b) of Bayanihan to Recover as One Act" which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

		Group			
Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	**₱–**	**₱–**
2021	2022-2026	2,082,495	–	–	2,082,495
2022	2023-2025	5,339,977	5,339,977	–	–
2023	2024-2026	85,074,999	–	–	85,074,999
2024	2025-2027	166,526,075	–	–	166,526,075
2025	2026-2028	276,367,731	–	–	276,367,731
		₱536,204,317	₱6,153,017	**₱–**	₱530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO in taxable years 2022 and 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover as One Act, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱–	₱–
2021	2022-2026	2,082,495	–	–	2,082,495
2022	2023-2025	5,339,977	5,339,977	–	–
2023	2024-2026	85,074,999	–	–	85,074,999
2024	2025-2027	6,961,448	–	–	6,961,448
2025	2026-2028	7,251,464	–	–	7,251,464
		₱107,523,423	₱6,153,017	₱–	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

17. 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					
	June 30, 2026		2025			
	Volume	**Outstanding Balance**	Volume	Outstanding Balance	Terms	Conditions
Due to related parties						
Affiliates						
APHC	**₱–**	**₱3,178,883**	₱–	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	–	–	1,611,745	80,281,558	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	–	–	5,974,336	22,780,158	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Stockholder						

	Parent Company					
	June 30, 2026		2025			
	Volume	**Outstanding Balance**	Volume	Outstanding Balance	Terms	Conditions
Individual stockholder	**109,176,208**	**110,474,105**	–	1,297,897	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Total	**₱109,176,208**	**₱113,652,988**	₱–	₱107,538,496		

The Group has transactions with related parties, the most significant of which are as follows:

a. On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to ₱47.62 million and ₱533.58 million, respectively.
b. On January 1, 2022, the Group 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. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.

c. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to ₱134.16 million and ₱41.58 million, respectively.
d. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to ₱42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,165,325 and ₱9,597,243 and ₱9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

18. Basic/Diluted Earnings (Losses) Per Share

	Consolidated		Parent Company	
	June 30, 2026	2025	**June 30, 2026**	2025
Net income (loss) for the year/Quarter	**₱82,043,001**	(₱64,252,863)	**(₱5,651,469)**	(₱7,890,545)
Divided by weighted average number of common shares	**6,172,497,120**	6,172,497,120	**6,172,497,120**	6,172,497,120
Basic/diluted earnings (losses) per share	**(₱0.013)**	(₱0.010)	**(₱0.001)**	(₱0.001)

As of June 30, 2026 and 2025, 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.

19. 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.

20. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended December 31, 2025.

Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under "Taxes and licenses", which is presented under "Operating expense" line item in the 2025 statement of comprehensive income.

National:	
PSE annual listing fee	₱250,000
Local:	
Permits and licenses	–
	₱250,000

Withholding Taxes

Withholding taxes paid and accrued by the Company in June 30, 2026 are as follows:

	Paid	Accrued
EWT	₱50,000	₱10,000
Withholding taxes on compensation and benefits	–	–
	₱50,000	₱10,000

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 June 30, 2026.

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF JUNE 30, 2026

COMPANY FINANCIAL STATEMENTS

Statements of Financial Position as of June 30, 2026 and 2025

Statements of Income for the quarter and years ended June 30, 2026, 2025 and 2024

Statements of Comprehensive Income for the years ended June 30, 2026, 2025 and 2024

Statements of Changes in Equity (Capital Deficiency) for the years ended June 30, 2026, 2025 and 2024

Statements of Cash Flows for the years ended June 30, 2026, 2025 and 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, 2026

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
Cash and related parties				
Cash		₱21,444,749	₱21,444,749	₱-
Trade and other receivables		107,265,800	107,265,800	–
Due from related parties		123,638,826	123,638,826	–
Total		**₱252,349,375**	**₱252,349,375**	**₱-**

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, 2026

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at JUNE 30, 2026 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, 2026

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱107,738,496	₱-	₱-	₱-	₱-	₱-	₱-

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE D - LONG-TERM DEBT
MARCH 31, 2026

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position

–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, 2026

Name of Related Party	Balance at beginning of period	Balance at end of period

–Not applicable–

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
JUNE 30, 2026

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

–Not applicable–

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE G - CAPITAL STOCK
JUNE 30, 2026

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	–	–	5,186,371,650	1,443,628,350

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION (ANNEX 68-D)
AS OF JUNE 30, 2026

Unappropriated Retained Earnings, beginning of reporting period		(₱1,101,135,754)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	–	
Effect of restatements or prior-period adjustments	–	
Others (describe nature]	–	–
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	–	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others (describe nature)	–	–
Unappropriated Retained Earnings, as adjusted		(₱1,101,135,754)
Add/Less: Net Income (loss) for the current year		(5,651,469)
Less: Category C.l: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	
Sub-total		–
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)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	
Sub-total		–
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		

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		–
Adjusted Net Income/Loss		**(5,651,469)**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others (describe nature)	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
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		–
Total Retained Earnings, end of the reporting period available for dividend		**(₱1,106,787,223)**

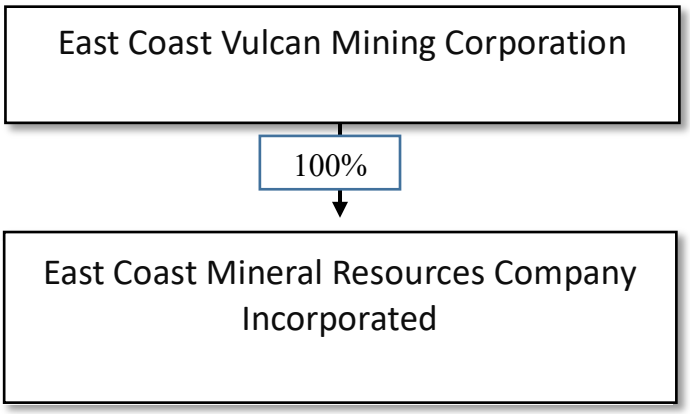
The amount is zero since the reconciliation results to a deficit of (₱1,106,787,223) as at June 30, 2026.

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED JUNE 30, 2026 and 2025

Ratio	Formula	2026	2025
Liquidity and Solvency Ratios:			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.50:1	0.51:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.50:1	0.11:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	0.132:1	0.34:1
Financial Leverage Ratios:			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.57:1	1.61:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.36:1	0.38:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.56:1	0.61:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	5.09:1	(0.15:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	20.31:1	(26.95:1)
Profitability Ratios:			
Return on assets	Net Income Before Tax Divided by: Total Assets	4.06%	(0%)
Return on equity	Net Income Before Tax Divided by: Total Equity	6.36%	(0%)
Gross profit margin	Gross income Divided by: Net Sales	100%	8%
Net profit margin	Net Income Divided by: Net Sales	44.51%	(14%)

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, 2026

PURSUANT TO REVISED SRC RULE 68



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE–RELATED INFORMATION
For the year ended June 30, 2026 and 2025

	2026	2025
Total Audit Fees	**₱-**	₱2,230,000
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Non-audit Fees	–	–
Total Audit and Non-audit Fees	**₱-**	₱2,230,000