

COVER SHEET

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SEC Registration Number

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(Company’s Full Name)

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

ROLANDO S. SANTOS
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(Contract Person)

(02) 8831-4479
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(Company Telephone Number)

1	2
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Month

3	1
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Day

(Fiscal Year)

2	0	-	I	S
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(Form Type)

0	7
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Month

2	6
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Day

(Annual Meeting)

2025	DEFINITIVE
INFORMATION STATEMENT	

Secondary License Type, If Applicable)

Corporation Finance
Department

Dept. Requiring this Doc.

N/A
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Amended Articles Number/Section

2,174
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Total No. of Stockholders

Total Amount of Borrowings	
	N/A

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document ID

Cashier

STAMPS									
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## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

### To All Stockholders:

Please be advised that the Annual Meeting of the Stockholders of **MARCVENTURES HOLDINGS, INC.** (the "**Corporation**") will be held on **July 25, 2025 (Friday) at 2:00 P.M.** The meeting will be held at the McKinley B & C Room, Manila Polo Club, 35 McKinley Road, Forbes Park, Makati City.

The Agenda of the meeting is as follows:

1. Call to Order
2. Proof of Notice and Certification of Quorum
3. Approval of the Minutes of the Previous Annual Stockholders' Meeting Held on 26 July 2024
4. Approval of the Management Report and Audited Financial Statements for the Year Ended 31 December 2024
5. Approval of the Management Contract between MHI and MMDC
6. Ratification of Acts of the Board of Directors and Management
7. Election of Directors
8. Appointment of the External Auditor
9. Other Matters
10. Adjournment

For purposes of the Meeting, stockholders of record as of June 25, 2025 are entitled to receive notice of and to vote at the said meeting. Registration for the meeting begins at 1:00 p.m. For convenience in registering your attendance, present your valid identification, such as, Driver's License, Voter's ID, TIN card, SSS card, or Passport.


If you will not be able to attend the meeting but would like to be represented thereat, you are requested to submit a duly signed and accomplished proxy form to the Office of the Corporate Secretary of Marcventures Holdings, Inc. located at the 4th Floor BDO Towers Paseo, 8741 Paseo de Roxas, Makati City or on before 6:00 p.m., July 15, 2025. Beneficial owners whose shares are lodged with PDTC or registered under the name of a broker, bank, or other fiduciary allowed by law, must likewise present a notarized certification from the owner of record (i.e. the broker, bank, or other fiduciary) that he is the beneficial owner indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized Secretary's Certificate attesting to the authority of its representative to attend and vote at the Stockholder's Meeting.

The deadline for submission of proxies is on July 15, 2025. Validation of proxies will take place on July 18, 2025.

Pursuant to the Securities and Exchange Commission's Notice dated March 12, 2025, an electronic copy of the Information Statement and Management Report and SEC Form 17A and other pertinent documents related to the meeting may be accessed through the Corporation's website at <https://www.marcventuresholdings.com.ph/> and on the Philippine Stock Exchange Edge website.

For any question about the meeting, you may send an email to:  
[inquiries@marcventures.com.ph](mailto:inquiries@marcventures.com.ph)

Makati City, June 30, 2025.



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

- A proxy shall be valid only for the meeting for which it is intended (SRC Rule 20.11.2.12)

MARCVENTURES HOLDINGS, INC.  
ANNUAL STOCKHOLDERS' MEETING  
July 25, 2025

PROXY FORM

This Proxy is being solicited on behalf of the Board of Directors and Management of Marcventures Holdings, Inc. (the "Company") for voting at the Annual Stockholders' Meeting to be held on July 25, 2025 at McKinley B & C Room, Manila Polo Club, 35 McKinley Road, Forbes Park, Makati City

I, the undersigned stockholder of the Company, do hereby appoint, name and constitute the Company's Chairman, Cesar C. Zalamea or President, Augusto C. Serafica, Jr.

or

as my attorney-in-fact and proxy, to represent me at the Annual Stockholders' Meeting of the Company to be held on July 25, 2025 at 2:00 p.m. and any postponement(s) and adjournment(s) thereof, as fully and to all intents and purposes as I might or could do if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) thereof. In particular, I hereby direct my said proxy to vote on the agenda items set forth below as I have expressly indicated by marking the same with an "X".

AGENDA ITEMS	ACTION		
Item 1. Call to Order	No action necessary.		
Item 2: Proof of Notice and Certification of Quorum	No action necessary.		
	FOR	AGAINST	ABSTAIN
Item 3: Approval of the Minutes of the Previous Annual Stockholders' Meeting held on 26 July 2024			
Item 4: Approval of the Management Report and Audited Financial Statements for the year ended 31 December 2024			
Item 5: Approval of the Management Contract between the Company and Marcventures Mining and Development Corp.			
Item 6: Ratification of All Acts of the Board of Directors and Management			
Item 7: Election of Directors			
For Regular Directors:			
1. Cesar C. Zalamea			
2. Marianne Regina T. Dy			
3. Michael L. Escaler			
4. Augusto C. Serafica, Jr.			
5. Ruby K. Sy			
6. Anthony M. Te			
For Independent Directors:			
1. Kwok Yam Ian Chan			
2. Carlos Alfonso T. Ocampo			
3. Alfredo S. Panlilio			
Item 8: Approval of Appointment of Reyes Tacandong & Co. as the Company's External Auditor			
Item 9: Other Matters	According to Proxy's Discretion		
Item 9: Adjournment			

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

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

- FOR the approval of the minutes of previous Annual Meeting of the Stockholders;



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

If you will not be able to attend the meeting but would like to be represented thereat, you must submit a duly signed and accomplished proxy form to the Office of the Corporate Secretary of Marcventures Holdings, Inc., 4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City or on before 6:00 p.m. of July 15, 2025. Beneficial owners whose shares are lodged with Philippine Depository and Trust Corporation (PDTC) or registered under the name of a broker, bank, or other fiduciary allowed by law, must likewise present a notarized certification from the owner of record (i.e. the broker, bank, or other fiduciary) that he is the beneficial owner indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized Secretary's Certificate attesting to the authority of its representative to attend and vote at the stockholder's meeting. Validation of proxies shall be made on July 18, 2025 at the principal office of Marcventures Holdings, Inc.

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

Signature of Stockholder  
or Authorized Signatory

**PLEASE MARK, SIGN, AND RETURN YOUR PROXY BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) ON OR BEFORE 6:00 P.M. OF JULY 14, 2025.**

REPUBLIC OF THE PHILIPPINES        )  
CITY OF                                        ) S.S

SECRETARY’S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

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

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

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

“RESOLVED, as it is hereby resolved that \_\_\_\_\_, be appointed by the Corporation to represent it at the meeting of the stockholders of MARCVENTURES HOLDINGS, INC. scheduled on July 25, 2025 at any postponement thereof, and in connection therewith, to vote all shares registered in the name of the Corporation or to execute or give any proxies as she/he may deem proper.”

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

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

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

Doc No.\_\_\_\_;  
Page No.: \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2025.

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 20-IS**  
**INFORMATION STATEMENT PURSUANT TO SECTION 20**  
**OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:  
☐ Preliminary Information Statement  
☒ Definitive Information Statement
2. **MARCVENTURES HOLDINGS, INC.**  
 Name of the Registrant as specified in its charter
3. **METRO MANILA, PHILIPPINES**  
 Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **12942**
5. BIR Tax Identification Code **000-104-320-000**
6. **4th Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City**  
 Address of principal office Postal Code **1227**
7. **(02) 8831-4479 or 8856-7976**  
 Registrant's telephone numbers, including area code
8. **July 25, 2025 at 2:00 pm, McKinley B & C Room of Manila Polo Club, McKinley Road, Forbes Park, Makati City**  
 Date, time and place of the meeting of security holders
9. Approximate date on which the Information Statement is first to be sent or given to security holders – **July 3, 2025**
10. In case of Proxy Solicitations:  
 Name of Person Filing the Statement/Solicitor: **MARCVENTURES HOLDINGS, INC.**  
 Address and Telephone No.: **4<sup>th</sup> Floor BDO Towers Paseo, (Formerly Citibank Center) 8741 Paseo de Roxas, Makati City Metro Manila, Philippines 1227 Tel. (632) 8831-4479 Attn: Atty. Ana Maria A. Katigbak**
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):  

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
<b>Common Stock</b>	<b>3,014,820,305*</b>
<b>* As of 30 June 2025</b>	

Are any or all of registrant's securities listed in a Stock Exchange?  
**YES [X] NO [ ]**

If yes, disclose the name of such Stock Exchange and the class of securities therein:  
**Philippine Stock Exchange - Common Stock**

**MARCVENTURES HOLDINGS, INC.**  
**INFORMATION STATEMENT**  
**(SEC FORM 20-IS)**

**PART 1: GENERAL INFORMATION**

**Item 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS**

Date of meeting:	July 25, 2025 (Friday)
Time of meeting:	2:00 pm
Place of meeting:	McKinley B & C Room of Manila Polo Club, McKinley Road, Forbes Park, Makati City

The Chairman of the Board or the President shall preside over the meeting in Makati City.

Approximate mailing date of this statement including proxy form:	3 July 2025 (to be compliant with the requirements of publication of Notice of Meeting under Securities and Exchange Commission (SEC) Notice dated 12 March 2025 re Alternative Mode for Distributing and Providing Copies of Notice of Meeting, Information Statement, and Other Documents in Connection with the Holding of Annual Stockholders' Meeting for the Year 2025)
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Complete mailing address of the principal office of the Registrant:	4 <sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City
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**Item 2. DISSENTERS' RIGHT OF APPRAISAL**

There are no matters to be taken up during the Annual Stockholders' Meeting on 25 July 2025 that will require the exercise of appraisal right by any dissenting stockholder.

Any stockholder of the Company may exercise his appraisal right against the proposed action which qualifies as instances that give rise to the exercise of such right, pursuant to the provisions and procedures set forth under Title X of the Revised Corporation Code of the Philippines. The application of such right is limited to the following instances:

- a. In case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence (Section 80);
- b. In case of the sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets (Section 80);
- c. In case of merger or consolidation (Section 80);
- d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation (Section 80).

The Revised Corporation Code of the Philippines (Sec. 81) provides that the appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making

a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares: Provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: and Provided, further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

### **Item 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON**

No incumbent member of the Board of Directors, or nominee for election as Director, at any time since the beginning of the last fiscal year has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting other than election to office.

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

No associate of any of the foregoing persons have any substantial interest, direct or indirect, in any matter to be acted upon, other than election to office.

## **B. CONTROL & COMPENSATION INFORMATION**

### **Item 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

- (1) The Registrant has 3,014,820,305 outstanding common shares as of June 30, 2025. Each common share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.
- (2) The record date for determining stockholders entitled to notice and to vote during the Annual Stockholders' Meeting and to this Information Statement is on June 25, 2025.
- (3) The election of the Board of Directors for the current fiscal year will be taken up and all stockholders have the right to cumulate their votes in favor of their chosen nominees for Director in accordance with Section 23 of the Revised Corporation Code of the Philippines. Section 23 provides that a stockholder may vote such number of shares registered in his name as of the record date for as many persons as there are Directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. The total number of votes cast by such stockholders should not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of Directors to be elected.

**(4) Security Ownership of Certain Record and Beneficial Owners and Management of more than 5%**

Security ownership of certain record (“r”) and beneficial (“b”) owners of five percent (5%) or more of the outstanding capital stock of the Registrant as of June 30, 2025:

Title of Class	Name, address of record owner and relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (Based on new no. of Outstanding Shares)
Common	RYM Business Management Corp.	-	Filipino	309,999,946	10.28%
Common	Ruby Sy	-	Filipino	168,615,000	5.59%
Common	PCD Nominee Corporation (Registered owner in the books of the stock transfer agent)	Bright Kindle Resources & Investments Inc.	Filipino	600,000,000	19.90%
		Rodolfo Yu	Filipino	172,635,000	5.73%
		Dy Family	Filipino	348,500,000	11.56%
		Except those enumerated above, the Company is not aware of other persons with lodged shares who are the beneficial owners of more than 5% of its outstanding capital stock.  PCD authorizes its trading participants to vote the shares registered in their name.	Filipino	1,081,188,593	35.86%
TOTAL				2,680,938,539	88.93%

The Company has not yet received the proxy form appointing the attorney-in-fact who shall represent and vote on the shares held by Bright Kindle Resources and Investments, Inc. and RYM Business Management Corporation in the 2025 Annual Stockholders’ Meeting. In the previous meeting, the authorized proxies were Atty. Remegio C. Dayandayan, Jr. and Mr. Augusto C. Serafica, Jr., respectively.

As of June 30, 2025, the foreign ownership level of Marcventures Holdings, Inc. (MARC) is 82,516,395 common shares or equivalent to 2.74%.

**Security Ownership of Management** – Record “r” and Beneficial “b” (direct/indirect) owners as of June 30, 2025:

Title of Class	Name of Beneficial Owner	Amount and nature of ownership (Indicate record (“r”) and/or beneficial (“b”))	Citizenship	Percent of Class
Common	Cesar C. Zalamea <i>Chairman</i>	1,000 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Marianne Regina T. Dy <i>Director</i>	1 “r” (direct) 5,999,999 “b” (indirect)	Filipino	0.00% 0.20%
Common	Carlos T. Ocampo <i>Independent Director</i>	1,000 “r” (direct) 0 “b”(indirect)	Filipino	0.00%
Common	Augusto C. Serafica, Jr. <i>President and Director</i>	10,000 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Ruby Sy <i>Director</i>	168,615,000 “r” (direct) 0 “b” (indirect)	Filipino	5.59%
Common	Anthony M. Te	27,000,500 “r” (direct)	Filipino	0.90%

	<i>Director</i>	55,629,100	"b" (indirect)		1.85%
Common	Kwok Yam Ian Chan <i>Independent Director</i>	1,000 0	"r" (direct) "b" (indirect)	British	0.00%
Common	Michael L. Escaler <i>Director</i>	1	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Andrew Julian K. Romualdez <i>Director</i>	1,000 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Rolando S. Santos <i>Chief Operating Officer and Executive Vice-President</i>	1 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Roberto V. San Jose <i>Corporate Secretary</i>	0 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Ana Katigbak <i>Asst. Corporate Secretary, Compliance Officer, Corporate Information Officer, and Data Privacy Officer</i>	0 150,000	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Rommel T. Casipe <i>Co-Asst. Corporate Secretary, Co-Compliance Officer, Co-Corporate Information Officer</i>	0 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Dale A. Tongco <i>Treasurer</i>	0 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Deborra C. Ilagan <i>VP HR/ Admin</i>	0 0	"r" (direct) "b" (indirect)	Filipino	0.00%
Common	Ma. Theresa A. Defensor <i>VP Corporate Communications</i>	0 0	"r" (direct) "b" (indirect)	Filipino	0.00%
		195,629,503 - "r" 61,779,099 - "b"			

### ***Voting trust holders of 5% or More***

No person holds more than five per centum (5%) of a class under a voting trust agreement or similar arrangement.

### ***Changes in control***

Currently, the Company has no arrangement which has occurred, resulted to or may have resulted in a change in control of MHI since the beginning of the last fiscal year.

## **Item 5. DIRECTORS AND EXECUTIVE OFFICERS**

### **Board of Directors and Executive Officers**

The names, ages, citizenship, position and business experience of all Directors and Executive Officers held for the past five (5) years (except those years stated otherwise) are as follows:

<b>Name</b>	<b>Age</b>	<b>Citizenship</b>	<b>Position</b>
Cesar C. Zalamea	96	Filipino	Chairman
Augusto C. Serafica, Jr.	63	Filipino	Director
Marianne Regina T. Dy	48	Filipino	Director
Carlos Alfonso T. Ocampo	59	Filipino	Independent Director
Kwok Yam Ian Chan	38	Filipino	Independent Director
Ruby K. Sy	72	Filipino	Director
Michael L. Escaler	74	Filipino	Director
Anthony M. Te	55	Filipino	Director

Andrew Julian K. Romualdez	25	Filipino	Director
Rolando S. Santos	75	Filipino	Chief Operating Officer and Executive Vice-President
Dale A. Tongco	60	Filipino	Treasurer
Roberto V. San Jose	83	Filipino	Corporate Secretary
Ana Maria A. Katigbak	56	Filipino	Asst. Corporate Secretary/Compliance Officer/Corporate Information Officer/ Data Privacy Officer
Rommel T. Casipe	38	Filipino	Co-Assistant Corporate Secretary/ Co-Compliance Officer/ Co-Corporate Information Officer
Deborra C. Ilagan	62	Filipino	Vice-President for Human Resources / Administration
Ma. Theresa A. Defensor	57	Filipino	Vice President – Corporate Communications

**Mr. Cesar C. Zalamea** was elected Chairman of Marcventures Holdings, Inc. (MHI) in June 2013. He served as the Company's President from June 2013 to September 2014. He serves as Chairman of Marcventures Mining and Development Corp. (MMDC) and Bright Kindle Resources Inc. (formerly Bankard Inc.). He is an Independent Director of Araneta Properties Inc., a company he joined as Director in December 2008. He was a member of the Advisory Board of Campbell Lutyens & Co. Ltd., an investment advisory company based in the U.K., from July 2011 until June 2015. In 1945, Mr. Zalamea joined AIG where he started as an Investment Analyst at the Philippine American Life Insurance Company (Philamlife) and, later, its President in May 1969. While with Philamlife, he was called to serve the Program Implementation Agency (PIA) in 1964 as Deputy Director General. PIA was an economic group that reported directly to the President of the Philippines. He returned to Philamlife in 1965. In 1969, Mr. Zalamea was appointed Member of the Monetary Board of the Central Bank of the Philippines, representing the private sector. In 1981, he left Philamlife to become Chairman of the Development Bank of the Philippines, giving up his post in the Monetary Board. In 1986, he left the DBP to go back to AIG. He was then stationed in Hong Kong to be the first President of AIG Investment Corporation (Asia) Ltd. At this time, he was elected to serve as Director in many AIG affiliated companies in Asia, such as the AIA Insurance Co., Nan Shan Life Insurance Co., and Philamlife. He left AIG in 2005 to work directly with Mr. Maurice R. Greenberg at C.V. STARR Companies, where he was appointed President and CEO of Starr Investment Co. (Asia) Ltd. In 2008, he became its Chairman until he retired in 2010.

Mr. Zalamea obtained his BS in Accounting and Banking in 1951 from Colegio de San Juan de Letran, where he graduated valedictorian. In 1953, Mr. Zalamea received his MBA from New York University.

**Mr. Augusto Antonio C. Serafica Jr.** was elected as President in July 2024. He served as the Company's Director in June 2013. Mr. Serafica is currently the President and CEO of Bright Kindle Resources & Investments Corp and Armstrong Capital Holdings, Inc. He was formerly the President of Premiere Horizon Alliance Corporation and the Managing Director of Asian Alliance Investment Corporation and Asian Alliance Holdings & Development Corporation. He is currently the Treasurer of Ardent Property Development Corporation and First Ardent Development Corporation.

Mr. Serafica obtained a Bachelor of Commerce in Accountancy degree from San Beda College and master's in business management from the Asian Institute of Management. Mr. Serafica is a Certified Public Accountant.



Mr. Serafica is also a member of the Board of Trustees of the AIM Scientific Research Foundation, Inc., President of the AIM Alumni Leadership Foundation, Inc., and is a former Treasurer of the Federation of AIM Alumni Associations, Inc. and Chairman and Director of the Alumni Association of AIM – Philippines, Inc. He was also a former National Chairman of the Board of Trustees as well as a former National Treasurer of the Brotherhood of Christian Businessmen and Professionals (BCBP).

**Ms. Marianne Regina T. Dy** was elected Director in September 2014. She is the Vice President and Chief Operating Officer of So-Nice International Corporation and an active member of the Meat Importers and Traders Association (MITA). She is a graduate of De La Salle University with degrees in Psychology, Marketing Management, and Finance for Senior Executives from the Asian Institute of Management.

**Atty. Carlos Alfonso T. Ocampo** was elected as Independent Director in August 2013. He is also an independent director of Bright Kindle Resources & Investments, Inc. He is the founder of Ocampo & Manalo Law Firm, which was established in 1997. He is a member of the Board in various corporations, including MAA General Assurance Phils. Inc., South Forbes City College Corporation, Columbian Autocar Corporation, Asian Carmakers Corp., Jam Transit Inc., Prestige Cars Inc., Autohaus Quezon City Inc., and AVK Philippines, Inc. He is the Corporate Secretary of PSI Healthcare Development Services Corp., PSI Prescription Solutions Corp., Adrianse Phils. Inc., Bluelion Motors Corp., First Charters and Tours Transport Corp., Brycl Resorts and International Inc., AVK Philippines Inc., Jam Liner Inc., and Manila Golf and Country Club. He previously served as Vice President and General Counsel of Air Philippines Corporation. Atty. Ocampo obtained his Bachelor of Laws from the University of the Philippines. Upon graduation from college, he was admitted into the honor societies of Phi Kappa Phi and Pi Gamma Mu. He also completed an Executive Management Program at the Asian Institute of Management and earned Certificates from The Harvard Kennedy School of Government for the IME program in 2017 and MN program in 2016. In 2013, he was named as a leading adviser as well as a commercial law expert by Acquisition International and Global Law Experts, respectively.

**Mr. Kwok Yam Ian Chan** was elected as Independent Director on 25 September 2020. He is currently a Director of Zenith System and Heavy Equipment, Seaborne Shipping Inc., and Isky Empire Realty Inc. He is likewise a Director of Megalifters Cargo Handling Corp., King Dragon Realty Corp. and DK Ventures Inc. Previous to that, he was the Managing Director of Dunfeng Philippines International Inc. from 2010 to 2017. He was also the President of Dunfeng Shipping Inc. from 2013 to 2017 and served as a Director of Mannage Resource and Trading Inc. from 2015 to 2017. He obtained his master's degree in Economics majoring in Finance at California Polytechnic University. Mr. Chan graduated from DLSU - College of St. Benilde with a Bachelor of Science degree in Business Administration majoring in Export Management.

**Ms. Ruby Sy** was elected Director in April 2018. She previously served as President and Director of Asia Pilot Mining Philippines Corp. (APMPC), Director and Treasurer of Bauxite Resources, Inc. and Director and Treasurer of Alumina Mining Philippines Inc.

**Mr. Michael L. Escaler** was elected Director on November 14, 2014. He is the President and CEO of All Asian Countertrade Inc. known as the largest sugar trader in the Philippines, founded in 1994 in partnership with Louis Dreyfus and Nissho-Iwai. He is also the Chairman and President of PASUDECO Development Corp. ; Chairman and CEO of Sweet Crystals Integrated Mill Corporation and Okeelanta Corporation; Chairman of Balibago Waterworks System Inc., South Balibago Resources Inc., Megaworld Capital Town Inc., JSY Transport Services Inc., Aldrew and Gray Transport Inc., Silverdragon Transport Inc. and Metro Clark Waste Management Inc.; President of San Fernando Electric Light and Power Company Inc. and Stanwich Philippines Inc. He serves as an Independent Director of Lorenzo Shipping Corporation, Director of PowerSource Philippines Inc., Empire Insurance Company, Trinity Insurance Brokers Inc., Trinity Healthcare Services Inc., Omnigrains Trading Corporation and Leyte Agri Corporation.

A sugar trader in New York and London from 1974 to 1993, Mr. Escaler began his career at Nissho-Iwai of America for two years and left for ACLI International, one of the largest privately held trading

company. Later on, he transferred to Philipp Brothers as Vice-President to head its white sugar trading operations. Afterwards he started his own trading company in the Philippines. He is a Hall of Fame Sprinter for Ateneo de Manila University, where he graduated Cum Laude in Bachelor of Arts in Economics. He obtained his Master's in Business Administration in International Marketing in New York University.

A Philanthropist, Mr. Escaler supports various charities including Habitat for Humanity, Coca Cola Foundation, PGH Medical Foundation, Mano Amiga Academy, Productive Internships in Dynamic Enterprise (PRIDE), American Chamber Foundation Philippines Inc. and San Lorenzo Ruiz Charity.

**Mr. Anthony M. Te** was elected Director in October 2017 and has been a director of Marcventures Mining & Development Corp since August 2013. He is currently Chairman of the Board of Asian Appraisal Company, Inc., Amalgamated Project Management Services, Inc., Asian Asset Insurance Brokerage Corp. and AE Proteina Industries Corp. He serves as Chairman and Chief Finance Officer of Mactel Corp., and as Director and Treasurer for Manila Standard Today Management, Inc. Mr. Te is a licensed soliciting official for Non-Life Insurance with the Philippine Insurance Commission. He previously sat as director in the following companies: AG Finance, Inc. Balabac Resources & Holdings Co., Inc., Commonwealth Savings & Loans bank, EBECOM Holdings, Inc. Equitable PCI Bank, MRC Allied Industries, Inc., Oriental Petroleum & Minerals Corp., PAL Holdings, Inc., PGA Cars, Inc., and Phoenix Energy Corp. He obtained his Bachelor of Arts in Business Management from De La Salle University.

**Mr. Andrew Julian K. Romualdez** was elected Director on July 28, 2022. He resigned as director effective May 23, 2025. He is also a Director of the Company's subsidiaries, namely: Marcventures Mining and Development Corporation, Alumina Mining Phils., Inc. Bauxite Resources, Inc. and Brightgreen Resources Corporation. He is currently a director of listed companies, Benguet Corp. (BC) and Bright Kindle Resources & Investments, Inc. (BKR). He is also a director of the BC's subsidiaries, namely: Benguetcorp Resources Management Corporation (BRMC), Arrow Freight and Construction Corporation (AFCC), Benguetcorp Laboratories, Inc. (BCLI) and Benguet Management Corporation (BMC), and BKR's subsidiary, Brightstar Holdings and Development Inc. He is currently a director of Armstrong Securities, Inc. and Armstrong Capital Holdings, Inc. Mr. Romualdez graduated from Cornell University in 2022 with a Bachelor's Degree in International Agriculture and Rural Development.

**Mr. Rolando S. Santos** was elected Chief Operating Officer and Executive Vice-President in 29 September 2022. He was previously the Treasurer of the Company. He also serves as Treasurer for MMDC, Prime Media Holdings Inc., Southern Alluvial Minerals and Alumina Resources Inc., BrightGreen Resources Holdings Inc. and BrightGreen Resources Corp. and SVP Treasurer of Bright Kindle Resources and Investments, Inc. He previously served as Treasurer for AG Finance Inc., and was the Branch head/Cluster head of Branches for Banco De Oro from 2001 to 2013, Bank of Commerce from 1984 to 2001, Producers Bank of the Philippines from 1981 to 1984, and Far East Bank from 1972 and 1981. He obtained his degree in BS Business Administration from the University of the East.

**Mr. Dale A. Tongco** was appointed Treasurer in 29 September 2022. He was previously the Vice-President for Controllershship of the Company. He is also the Risk Management Officer of Prime Media Holdings Inc. and the VP Risk Management and and Chief Risk Officer of Bright Kindle Resources & Investments Inc. He is a Certified Public Accountant with extensive experience in Public Accounting Firms as External Auditor and with Corporations as an Internal Auditor and Risk Management Officer specifically in the areas of Fraud Management; ISO 9001 and 14001 Audit and Management; Process and Control Review; Policies and Procedures Documentation; Corporate Governance; and Finance and Treasury. His professional experience over 13 years includes stints in KPMG, Deloitte, Phil-Am-AIA, CP de Guzman & Co.-CPAs and Benguet Corporation.

**Atty. Roberto V. San Jose** is the Corporate Secretary of the Company and has held the office since 2010. He is also a Director, Corporate Secretary, or an officer of various companies which are clients of the law firm of Castillo Laman Tan Pantaleon & San Jose, where he is a Senior Consultant. He is a member of the Integrated Bar of the Philippines.

**Atty. Ana Maria A. Katigbak** is the Assistant Corporate Secretary, Compliance Officer and Corporate Information Officer of the company and has held the office since 1997. She is a partner in Castillo, Laman, Tan, and Pantaleon & San Jose Law Offices. She is a member of the Integrated Bar of the Philippines.

**Atty. Rommel T. Casipe** was appointed Co-Assistant Corporate Secretary, Co-Compliance Officer and Co-Corporate Information Officer in July 2023. He is also the Co-Assistant Corporate Secretary of a listed company, Bright Kindle Resources & Investments, Inc. Atty. Casipe has been a member of the Integrated Bar of the Philippines since 2019. Before joining the Company, he served as the Compliance Officer of D.M. Wenceslao & Associates, Inc., a real estate company. He also worked as an associate lawyer in OPCN Law Offices specializing in Labor Law and Trademark Law. He obtained his bachelor's degree in Sport Science from the University of the Philippines and Law degree from the Far Eastern University.

**Ms. Deborra C. Ilagan** was appointed Vice President for Human Resource and Administration in October 2020. She has been a Human Resources practitioner for well over 20 years with solid background in various HR roles and office administration functions, as well as Finance. Her longest stint (1991-2014) was with Metro Drug, Inc. – a leading distributor of pharmaceutical and healthcare products – where she rose through the ranks from Management Services Supervisor, Treasury Supervisor, Assistant Manager, HR Manager, and Vice President for HR. She was instrumental in building the HR department's resources, led collective bargaining agreement negotiations from 2002 to 2013, and implemented 3 rightsizing and early retirement programs of the company. She transitioned to her role as Associate Director – Human Resources and Systems in 2017 at Pacific Cross Insurance, Inc. where she led overall HR operations.

**Ms. Ma. Theresa A. Defensor** was promoted to Vice President – Corporate Communications of Marcventures Holdings, Inc. on September 1, 2023. She was formerly Assistant Vice President for Corporate Communications and has been with the Company for over five years. Ms. Defensor is a Communications practitioner backed up with decades of experience in public relations, content creation, and media management. Prior to Marcventures Holdings Inc., she held key positions in top agencies Fleishman Hillard, Fuentes Manila, and Agatep and Associates. As a journalist, she wrote for Business World, Philippine Tatler and The Manila Chronicle. A certified Global Crisis Counselor, she majored in Journalism at the University of the Philippines and completed her graduate studies at the University of Santo Tomas and the Asian Institute of Management.

### **Nominations Committee and Nominees for Election as Members of the Board of Directors**

The Nominations Committee has screened the following nominees for election or re-election on 25 July 2025. The Nominations Committee determined that the candidates possess all the qualifications and none the disqualifications as Director or Independent Director.

#### **Nominees for Regular Directors:**

1. Cesar C. Zalamea
2. Marianne Regina T. Dy
3. Michael L. Escaler
4. Augusto C. Serafica, Jr.
5. Ruby K. Sy
6. Anthony M. Te

#### **Nominees for Independent Director:**

1. Kwok Yam Ian Chan
2. Carlos Alfonso T. Ocampo
3. Alfredo S. Panlilio

All nominations for regular Directors and Independent Directors have been reviewed and approved by the Company's Nominations and Compensation Committee.

### **Independent Directors (IDs)**

As of the date of this Information Statement, the Nominations and Compensation Committee has received and approved the nomination of the following individuals for Independent Director/s of the Company:

- 1. Kwok Yam Ian Chan**
- 2. Carlos Alfonso T. Ocampo**
- 3. Alfredo S. Panlilio**

They all possessed all the qualifications and none of the disqualifications as Independent Director.

The Independent Directors named above were nominated by Mr. Anthony M. Te, whom has no relation to the nominees.

The nomination and election of Independent Director shall be in accordance with Section 38, as amended of Republic Act 8799 or the Securities Regulation Code.

The Nominations and Compensation Committee is composed of Mr. Cesar C. Zalamea as Chairman and Messrs. Augusto C. Serafica, Jr. and Michael L. Escaler as members.

In accordance with SEC Memorandum Circular No. 4 Series of 2017, the Independent Directors (IDs) have not exceeded the maximum cumulative terms of nine (9) years. Furthermore, the Company understands that after a term of nine (9) years, the Independent Director shall be perpetually barred from re-election as such in the same company but may continue to qualify for nomination and election as a non-Independent Director. At the instance that a company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting; and Reckoning of the cumulative nine-year term is from 2012.

Atty. Ocampo was elected to his first term as Independent Director on August 2, 2013 during a Special Board Meeting and has been elected to, and served, for nine consecutive years ending in 2022. The Nominations Committee received the nomination of Atty. Ocampo as an Independent Director from a shareholder, with a favorable assessment of his performance during his term. Upon the Committee's favorable endorsement, and after a discussion on the background and qualifications of Atty. Ocampo and his valuable contributions to MHI, demonstrated by his willingness to delve into the hard questions during Committee and Board deliberations and his ability to stand up for an independent even opposing point of view which is invaluable to the Company's decision-making process, the Board of Directors found meritorious justification to unanimously approve the nomination of Atty. Ocampo as an Independent Director beyond the nine (9)-year term. The Board has favorably endorsed the nomination of Atty. Ocampo for re-election as an Independent Director at the Annual Stockholders' Meeting.

### **Period in Which Directors and Executive Officers Should Serve**

The Directors and Executive Officers should serve for a period of one (1) year.

### **Term of Office of a Director**

The Directors shall be elected annually by the stockholder's owning majority of the outstanding capital stock for a term of one (1) year and shall serve until the election and qualification of their successors.

If any vacancy shall occur among the Directors by death, resignation, or otherwise, such vacancy may be filled by the remaining Directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders by ballot at any meeting or adjourned meeting held during such vacancy. Provided the Notice of the Meeting shall have mentioned such vacancy or expected vacancy. The stockholders at any such meeting may also, in the event of like mention, accept the resignation of any Director and fill the vacancy thereby caused for the unexpired term. In case of a vacancy in the Board, the remaining Directors shall forthwith fill the vacancy or call a special meeting of the stockholders for that purpose.

### Significant Employees

The Company is not highly dependent on any individual who is not an Executive Officer.

### Family Relationships

There are no family relationships either by consanguinity or affinity up to the fourth civil degree among Directors, Executive Officers, and Nominees for election as directors.

### Involvement in Certain Legal Proceedings

To the best of the knowledge and/or information of the Company, none of its Directors or its Executive Officers, is presently or during the last five (5) years been involved in any material legal proceeding in any court or government agency on the Philippines or elsewhere which would put to question their ability and integrity to serve Marcventures Holdings, Inc. and its stockholders.

Further, to the best of its knowledge and/or information, the Company is not aware of: (a) any bankruptcy petition filed by or against any business of which a Director or Executive Officer or person nominated to become a Director or Executive Officer was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) any conviction by final judgment, including the nature of the offense, in a criminal proceeding, excluding traffic violations and other minor offenses; (c) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and (d) being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

### Certain Relationships and Related Transactions

ADVANCES TO RELATED PARTY*	2024	2023	Nature**	Relationship***	Valuation****	Terms*****
Bright Kindle Resources Inc.	₱ 8,022	₱ 8,022	Working Fund	Associate and Common Management	Measured at Cost	Collectible in demand, unsecured, non-interest bearing
Brightstar Holdings & Development Inc.	11,150	11,150	Working Fund	Common Management	Measured at Cost	Collectible in demand, unsecured, non-interest bearing
Others	2,935,893	2,364,552	Working Fund	Common Management	Measured at Cost	Collectible in demand, unsecured, non-interest bearing
	₱ 2,955,065	₱ 2,383,724				

\*Identification of related parties  
 \*\*business purpose of the arrangement  
 \*\*\* nature of relationship  
 \*\*\*\* determination of transaction of prices by the parties  
 \*\*\*\*\* any on-going contractual commitments

**ADVANCES FROM RELATED PARTY**

RYM Business Management Corporation						Payable in demand, unsecured, non-interest bearing
			Working Fund	Common Management	Measured at Cost	
	5,000,000	5,000,000				
	<b>₱ 5,000,000</b>	<b>₱ 5,000,000</b>				

The amounts specified above do not meet the material threshold of ten percent (10%) of the Company's total consolidated assets and are not required to be disclosed as related-party transactions.

As of December 31, 2024, the Advances to Related Parties have an outstanding balance of ₱2.95 million which represents a non-interest-bearing unsecured loan payable on demand. On the other hand, the Advances from Related Parties as at December 31, 2024 has an outstanding balance of ₱5.0million which also represents a non-interest-bearing unsecured loan payable on demand.

The Company retains the law firm of Castillo Laman Tan Pantaleon & San Jose Law Offices (CLTPS) where its Corporate Secretary, Atty. Roberto V. San Jose, is a Senior Partner. During the last fiscal year, the Company paid CLTPS legal fees which the Company believes to be reasonable.

The Company is involved in nickel mining operations in Surigao del Sur, through its wholly owned subsidiary, Marcventures Mining & Development Corporation (MMDC). The area covered by MMDC's Mineral Production Sharing Agreement, No. 016-93-XIII, is physiologically located in the Diwata mountain range of Surigao del Sur and covers an area of 4,799 hectares. The mine is covered by ECC NO. 0807-022-1093 issued by the Department of the Environment and Natural Resources. Please refer to Note 1 of the 2024 ACFS.

Other than the foregoing, there has been no transaction outside of the ordinary course of business during the last two years, nor is any transaction presently proposed, to which the Company was or is to be a party in which any director or executive officer of the Company, or owner of more than 10% of the Company's voting securities or any member of the immediate family of any of the foregoing persons had or is to have a direct or indirect material interest. In the ordinary and regular course of business, the Company had or may have had transactions with other companies in which some of the foregoing persons may have an interest.

No Director has resigned or declined to stand for re-election to the Board of Directors since the date of the last Annual Meeting of the Stockholders because of a disagreement with the Registrant on any matter relating to the Registrant's operations, policies or practices.

**Item 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS**

The following table summarizes certain information regarding compensation paid or accrued during the last three fiscal years and to be paid in the ensuing fiscal year to the Company's President and each of the Company's three other most highly compensated Executive Officers:

<b>SUMMARY OF COMPENSATION TABLE</b>				
Names	Position	SALARY	BONUS	OTHER COMPENSATION
Executive officers				
Cesar Zalamea Augusto C. Serafica, Jr.	Chairman President (elected on July 26, 2024)			
Roberto San Jose	Corporate Secretary			
Ana Maria Katigbak Rommel T. Casipe	Asst. Corporate Secretary Co-Asst. Corporate Secretary			
	2022	₱14,960,460	₱1,246,705	₱29,792,835
	2023	₱15,804,506	₱1,317,042	₱31,473,700
	2024	₱17,450,325	₱1,454,193	₱34,751,247
	2025 estimated	₱ 19,267,533	₱1,605,628	₱38,370,105
All other officers and directors as group unnamed	2022	₱–	₱1,000,000	₱8,200,000
	2023	₱–	₱1,000,000	₱8,200,000
	2024	₱–	₱1,000,000	₱8,200,000
	2025 estimated	₱–	₱1,000,000	₱8,200,000

Compensation for key management personnel consists of salaries and other benefits.

The above executive officers are covered by standard employment contracts and can be terminated upon appropriate notice.

Non-executive Directors are entitled to a per diem allowance of ₱75,000 for each attendance in Regular Board meetings.

#### **Item 7. INDEPENDENT PUBLIC ACCOUNTANTS**

Independent Public Accountants, Reyes Tacandong & Co. ("RTC") will stand for re-election as the Company's auditor for the year 2025 which shall be subject to shareholders' approval during the Annual Meeting. RTC is currently the Company's Independent Public Accountant with Ms. Carolina P. Angeles as the Partner in Charge for the last five years. Representatives of RTC will be present during the Annual Meeting and will be given the opportunity to make a statement if they desire to do so. They are also expected to respond to appropriate questions if needed.

In compliance with SRC Rule 68, Paragraph 3(b)(iv) which provides that the external auditor should be rotated every five (5) years or earlier or the handling partner shall be changed, the previous account partner handling the Company, Belinda B. Fernando, who has been the handling partner since December 2013, was replaced by Carolina P. Angeles last 2018. A two-year cooling-off period shall be observed in the re-engagement of the same signing partner or individual.

There has been no event in the past years where RTC and the Company had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

The following are members of the Audit Committee:

**Item 8. COMPENSATION PLANS**

There is no action proposed to be taken during the stockholders' meeting with regard to any bonus, profit sharing, pension/retirement plan, granting of any extension of options, warrants or rights to purchase any securities.

**C. ISSUANCE AND EXCHANGE OF SECURITIES**

**Item 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE**

There are no matters or actions to be taken up with respect to authorization or issuance of securities.

**Item 10. MODIFICATION OR EXCHANGE OF SECURITIES**

There are no matters or actions to be taken up with respect to modification or exchange of securities.

**Item 11. FINANCIAL AND OTHER INFORMATION**

Copies of the Management Report, the Audited Financial Statements for the year ended 31 December 2024, 17Q or the Quarterly Unaudited Financial Statements as of 31 March 2025 are attached hereto.

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

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

Representatives of the Company's external auditor, Reyes Tacandong & Co., are expected to be present at the Annual Shareholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

**Item 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS**

There is no action to be taken with respect to any merger, consolidation, or acquisition.

**Item 13. ACQUISITION OR DISPOSITION OF PROPERTY**

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

**Item 14. RESTATEMENT OF ACCOUNTS**

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



## **D. OTHER MATTERS**

### **Item 15. ACTION WITH RESPECT TO REPORTS AND OTHER PROPOSED ACTION/S**

The following matters shall be submitted to the vote of stockholders of the Company during the stockholders' meeting.

1. Approval of Minutes of the Previous Annual Meeting of the Stockholders held on 26 July 2024
2. Approval of the Management Report and Audited Financial Statements for the year ended 31 December 2024
3. Approval of Management Contract between the Company and MMDC
4. Ratification of All Acts of the Board of Directors and Management
5. Election of Directors
6. Appointment of the External Auditor
7. Other Matters
8. Adjournment

The Board of Directors has previously noted and approved for inclusion in the Annual Stockholders' Meeting (ASM) agenda the matters stated above. The acts of the Board and Management for ratification are covered by necessary approvals, as so warranted under the Company's internal processes (See information below on attendance of directors as also reflected in the Company's Annual Corporate Governance Report [ACGR]), while the names of nominees have been previously approved by the Nominations Committee for election so with the external auditor which was endorsed by the Audit Committee for reappointment for the taxable year 2024.

The following table summarizes the attendance of the directors of Marcventures Holdings, Inc. (the "Corporation") in board meetings held by the Corporation during the calendar year 2024.

	<b>Name</b>	<b>Number of Meetings Held During the Year</b>	<b>Number of Meetings Attended</b>	<b>Percentage</b>
Chairman	Cesar C. Zalamea	8	7	88%
Board Member	Marianne T. Dy	8	8	100%
Board Member	Michael Escaler	8	6	75%
Board Member	Augusto C. Serafica, Jr.	8	8	100%
Board Member	Ruby Sy	8	8	100%
Board Member	Anthony M. Te	8	6	75%
Board Member	Andrew Julian K. Romualdez	8	5	63%
Independent Director	Carlos Alfonso T. Ocampo	8	8	100%
Independent Director	Kwok Yam Ian Chan	8	8	100%

The Board of Directors of the Company held its meetings in the year 2024, specifically on the following dates:

<b>Date of Meeting</b>	<b>Nature of Meeting</b>
January 09, 2024	Special Board Meeting
March 14, 2024	Regular Board Meeting
May 13, 2024	Special Board Meeting

June 27, 2024	Regular Board Meeting
July 19, 2024	Special Board Meeting
July 26, 2024	Organizational Board Meeting
September 26, 2024	Regular Board Meeting
December 5, 2024	Regular Board Meeting

The Board of Directors, in a special meeting on 14 March 2022, adopted and approved a Board Self-Assessment Policy in consideration of the size and nature of its current operations. Directors are tasked to submit assessment forms which also has a separate assessment for the Chairman, Individual Members, and Board, as well as a separate assessment for Committees and Independent Directors (IDs). This is a yearly activity for the Board.

The Company adopts the provisions of the Revised Corporation Code of the Philippines on approvals of self-dealing and related-party transactions and comply with appropriate approvals and disclosure requirements. The Company currently does not have self-dealing and related party transactions directly with any of its directors.

#### **Item 16. MATTERS NOT REQUIRED TO BE SUBMITTED**

All corporate actions to be taken up at the annual stockholders' meeting this **July 25, 2025** will be submitted to the stockholders of the Registrant for their approval in accordance with the requirements of the Revised Corporation Code of the Philippines.

Matters not required to be submitted are the Call to Order and Certification of Notice and Quorum.

#### **ITEM 17. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS**

There are no matters to be taken up in relation to the Amendment of the Company's Articles of Incorporation or By-laws.

#### **ITEM 18. OTHER PROPOSED ACTIONS**

Action is to be taken on the ratification and approval of the acts of the Board of Directors and Management from the last stockholders' meeting until the date of the 2025 Annual Stockholders' Meeting. The resolution to be adopted will be the ratification and approval of the acts of the Board of Directors and Management from the last stockholders' meeting in year 2024 until the date of the 2025 Annual Stockholders' Meeting, including the following:

<b><u>Highlights</u></b>
<ul style="list-style-type: none"> <li>- Approval of the 2024 Audited Financial Statements of the Corporation</li> <li>- Approval of the Corporation's 2024 Sustainability Report</li> </ul>

#### **Item 19. VOTING PROCEDURES**

(a) The vote required for approval or election

A majority of the subscribed capital present in person or represented by proxy, shall be sufficient at a stockholders' meeting to constitute a quorum for the transaction of any

business whatsoever, except in those cases in which the Revised Corporation Code requires the affirmative vote of a greater portion.

During the election of directors, every stockholder entitled to vote shall have the right to vote the number of shares of stock standing, in his own name on the stock books of the Company; and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, That the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected.

The Chairman shall ensure that two seats or at least 20% of the number of directors to be elected, whichever is lesser, shall be allotted for the election of independent directors as required by the SRC and Corporation's Code of Corporate Governance.

(b) Method by which Votes will be counted

At each meeting of the stockholders, every stockholder shall be entitled to vote in person or by proxy, for each share of stock held by him, which has voting power upon the matter in question.

The method and manner of counting the votes of shareholders shall be by *viva voce* and/or by ballots. The votes shall be counted by the Corporate Secretary and Assistant Corporate Secretary, who shall be assisted by the stock transfer agent.

Stockholders who successfully registered for the meeting will be given the opportunity to cast their votes in person or by submitting their proxy forms. Votes cast by proxy form will be validated by the stock transfer agent.

**Item 20. REQUIREMENTS OF SECTION 49 OF THE REVISED CORPORATION CODE**

Attached to this Information Statement is a copy of the Minutes of the Annual Meeting of the Stockholders on July 26, 2024.

Requirement	Remarks
Description of the voting and vote tabulation procedures used in the previous meeting (2023 Annual Stockholders' Meeting)	See attached Minutes of the Annual Meeting of the Stockholders on July 26, 2024.
Description of the opportunity given to stockholders to ask questions and a record of the questions asked and answers given	See attached Minutes of the Annual Meeting of the Stockholders on July 26, 2024.
Matters discussed and resolutions reached	See attached Minutes of the Annual Meeting of the Stockholders on July 26, 2024.
Record of voting results for each agenda item	See attached Minutes of the Annual Meeting of the Stockholders on July 26, 2024.
List of directors or trustees, officers and stockholders or members who attended the meeting	See attached Minutes of the Annual Meeting of the Stockholders on July 26, 2024.

## **PART II: INFORMATION REQUIRED IN A PROXY FORM**

### **PLEASE USE THE ATTACHED PROXY FORM**

#### **Item 1. IDENTIFICATION**

This proxy is solicited by the Board of Directors and Management of Marcventures Holdings Inc. The solicited proxy shall be exercised by the Chairman, or the President, or the stockholder's authorized representative.

#### **Item 2. INSTRUCTION**

- a. For all agenda items other than "Call to Order", "Proof of Notice and Certification of Quorum", the proxy form shall be accomplished by marking in the appropriate box either "FOR", "AGAINST" or "ABSTAIN" according to the stockholder's/proxy's preference.

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

- FOR the approval of the minutes of the previous Annual Meeting of the Stockholders;
- FOR the approval of the Management Report and Audited Financial Statements for year ended 31 December 2024;
- FOR the approval of the Management Contract between the Company and MMDC;
- FOR the confirmation and ratification of all acts and resolutions of Board of Directors and Management from the date of the last stockholders' meeting to date as reflected in the books and records of the Company;
- FOR the election of the following directors:

For Regular Directors:

1. Cesar C. Zalamea
2. Marianne Regina T. Dy
3. Michael L. Escaler
4. Augusto C. Serafica, Jr.
5. Ruby K. Sy

Anthony M. Te

For Independent Director:

1. Kwok Yam Ian Chan
2. Carlos Alfonso T. Ocampo
3. Alfredo S. Panlilio

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

- b. A Proxy Form that is returned without a signature shall not be valid.
- c. The matters to be taken up in the meeting are enumerated opposite the boxes on the accompanying Proxy Form. The names of the nominee directors are likewise enumerated opposite an appropriate space.

- d. If a stockholder will not be able to attend the meeting but would like to be represented thereat, he may submit his Proxy Form, duly signed and accomplished, to the Office of the Co-Assistant Corporate Secretary at the head office of Marcventures Holdings Inc., 4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center Bldg), 8741 Paseo de Roxas, Makati City, on or before **15 July 2025**. Beneficial owners whose shares are lodged with PDTC or registered under the name of a broker, bank or other fiduciary allowed by law must, in addition to the required I.D., present a notarized certification from the owner of record (i.e. the broker, bank or other fiduciary) that he is the beneficial owner, indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized secretary's certificate attesting to the authority of its representative to attend and vote at the stockholders' meeting.

Validation of proxies will take place on **18 July 2025** at the principal office of the Company.

**Item 3. REVOCABILITY OF PROXY**

A shareholder may revoke his proxy on or before the date of the Annual Meeting. The proxy may be revoked by the shareholder's written notice to the Corporate Secretary advising the latter of the revocation of the proxy, or by a shareholder's personal attendance during the meeting and appropriate advice to the Corporate Secretary of such revocation.

**Item 4. PERSONS MAKING THE SOLICITATION**

This solicitation is made by the Company. No director has informed the Company in writing or otherwise of his intention to oppose any action intended to be taken up at the meeting.

Solicitation of proxies will be done mainly by mail. Certain regular employees of the Company will also solicit proxies in person or by telephone.

The estimated amount to be spent by the Company to solicit proxies is Philippine Pesos: Php20,000. The cost of solicitation will be borne by the Company.

**Item 5. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than the interest of those persons mentioned below, no member of the Board of Directors or executive officer since the beginning of the last fiscal year, or nominee for election as director, or their associates, has had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.



**PART III: SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on June 30, 2025.

**MARCVENTURES HOLDINGS INC.**

By:   
**Atty. Ana Maria A. Katigbak**  
Assistant Corporate Secretary

**THE COMPANY WILL PROVIDE WITHOUT CHARGE TO EACH PERSON SOLICITED, UPON HIS WRITTEN REQUEST, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. AT THE DISCRETION OF MANAGEMENT, A REASONABLE FEE MAY BE CHARGED FOR THE EXPENSE INCURRED IN PROVIDING A COPY OF THE EXHIBITS. ALL REQUESTS MAY BE SENT TO THE COMPANY'S HEAD OFFICE AND ADDRESSED TO:**

Attention: **ANA MARIA A. KATIGBAK**  
**MARCVENTURES HOLDINGS INC.**  
4th Floor BDO Towers Paseo  
(Formerly Citibank Center),  
8741 Paseo de Roxas, Makati City

Transfer Office:

JOMAR M. LUCINARIO  
PROCESSOR

STOCK TRANSFER SERVICE, INC.  
34-D RUFINO PACIFIC TOWER  
6784 AYALA AVENUE, MAKATI CITY  
TEL. NOS. 403-9853, 403-2410, 403-2412

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

### SECRETARY'S CERTIFICATE

I, **ANA MARIA A. KATIGBAK**, of legal age, Filipino, with office address at the 3<sup>rd</sup> Floor, The Valero Tower, 122 Valero St. Salcedo Village, Makati City, after having been duly sworn to in accordance with law, do hereby depose and state that:

1. I am the duly elected and qualified Assistant Corporate Secretary of **MARCVENTURES HOLDINGS INC.** ("MHI" or the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal office address at the 4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City.

2. I hereby certify that none of the Corporation's Regular Directors, Independent Directors and Officers is appointed or employed in any government agency or instrumentality.

IN WITNESS WHEREOF, this certificate has been signed this  
JUN 20 2025 at Makati City, Philippines.

*Ana Maria A. Katigbak*  
**ANA MARIA A. KATIGBAK**  
Asst. Corporate Secretary

JUN 20 2025

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of January 2024 at Makati City by affiant whose identity I have confirmed through her Passport No. P7145377B issued on July 7, 2021 in Manila, bearing the affiant's photograph and signature.

Doc No. 188 :  
Page No. 39 :  
Book No. II :  
Series of 2025.



*LG*  
**LUIS GABRIEL A. PEREZ**  
Appointment No. M-561  
Notary Public for Makati City  
Until December 31, 2025  
Castillo Laman Tan Pantaleon & San Jose Law Firm  
The Valero Tower, 122 Valero Street  
Salcedo Village, Makati City  
PTR No. 10465175 ; 01-02-2025 ; Makati City  
IBP No. 511082 ; 12-19-2024 ; Makati Chapter  
MCLE Compliance No. VIII - 0033246 ; 5-13-2023  
Valid until 4-14-2028 ; Pasig City  
ROLL No. 86952



## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **CARLOS ALFONSO T. OCAMPO**, Filipino, of legal age and with office Address at 28th Floor, Pacific Star Building, Makati Avenue corner Sen. Gil Puyat Avenue, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am elected for Independent Director of **MARCVENTURES HOLDINGS INC. ("MARC")** and have been its Independent Director since August 2013 (where applicable).
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Ocampo & Manalo Law Firm	Senior Partner	October 1997 to present
Philippine Veterans Bank	Director	January 2024 to present
Benguet Corporation	Director	August 2023 to present
Media Serbisyo Production Corp.	Director	July 2023 to present
MAA General Assurance Phils., Inc.	Director /Corporate Secretary	March 2003 to Present
Asian Carmakers Corporation	Director	April 2008 to Present
Prestige Cars	Director / Corporate Secretary	June 2006 to Present
Adrianse Phils. Inc.	Director/ Corporate Secretary	March 2012 to Present
Bluelion Motors Corp.	Director/ Corporate Secretary	February 1999 to Present
First Charters & Tours Transport Corp.	Director/ Corporate Secretary	July 2012 to Present
Brycl Resorts International Inc.	Director/ Corporate Secretary	July 2009 to Present
Autohaus Quezon City, Inc.	Director/ Corporate Secretary	April 2008 to Present
AVK Philippines, Inc.	Director/ Corporate Secretary	July 2000 to Present
Solen Innovations Holdings Inc.	Director	November 2016 to Present
Manila Golf & Country Club	Corporate Secretary	April 2008 to Present
Nearsol Philippines, Inc.	Corporate Secretary	December 2020 to present
The Vsquare Group Construction	Corporate Secretary	December 2020 to present
Skytowers Infra Inc.	Corporate Secretary	January 2022 to present
QROI Network Services Inc.	Corporate Secretary	February 2022 to present
Integrated Bar of the Philippines	Member	1994 to present
Management Association of the Philippines	Member	October 2019 to present
Philippine Constitution Association (Foundation) Inc.	Member	2004 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code, (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NA	NA	NA

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NA	NA	NA

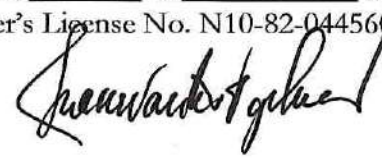
6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in , pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of any changes in the above mentioned information within five days from its occurrence.

Done, this JUN 16 2025 of Makati City at \_\_\_\_\_

  
**CARLOS ALFONSO T. OCAMPO**  
*Affiant*

JUN 16 2025 Makati City  
SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ affiant personally appeared before me and exhibited to me his Driver's License No. N10-82-044560 and valid until 14 October 2032.

Doc. No. 34 ;  
Page No. 7 ;  
Book No. 1 ;  
Series of 2025.

  
**MA. ANGELICA CERVANTES DYEHIAO**  
Notary Public  
Appointment No. M-239 - Until Dec. 31, 2026  
Roll No. 40728  
PTR No. 10171030; 1/6/2025; Makati City  
IBP No. 508163; 1/10/2025  
28/F Pacific Star Bldg., Makati City  
Validity up to December 31, 2026 .



### CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Kwok Yam Ian Chan**, Filipino, of legal age and with Residence Address at 39A Lorraine Tower The Procenium at Rockwell, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am elected for Independent Director of **MARCVENTURES HOLDINGS INC. ("MARC")** and have been its independent director since September 2020 (where applicable).
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
BRIGHT KINDLE RESOURCES & INVESTMENTS INC.	INDEPENDENT DIRECTOR	DECEMBER 2021 UP TO PRESENT
BENGUET CORPORATION	DIRECTOR	SEPTEMBER 2020 UP TO PRESENT
DK VENTURES INC.	DIRECTOR	AUGUST 2020 UP TO PRESENT
KING DRAGON REALTY CORP	DIRECTOR	JUNE 2018 UP TO PRESENT
MEGALIFTERS CARGO HANDLING CORP.	DIRECTOR	MAY 2018 UP TO PRESENT
ISKY EMPIRE REALTY INC.	DIRECTOR	APRIL 2018 UP TO PRESENT
SEABORNE SHIPPING INC.	DIRECTOR	JANUARY 2013 UP TO PRESENT

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code, (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NA	NA	NA

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NA	NA	NA

6. I am not employed with any government agency

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of any changes in the above mentioned information within five days from its occurrence.

Done, this JUN 18 2025 day of \_\_\_\_\_ at Makati City.

  
**KWOK YAM IAN CHAN**  
Affiant

JUN 18 2025


SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ at Makati City affiant personally appeared before me and exhibited to me his Tax Identification Number 287-887-013.

Doc. No. 55 ;

Page No. 12 ;

Book No. I ;

Series of 2025;

  
**ATTY. REUBEN CARLO O. GENERAL**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2026  
Roll of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-1047693CMN; 01/13/2025  
MCLE Compliance No. VII-0018681;  
3F ALPAP I Building, #140 Leviste Street  
Salcedo Village, Makati City

## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ALFREDO S. PANLILIO**, Filipino, of legal age and with office Address at 302 Baeta St., Ayala Alabang, Village, Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am nominee for Independent Director of **MARCVENTURES HOLDINGS, INC. ("MARC")** and if elected at the Corporation's Annual Stockholders' meeting (ASM) on 25 July 2025, I will be its Independent Director effective 25 July 2025.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
PLDT, Inc.	DIGICO Senior Partner	Present
	Director	June 2021 to Present
	Former President and CEO	June 2021 to December 2023
Maybank	Chairman/Director	Present
Signal TV, Inc.	Director	Present
Digitel Telecommunications, Phils. Inc.	Director	Present
Digitel Mobile Phils. Inc	Director/ Corporate Secretary	Present
Samahang Basketbol ng Pilipinas	President	Present
Philippine Olympic Committee	First Vice-President	President
Smart Communications, Inc.	Director	Present
	Former President and CEO	June 2021 to December 2023

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code, (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NA	NA	NA

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):



OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NA	NA	NA

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be an independent director in , pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of any changes in the above mentioned information within five days from its occurrence.

Done, this JUL 01 2025 day of 2025 at Makati City.

  
ALFREDO S. PANLILIO  
Affiant

SUBSCRIBED AND SWORN to before me this JUL 01 2025 day of 2025 at Makati City affiant personally appeared before me and exhibited to me his \_\_\_\_\_ and valid until \_\_\_\_\_.

Doc. No. 17 ;  
Page No. 5 ;  
Book No. JU ;  
Series of 2025;

  
ATTY. ROMEO M. TORPFORT  
Notary Public City of Makati  
Until December 31, 2025  
Appointment No. M-032 (2024-2025)  
PARN No. 10466008 Jan. 2, 2025/Makati City  
IBP No. 488534 Dec. 27, 2024  
MCLE NO.VII-0027570 Roll No. 27932  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS  
OF  
MARCVENTURES HOLDINGS, INC.**

Held on July 26, 2024 at 2:00 p.m.  
at the Mckinley B & C Room, Manila Polo Club,  
35 McKinley Road, Forbes Park, Makati City

**CALL TO ORDER**

Independent Director and Chairman of the Audit, Governance, Oversight and Related Party Transactions Committee, Atty. Carlos T. Ocampo (the “**Chairman**”), was requested to act as Chairman of the 2024 Annual Stockholders’ Meeting of MARCVENTURES HOLDINGS, INC. (the “**Company**”), and called the meeting to order. With the permission of the Corporate Secretary, Atty. Roberto V. San Jose, the Assistant Corporate Secretary, Atty. Ana Maria A. Katigbak (the “**Secretary**”), acted as the Secretary of the Meeting.

The following members of the Board of Directors and principal executive officers present at the meeting were introduced by the Chairman to the stockholders:

Marianne Regina T. Dy	Director
Michael L. Escaler	Director
Augusto C. Serafica, Jr.	Director/ Chairman of the Investment Committee/ Chairman of Retirement Committee
Ruby K. Sy	Director
Anthony M. Te	Director/ Chairman of the Executive Committee
Kwok Yam Ian Chan	Independent Director
Atty. Ana Maria A. Katigbak	Assistant Corporate Secretary/ Compliance Officer/ Data Privacy Officer and Corporate Information Officer
Atty. Rommel T. Casipe	Co-Assistant Corporate Secretary / Co-Compliance Officer / Co-Corporate Information Officer

Rolando S. Santos	Chief Operating Officer (“COO”) / Executive Vice President
Ma. Theresa A. Defensor	Vice-President for Corporate Communications

The Chairman also recognized the presence of the representatives of the Company’s external auditors, Reyes Tacandong & Company.

## PROOF OF NOTICE OF MEETING AND CERTIFICATION OF QUORUM

The Secretary reported that pursuant to SEC Notice dated February 22, 2024, the notice of the meeting was published, in print and online formats, in the business section of the Daily Tribune and the Manila Standard, both newspapers of general circulation, on July 4 and 5, 2024. A copy of the notice, together with the Definitive Information Statement (“DIS”), Management Report, Proxy Form, minutes of the previous meeting, and other documents related to the meeting were also made accessible through the Company’s website and the Philippine Stock Exchange Edge website. It was noted that by voting in person or by proxy, a stockholder would be deemed present for purposes of determining quorum.

Based on the foregoing, the Secretary certified that stockholders owning at least 2,381,622,922 shares representing at least 79.00% of the outstanding capital stock were present at the meeting, and that a quorum existed for the transaction of business.

At the Chairman’s request, the Secretary explained the participation and voting procedures adopted for the meeting. She stated that under the Company’s By-Laws, every stockholder shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.

It was further explained that stockholders who successfully registered for the meeting would be given the opportunity to cast their votes in person or by submitting their proxy forms. The proxy form contained five (5) items for approval excluding the adjournment, as indicated in the agenda set out in the notice. She added that the proposed resolution would be shown on the screen as each matter on the agenda was taken up. For items other than the election of directors, the stockholders had the option to either vote in favor of, against, or abstain on, a matter for approval. For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. She added that the votes casted in person or by proxy were validated by **Stock Transfer and Services, Inc.**, the Company’s stock and transfer agent, and that the results of the voting,



with full details of the affirmative and negative votes, as well as abstentions, would be reflected in the minutes of the meeting. Attached as **Annex "A"** to the minutes are the full details of the affirmative and negative votes, as well as the abstentions on the matters voted upon during the meeting.

The Secretary also stated that for all items in the agenda to be approved other than the election of directors, the vote of the stockholders representing at least a majority of the outstanding capital stock would be sufficient to approve the matter. For the election of directors, the nine (9) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.

### **APPROVAL OF MINUTES OF THE PREVIOUS STOCKHOLDERS' MEETING**

The next matter on the agenda was the approval of the Minutes of the previous meeting of the stockholders held on July 25, 2023, an electronic copy of which was made available on the Company's website. Upon motion made and duly seconded, the reading of the minutes was dispensed with and the following resolution was approved by the stockholders:

**"RESOLVED**, that the minutes of the Annual Stockholders' Meeting of Marcventures Holdings, Inc. held on July 25, 2023 be, as it is hereby, approved."

The Secretary reported that the Company received proxies representing at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, instructing the proxy holder or the Chairman or the COO, to vote in favor of approving the minutes, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the motion.

### **APPROVAL OF MANAGEMENT REPORT AND AUDITED FINANCIAL STATEMENTS**

The next item was the Management Report including the Company's audited financial statements for the year ended December 31, 2023.

The Company's COO and Executive Vice-President, Mr. Rolando S. Santos (or **"Mr. Santos"**), presented the Company's Management Report and discussed the operational highlights and financial results. Attached as **Annex "B"** to the Minutes is a copy of his presentation.

After the presentation of the operational highlights and financial results, the floor was opened for questions. Stockholder Mr. Alex Timbol inquired why the Company did not earn any income in the first quarter of 2024. Mr. Santos replied that the Company had

no shipments for the first quarter of 2024 due to the rainy season. He further explained that the first shipment of the Company for 2024 was made in the second quarter, particularly in June of this year.

As there were no further questions from the stockholders, the Chairman requested for a motion on the matter. Upon motion made and duly seconded, the following resolution was approved by the stockholders:

**“RESOLVED**, that the Management Report as presented by the Corporation’s Chief Operating Officer and Executive Vice President, Mr. Rolando S. Santos, and the Corporation’s audited financial statements for year ended December 31, 2023 be, as it is hereby, approved.”

The Secretary reported that the Company received proxies representing at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, instructing the proxy holder or the Chairman or the COO, to vote in favor of approving the minutes, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the motion.

#### **RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The next item on the agenda was the ratification and approval of the acts of the Board of Directors and Management of the Corporation from the date of the last stockholders’ meeting to date. A summary of the acts for ratification was included in the DIS.

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

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

The Secretary reported that the Company received proxies representing at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, instructing the proxy holder or the Chairman or the COO, to vote in favor of approving

the minutes, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the motion.

## ELECTION OF DIRECTORS

The meeting proceeded to the election of the members of the Board of Directors. At the Chairman's request, the Secretary explained the election procedures. She stated that Article Sixth of the Company's Amended Articles of Incorporation provided that there shall be nine (9) seats in the Board of Directors, of which at least two (2) must be independent directors. As such, there were nine (9) Board seats open for nomination. The SEC rules provided that all nominations for director shall be submitted to and evaluated by the Nominations and Compensation Committee. Nominations for Independent Director shall appear in the Final List of Candidates set forth in the DIS submitted to the Securities and Exchange Commission, and no other nominations shall be entertained from the floor.

The Secretary reported that the Company received a total of seven (7) nominees for Regular Directors, and two (2) for Independent Directors. The nominees receiving the highest number of votes for the 7 available seats for Regular Director, and for the 2 available seats for Independent Director, would be declared the duly elected members of the Board of Directors for 2024-2025. She added that the full details of the background and qualifications of the nominees were disclosed in the Company's DIS.

The following were nominated for regular and independent directors:

### For Regular Directors:

1. Cesar C. Zalamea
2. Marianne Regina T. Dy
3. Michael L. Escaler
4. Andrew Julian K. Romualdez
5. Augusto C. Serafica, Jr.
6. Ruby K. Sy
7. Anthony M. Te

### For Independent Directors:

1. Carlos Alfonso T. Ocampo
2. Kwok Yam Ian Chan

Upon motion made and duly seconded, the nominations were closed and the Corporate Secretary was directed and authorized to cast all votes of the stockholders present or represented at the meeting equally among all the nominees. The Secretary reported that based on the tabulation and validation by the Company's stock and transfer agent, stockholders owning at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, voted to elect all the nine (9) candidates to the Board of Directors.

It was noted that the list of the candidates flashed on the screen were the duly elected members of the Board of Directors of the Company for the term 2024-2025.

The Chairman declared the nominees as the duly elected members of the Board of Directors for the current term to act as such until their successors are duly elected and qualified in accordance with the By-Laws. He acknowledged that Director Kwok Yam Ian Chan and himself were the Company's newly-elected Independent Directors.

#### **APPOINTMENT OF EXTERNAL AUDITOR**

The next item on the agenda was the appointment of the Company's external auditor. The Chairman informed the attendees that the Company's Audit and Governance Committee reviewed the qualifications and performance of its current external auditor, Reyes Tacandong & Company, and endorsed its reappointment for the current year. Upon motion made and duly seconded, the following resolution was approved by the stockholders:

**"RESOLVED**, that the accounting firm of  
Reyes Tacandong & Company be re-appointed  
external auditors of the Company for the year 2024."

The Secretary reported that the Company received proxies representing at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, instructing the proxy holder or the Chairman or the COO, to vote in favor of approving the minutes, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the motion.

#### **ADJOURNMENT**

The Chairman inquired whether there were any other matters to be taken up. The Secretary replied that there were no other matters in the agenda.

There being no further matters to discuss, the meeting was adjourned. The Chairman thanked the shareholders for joining the meeting.

#### **ATTESTED BY:**

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

**ANNEX “A”  
(VOTING RESULTS)**

AGENDA ITEMS	ACTION			
Item 1. Call to Order	No action necessary.			
Item 2. Proof of Notice and Certification of Quorum	No action necessary.			
	FOR	%	AGAINST	ABSTAIN
Item 3. Approval of the Minutes of the Previous Annual Stockholders’ Meeting held on 25 July 2023	2,381,542,752	78.99%	0	0
Item 4. Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2023	2,381,542,752	78.99%	0	0
Item 5. Ratification of All Acts of the Board of Directors and Management	2,381,542,752	78.99%	0	0
Item 6. Election of Directors				
<b>For Regular Director:</b>				
1. CESAR C. ZALAMEA	2,381,542,752	78.99%	0	0
2. MARIANNE REGINA T. DY	2,381,542,752	78.99%	0	0
3. MICHAEL L. ESCALER	2,381,542,752	78.99%	0	0
4. ANDREW JULIAN K. ROMUALDEZ	2,381,542,752	78.99%	0	0
5. AUGUSTO C. SERAFICA, JR.	2,381,542,752	78.99%	0	0
6. RUBY K. SY	2,381,542,752	78.99%	0	0
7. ANTHONY M. TE	2,381,542,752	78.99%	0	0
<b>For Independent Director:</b>				
1. KWOK YAM IAN CHAN	2,381,542,752	78.99%	0	0
2. CARLOS ALFONSO T. OCAMPO	2,381,542,752	78.99%	0	0
Item 7. Approval of Appointment of Reyes Tacandong & Co. as the Company’s External Auditor	2,381,542,752	78.99%	0	0
Item 8. Other Matters	No Action Necessary			
Item 9. Adjournment	No Action Necessary			

Note: Percentage is based on total outstanding voting shares of MARC at 3,014,820,305 common shares.

## **ANNEX “B”**

### **MANAGEMENT REPORT**

*presented by Mr. Rolando S. Santos  
during the 2024 Annual Shareholders' Meeting of Marcventures Holdings, Inc.*

Mining continues to open various opportunities across sectors. We see global companies utilizing digital transformation, adopting artificial intelligence and machine learning to improve efficiency and safety. The commitment to environmental care has also led to sustainable mining and eco-friendly and socially responsible practices that support waste management leading to a circular economy.

The Mines and Geosciences Bureau (MGB) remains optimistic about the sterling performance of the mining sector in the previous year. A landmark agreement was also forged between the Department of Environment and Natural Resources and the mining industry to pursue policy reforms to make the mining industry more sustainable, responsible, transparent, and attractive to investors.

Recently the global nickel market has experienced a downturn, marking a sharp decline in nickel prices. Mining companies are faced with mounting challenges that necessitate new strategies and fortified resilience amidst market uncertainty. As a key player in the industry, Marcventures has remained resilient and committed to its stakeholders, with a consolidated income of Php 227.33 million, a 12% increase from the previous year. We completed 28 shipments generating an economic value of Php 300 million in 2023, despite the unstable weather conditions, weakening ore market, and rising fuel costs.

We spent Php 48.33 million on programs that will support our host and neighboring communities. Marcventures supports the largest number of scholars in the Caraga region. We spent a total of Php 7.7 million in scholarships and other types of educational assistance. Over 200 students are covered by the programs including scholars from indigenous communities.

We continue to implement environmental projects to protect and rehabilitate mining areas. This year's initiatives amounted to Php 64.5 million.

This year, we mark another significant achievement with our ISO certifications for Quality Management, Environmental Management, and Occupational Health and Safety. The Company passed the surveillance audit in 2023 and received the certification in January 2024.

Challenges in mining are inevitable, but we rise above them with perseverance, strategic planning, and hard work, never losing sight of our mission to observe clean, sustainable, and responsible mining.

We thank the Divine Source for the guidance and together we look forward to another productive year.

**MARCVENTURES HOLDINGS INC.**

**MANAGEMENT REPORT**

**Pursuant to SRC Rule 20**

**For the Annual Stockholders' Meeting**

**On July 25, 2025**

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**I. Consolidated Audited Financial Statements**

The Consolidated Audited Financial Statements of Marcventures Holdings, Inc. (MHI or the "Company") as at and for the year ended December 31, 2024, and unaudited financial statements for the period ended May 31, 2025 and 2024 are attached to this report.

**II. Disagreements with Accountants on Accounting and Financial Disclosures**

There was no event in the past years where **Reyes Tacandong & Co. (RTC)**, the Company's Independent Public Accountant, and the Company had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

**ITEM 1. BUSINESS**

**Background**

Marcventures Holdings, Inc. (Formerly: AJO.net Holdings, Inc.), (MHI, or the Company), was incorporated and registered with the Securities and Exchange Commission (SEC) on August 7, 1957, with primary purpose to acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of, any and all properties of every kind and description and wherever situated, including land as and to the extent permitted by law, including but not limited to, buildings, tenements, warehouses, factories, edifices and structures and other improvements and bonds, debentures, promissory notes, shares of stock, or other securities or obligations, created, negotiated or issued by any corporation, association or other entity, foreign or domestic and while the owner, holder or possessors thereof, to exercise all rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interest and income derived therefrom, and the right to vote on any proprietary or other interest, on any shares of the capital stock, and upon any bonds, debentures or other securities having voting power, so owned or held; and provided it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act 2629), or act as a securities broker or dealer.

On December 15, 2009, the Company entered into a Memorandum of Agreement (MOA) with the shareholders of Marcventures Mining & Development Corporation (MMDC) (Investor Group) and their partners to exchange their stake in MMDC for a total value of ₱1.3 billion consisting of: (i) new Company shares worth ₱100.0 million representing the full payment of the balance for the subscription to the increase in authorized capital stock; (ii) additional Company shares worth ₱1.15 billion to be issued from the authorized capital stock as increased, and the new par value of the Company after its corporate restructuring; and (iii) 488 membership certificates of The Metropolitan Club, Inc. (Metroclub

Certificates) with an agreed net value of ₱50.0 million together with the Company's rights, obligation and interests. The consolidated financial statements assumed June 30, 2010 as the acquisition date.

In March 2010, the Company reduced the par value of its capital stock from ₱0.10 to ₱0.01, which resulted in a reduction in its issued and outstanding capital stock in the amount of ₱459 million and in a corresponding increase in its Additional Paid-in Capital account. Subsequently, the Company issued 5 billion new shares (par value of ₱0.01) at a price of ₱0.02, which resulted in additional paid-in capital of ₱50.0 million. The Company also transferred the amount of ₱441.0 million from its Additional Paid-in Capital to reduce its Deficit account.

On September 30, 2010, the Securities and Exchange Commission approved the change in the par value of its capital stock from ₱0.01 to ₱1.00.

Marcventures Mining & Development Corporation, the wholly-owned Subsidiary of the Company, is incorporated in the Philippines and is primarily engaged to carry on the business of mining, smelting, extracting, smelting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource from the earth; to operate, manage and/or engage in the business of smelting, and/or operate smelting plant, to refine and/or convert metals, ore, and other precious metals into finished products within the commerce of man.

MMDC obtained its ISO 14001:2004 + Cor. 1:2009 Certification from TÜV Rheinland Cert GmbH, an International Certification Body performing system certification and training as well as providing third-party audit/certification based on various international standards. The certificate issued in favor of MMDC dated 16 May 2016 complies with DENR Administrative Order No. 2015-07. It confirms that MMDC's Environment Management Systems implemented for Mining and Shipping of Nickel Laterite Ore and Post-Mining Activities are compliant with International Standards.

Going beyond regulatory demand, MMDC integrated 3 management systems to raise business standards and more importantly, protect the environment and people. After rigorous, simultaneous audits, MMDC's Surigao Nickel Mining project obtained International Organization for Standardization (ISO) certification for Environmental Management System (ISO 14001:2015), Quality Management System (ISO 9001:2015), and the Occupational Health and Safety Management System (ISO18001:2007). The British certifying body National Quality Assurance (NQA), which granted MMDC the ISO certification in September 2017, also certified the Company's integrated Management Systems (IMS)

On December 29, 2017, the Securities and Exchange Commission approved the merger of MHI with Asia Pilot Mining Philippines Corp. (APMPC) and BrightGreen Resources Holdings Inc. ("BHI") with MHI as the surviving entity. BHI owns 100% interest in BrightGreen Resources Corporation (BRC) and APMPC owns 100% interest in Alumina Mining Philippines, Inc. (AMPI) and Bauxite Resources, Inc. (BARI).

The merger resulted in MHI's acquisition of APMPC's subsidiaries, namely, Alumina Mining Philippines Inc. (AMPI) and Bauxite Resources Inc. (BARI) as well as BHI's subsidiary, BrightGreen Resources Corp. (BRC). Moreover, this resulted in the increase in authorized capital stock of the Parent Company to accommodate the merger from 2,000,000,000 shares at ₱1 par value to 4,000,000,000 shares at ₱1 par value a share. Out of this increase, a total of 1,125,000,000 of the Company's common shares were issued to BHI and APMPC shareholders at ₱1 per share.

The merger allowed MHI to grow its business, diversify its products, and expand its source of income. Bauxite has been observed to be more stable in prices as compared to other commodities even during the slump of metal prices.

The Company is not involved in any bankruptcy, receivership, or similar proceedings.



The Company is listed in the Philippine Stock Exchange. The consolidated financial statements include the accounts of the Company and its subsidiaries, MMDC, BRC, AMPI and BARI as at May 31, 2025 and December 31, 2024 and for the period ended May 31, 2025 and 2024.

The Company's current registered office is located at Unit 4-3 4th Flr. BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City.

On 19 July, 2017, the Company's Board of Directors approved the subscription of Mr. Isidro C. Alcantara, Jr. ("Mr. Alcantara"), President & CEO, to 22,730,000 MARC shares at ₱2.20 per share for a total subscription price of ₱50,006,000.00.

Furthermore, on 15 February 2018, the Board of Directors of the Company also approved the subscription of Mr. Alcantara to 45,731,706 MARC shares at ₱1.64 per share equivalent to ₱74,999,997.84. The subscription price was based on the average 30 day high and low prices from January 3, 2018 to February 9, 2018 as disclosed.

Simultaneously, the Company entered into a Subscription Agreement with its subsidiary, Marcventures Mining and Development Corp. (MMDC), wherein the Company subscribed to additional 7,500,000 MMDC shares with a par value of Ten Pesos (₱10.00) per share for a total amount of Seventy-Five Million Pesos (₱75,000,000.00). The subscription proceeds are to be used by MMDC for its operations and infrastructure development.

During the annual meeting held on December 19, 2018, the Company's Stockholders approved the amendment of the Seventh Article of the Articles of Incorporation to increase the Company's authorized capital stock from ₱4.0 Billion to an amount of up to ₱7.0 Billion and to create a class of up to 100,000,000 non-voting, non-participating, cumulative, and redeemable Preferred Shares with a par value of ₱10.00 per share or aggregate par value of ₱1,000,000,000, thereby amending the Seventh Article as follows:

SEVENTH. That the authorized capital stock of the corporation is SEVEN BILLION PESOS (₱7,000,000,000.00) and said capital stock is divided into:

(a) SIX BILLION (6,000,000,000) common shares with a par value of One Peso (₱1.00) each share or an aggregate par value of SIX BILLION PESOS (₱6,000,000,000.00); AND

(b) ONE HUNDRED MILLION (100,000,000) Preferred Shares with a par value of TEN PESOS (₱10.00) each share or an aggregate par value of ONE BILLION PESOS (₱1,000,000,000.00)

Furthermore, the Stockholders also authorized the Company to enter into Placing and Subscription Transactions. The Stockholders authorized the Board of Directors to determine the terms and conditions of the Placing and Subscription Transaction, provided that:

(i) The number of Placing Shares shall not exceed 600,000,000 listed common shares to be provided by existing shareholders of the Corporation, and the number of Subscription Shares shall be equivalent to the number of Placing Shares actually sold; and

(ii) The Placing price shall not be less than the par value of the common shares.

The Stockholders likewise approved the issuance of warrants to stockholders, directors, officers and/or third-party consultants under such terms and conditions as the Board of Directors may deem proper.

The foregoing has yet to be implemented.

On February 13, 2019, the Philippine Stock Exchange approved MHI's listing application of shares issued in connection with the merger of APMC and BHI and further approved the listing application for Mr. Alcantara's two private placements.

On November 15, 2023, the Securities and Exchange Commission (SEC) approved the following amendments to the by-laws of the Company:

**Article I, Section 1** - Changed the date of the annual stockholders' meeting ("ASM") from the last Friday of May to the last Friday of July; added the authority to hold the ASM by remote communication or *in absentia*.

**Article I, Section 2** - Added the authority of the chairman or an officer delegated by the Board to call special meetings of stockholders.

**Article I, Section 3** - Entirely new provision; Added a hold-over provision for directors if board elections are not held during the ASM.

**Article I, Section 4 (formerly Section 3)** - Added the authority of stockholders entitled to vote to vote and attend the meeting through remote communication or *in absentia*.

**Article 1, Section 5 (formerly Section 4)** - Added date as part of notice; Added that notice may be delivered to place of residence or by publication; notice must be given at least 21 days before meeting date.

**Article 1, Section 6 (formerly Section 5)** – Amendment to delete provision on appointing 2 (two) persons to act as inspectors of election; Rationale: Election inspectors would typically take charge of validation of proxies and tabulation of votes which, in our current practice, is being handled by the Office of the Corporate Secretary and the transfer agent, and is subject to the rules of the Securities and Exchange Commission. It seems to be cumbersome to have the stockholders appoint the 2 election inspectors.

**Article I, Section 6** - Amendments to the order of business during the ASM.

**Article I, Section 7** - Amendment to correct the sentence structure.

**Article II, Section 1** - Amendment to correct the sentence structure.

**Article II, Section 2** - Clarified the sufficiency of the majority vote of the quorum to approve a board resolution.

**Article II, Section 4** - Amendment to relax requirements for regular board meetings; Added authority to hold board meeting via remote communication or *in absentia*; Added authority of any two directors to call special meeting; board decisions may be done by referendum.

**Article II, Section 5** - Amendment to correct sentence structure and add clarity; removed the need for stockholders to accept the resignation of a director.

**Article II, Section 6** - Amendment to correct typographical error.

**Article III, Section 1** - Added the position of Senior Vice President; Senior Vice President given the authority to be designated as officer-in-charge in case of vacancy of presidency; Added a term of 1 year from date of election for officers.

**Article III, Section 2** - Amendment to correct the sentence structure.

**Article III, Section 4** - refined BOD's power and duty to fix the compensation of senior officers/executives; deleted the word "employees".

**Article III, Section 5** – Amendment to clarify scope of the powers and duties of the President.

**Article III, Section 6** - Amendment to include Senior Vice-President as officer; Increased requisite for officer-in-charge from Vice President to Senior Vice President.

**Article III, Section 7** - Amendment to correct the sentence structure.

**Article III, Section 8** - Amendment to correct the sentence structure.

**Article III, Section 9** - Amendment to add grounds for Assistant Treasurer or other similar officer to be designated as treasurer.

**Article III, Section 10** - Amendment to correct sentence structure; Amended the amount of capital investment expenses to require prior approval of the Board.

**Article III-A, Section 1** - Amendment to reflect the Revised Corporation Code provision; added authority to hold Executive Committee meetings by remote communication or *in absentia*.

**Article III-A, Section 3** - Entirely new provision; Added authority of the committee to fix the date, time, and place of its meetings; Added authority to hold meetings by remote communication or *in absentia*.

**Article IV, Section 1** - Inserted in parenthesis the numerical figure "2/3";

**Article IV, Section 2** - Amendment to correct sentence structure and clarify authority of the Board regarding bank depositaries, checks, and drafts.

**Article V, Section 1** - Amendment to include authority of Senior Vice-President designated by the Board to sign a certificate of stock.

**Article V, Section 2** - Amendment to clarify authority of Corporate Secretary in the provision.

**Article V, Section 3** - Amendment to clarify that the provision also applies to lost and stolen stock certificates.

**Article VI** - Inserted in parenthesis the numerical figure "2/3".

**Article VII** - Amendment to clarify the procedure of amending the by-laws as reflected in the Revised Corporation Code.

## **2025 Updates and Developments**

The Security Agreements of the Company for the loan obligations of its subsidiaries are as follows:

- a. Loan obligations of Marcventures Mining and Development Corporation;
  - A 6-year loan agreement granted by China Banking Corporation in the principal amount of Two Hundred Million Pesos (₱208,000,000.00); the authority of the SVP-Finance and VP for controllership, to execute, and deliver any and all documents and instruments on behalf of the Company; and the authority of the Company to mortgage the following:

Description	CCT	Area	Location
Unit 4-3	006-2014001598	313.76 sqm.	4F, BDO Towers Paseo
Unit 4-4	006-2014001597	469.55 sqm.	4F, BDO Towers Paseo
Parking B351	006-2014001599	36 sqm.	Basement, BDO Towers Valero
Parking B352			
Parking B353			
Unit 16-B	006-2014013061	464.74sqm.	16F, BDO Towers Valero
Parking A-519	006-2014013062	48 sqm	5th Floor BDO Towers Valero
Parking A-520			
Parking A-521			
Parking A-522			

## **Information about the Subsidiaries**

All of the subsidiaries of the Parent Company are wholly owned.

## **Subsidiaries**

Below are the Parent Company ownership interests in its subsidiaries:

Subsidiaries	2025	2024
Marcventures Mining and Development Corporation (MMDC)	100%	100%
BrightGreen Resources Corporation (BRC)	100%	100%
Alumina Mining Philippines Inc. (AMPI)	100%	100%
Bauxite Resources Inc. (BARI)	100%	100%

***Marcventures Mining and Development Corporation.*** MMDC was incorporated and registered with the SEC on January 18, 1995 primarily to engage and/or carry on the business of extracting, mining, smelting, refining and converting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource.

MMDC has been granted the Mineral Production Sharing Agreement (MPSA) No. 016-93-XI by the Department of Environment and Natural Resources (DENR), covering an area of approximately 4,799 hectares located in the municipalities of Carrascal, Cantilan and Madrid, Surigao Del Sur.

The MPSA was originally granted to Ventura Timber Corporation (VTC) on June 19, 1992. In January 1995, VTC executed a Deed of Assignment (the Deed) to transfer to MMDC all its rights and interest in and title to the MPSA. On January 15, 2008, the Deed was approved by the Mines and Geosciences Bureau (MGB).

On June 24, 2016, the DENR issued an order approving the extension of MMDC's MPSA for a period of 9 years starting from the expiration of the first 25-year term.

On February 13, 2017, MMDC received an order dated February 8, 2017 from the DENR cancelling its MPSA due to alleged violations of environment-related laws and regulations. The Technical Committee Report on MMDC, however, only showed a recommendation for fine and suspension.

The Management and its legal counsel assessed that the order was without basis in fact and in law. Foremost, MMDC is engaged in clean and responsible mining. On February 17, 2017, the MMDC filed a Notice of Appeal to the Office of the President. Subsequently, on March 17, 2017, MMDC filed its Appeal Memorandum. MMDC asserted that the grounds for cancellation cited by the DENR was without basis because: (a) operations are allowed by law since said MPSA dated 01 July 1993 is granted with prior rights and is allowed by law as indicated specifically in Proclamation 1747 issued in 2009 by former President Gloria Macapagal Arroyo; (b) despite operations in a watershed, MMDC has not impaired farmlands, rivers or coastal areas within the MPSA area. As to the alleged non-compliance to the planting of three million seedlings, MMDC was prevented from implementing the same due to circumstances beyond its control.

As at December 31, 2024, MMDC has not received any decision nor any notice from the Office of the President. Its Legal Counsel is of a good faith position that MMDC may continue its operations as the execution of the Order of the DENR Secretary is deemed automatically stayed as a matter of law given the pendency of its appeal, as likewise confirmed by the Office of the President.

MMDC has continued to implement and adopt measures not only to rectify any shortcomings allegedly found in its operations but more importantly, it has continuously sought to improve operational efficiencies both in the area of its regulatory compliances and in maintaining its commitments to its host and neighboring communities.

MMDC has continuously been granted the necessary regulatory permits and licenses to operate, including but not limited to Discharge Permits, Ore Transport Permits (OTP) and Mineral Ore Export Permits (MOEP). As proof of its compliance, MMDC has also secured a certification from the MGB as of March 5, 2024, attesting to the validity and existence of its MPSA and that the Company has an approved Declaration of Mining Project Feasibility dated October 15, 2014 covering its entire contract mining area and is being developed and utilized by virtue of an approved Three-Year Development/Utilization Work Program dated 29 November 2022 covering Calendar Years 2023 to 2025. Moreover, MGB also certified that MMDC has complied with the terms and conditions of the MPSA and the pertinent provisions of the R.A.7942 or the Philippine Mining Act of 1995 and its Implementing Rules and Regulations.

Accordingly, MMDC has continued its mining operations in areas covered by the MPSA.

**BrightGreen Resources Corporation.** BRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business.

On July 1, 1993, the DENR approved BRC's application for MPSA No. 015-93-XI (SMR) covering an area of approximately 4,860 hectares located in the municipalities of Carrascal and Cantilan, Surigao del Sur. BRC is undertaking its continuous exploratory drilling program to block mineral resources at

indicated and measured category. In a letter dated 11 April 2022, the Mines and Geosciences Bureau (MGB) of the DENR approved the request for extension of the third renewal of BRC's Exploration Period due to force majeure for a period of two years effective from 2 July 2022 to 1 July 2024 to recover its unused term.

On February 17, 2017, BRC received a Show-Cause Order dated February 13, 2017. In the Show-Cause Order, it was alleged that the contract area covered by the said MPSA is within a watershed, such that if mining operations will be conducted therein, its ecological functions will be impaired.

On February 27, 2017, BRC submitted a reply to the Show-Cause Order to explain why the MPSA should not be cancelled. It stated in the reply that it has prior legal right considering that its MPSA with the Republic of the Philippines was approved on July 1, 1993, while Proclamation No. 1747 on the proclamation of watershed areas was only issued on March 23, 2009. Notably, Proclamation No. 1747 provides that prior rights should be respected. Thus, BRC should be allowed to continue its operations over its contract area. The management and its legal counsel believe that the alleged violation is without basis in fact and in law.

On April 24, 2024, BRC submitted the its Application for Renewal of its MPSA. Without prejudice BRC's Application for its MPSA Renewal, BRC has submitted a Request for Restitution of the term of its MPSA. Also submitted was the Application for the Declaration of Mining Project Feasibility (DMPF) for the Propose Nickel Laterite Project Under MPSA No.015-93-XI.

As of June 30, 2025, there are no developments regarding the Show-Cause orders. However, the Management and the Legal Counsel of BRC take the good faith position that the operation of BRC under said MPSA is granted with prior rights and is allowed by law and the alleged impairment and damage in the MPSA area is not supported by any specific acts because BRC is not yet operating in the area but has only completed exploration and drilling. As a proof of compliance, BRC secured a certification from the MGB as of March 5, 2024, attesting to the validity and existence of its MPSA and its existing Exploration Period (Third Renewal).

**Alumina Mining Philippines Inc.** AMPI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

On December 5, 2002, the DENR approved AMPI's application for MPSA No. 179-2002-VIII-SBMR covering 6,694 hectares in the municipalities of San Jose de Buan and Paranas Samar in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

**Bauxite Resources Inc.** BARI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

On December 5, 2002, the DENR approved BARI's application for MPSA No. 180-2002-VIII-SBMR covering 5,519 hectares in the Municipalities of Gandara, San Jose de Buan, Matuguinao, and San Jorge, Province of Samar (formerly known as Western Samar) in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On February 17, 2017, AMPI and BARI received a Show-Cause Order dated February 13, 2017 from the DENR. In the Show-Cause Order, it was alleged that the contract area covered by their respective MPSA is within a watershed, such that if mining operations will be conducted therein, its ecological functions will be impaired. The Show-Cause Order required AMPI and BARI to submit an explanation on the alleged violation that may cause the cancellation of their respective MPSA.

As of June 30, 2025, the DENR has not issued any other Show Cause Orders for AMPI and BARI. Based on the above letters from FMB and DENR, the Management and Legal Counsel of AMPI and BARI opined that the Show-Cause Orders became moot and academic.

Furthermore, On May 18, 2020, BARI received a letter-approval from the DENR, through the MGB, granting the requested extension of the Exploration Period (EP) of the Company's MPSA from June 18, 2020 to June 18, 2022.

In a letter dated February 9, 2022, BARI wrote to MGB requesting for additional two (2) years extension or until June 18, 2024 of the 3rd Exploration Period (2<sup>nd</sup> Extension of the 3<sup>rd</sup> EP) on the ground that due to force majeure, factors and events that prevented BARI from fully utilizing its respective contract area to complete its activities corresponding to the exploration period were not yet addressed and are still prevailing.

On March 28, 2022, the MGB approved the extension of the Exploration Period (EP) for another two (2) years effective from June 19, 2022 to June 18, 2024 to recover its unused term. Additionally, it has completed and validated its Mineral Resource Report by Philippine Mineral Reporting Code (PMRC) during the year. BARI plans to achieve and finish its compliance with Environmental Compliance Certificate and the filing of DMPF within the extension of the EP.

On July 04, 2023, BARI requested for temporary suspension of the second (2<sup>nd</sup>) extension of the third (3<sup>rd</sup>) renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

### **Products/Sales/Competition**

The MMDC's main product is nickel ore. All its nickel ore productions were exported to China. The principal market for nickel ore production from the Philippines is currently China. After Indonesia implemented a ban on nickel ore exports, the Philippines has become the main source of Chinese nickel ore – Chinese imports of ores from the Philippines accounted for 90% of total imports in volume and 68% in value. Chinese companies prefer Philippine-sourced nickel ore due to savings in freight costs because of the proximity of the Philippines to China. Nickel ore is sold to Chinese customers based on FOB shipping point and customers handle the charter of vessels. China also relies heavily on imported nickel ore due to insufficient domestic supplies. While MMDC does not rely heavily on a single customer, it is affected by the market price of nickel ore depending on domestic and foreign supply and demand.

### **Sources and availability of Raw Materials**

MMDC's nickel ore is extracted from its mining property covered by MPSA No. 016-93-XI in Surigao del Sur in the municipalities of Cantilan, Carrascal and Madrid.

Equipment, spare parts, and other operating supplies are readily available both locally and abroad and as such MMDC is not expected to be dependent upon one or a limited number of suppliers.

### **Mining Claim**

MMDC was granted by Philippine National Government, through the DENR, a MPSA No. 016-93-XI covering an area of approximately 4,799 hectares located in Surigao Del Sur. As the holder of the said MPSA, MMDC has the exclusive right to conduct and develop mining operations within the contract area over a period of 25 years from July 1, 1993. The MPSA is valid until 2018 and renewable for another 25

years. MMDC has identified Nickel Ore as the primary mineral that will be extracted and sold to third parties due to the abundance and favorable characteristics of nickel within the mineral property.

The MPSA was originally granted to Ventura Timber Corporation on June 19, 1992 and subsequently approved on July 1, 1993. In January 1995, a Deed of Assignment executed, wherein Ventura assigned to MMDC all its rights, title and interest in and to MPSA No. 016-93-XI. The Deed was duly registered with the Mines and Geosciences Bureau (MGB) Regional Office (RO) No. XIII on February 9, 1995, and was subsequently approved on January 15, 2008, making the Subsidiary the official contractor of the mineral property.

To date, MMDC has done exploration work on 1,659 hectares and has performed mining operations on 282.8 hectares on the above MPSA covered area.

On June 24, 2016, the DENR issued an order approving the extension of MPSA for a period of 9 years starting from the expiration of the 25-year term.

Aside from the above discussed MPSA, the approval of the Merger of the Company with Asia Pilot Mining Philippines Corp. (AMPC) and the holding company of Brightgreen Resources Corp. (BRC) gave the Company 3 additional mining tenements, particularly, under MPSA 179-2002 VIII (SBMR) with an area of 6,694 Hectares located in Motiong, San Jose De Buan and Wright, Province of Samar issued on December 5, 2002 to Alumina Mining Philippines Inc. and MPSA 180-2002 VIII (SBMR) with an area of 5,519 Hectares located in Gandara, San Jose De Buan and Wright, Province of Samar issued on December 5, 2002 in favor of Bauxite Resources Inc. and MPSA 015-93-XIII issued to BrightGreen Resources Corp. which was approved on 01 July 1993, covering approximately 4,860 hectares of Carrascal and Cantilan, Surigao del Sur.

### **Government Regulation and Approvals**

As mentioned above, the Company's subsidiaries respectively hold MPSAs issued by the MGB which define the percentage share of the local and national government in the mining revenues. MGB also regulates the export of mineral ores with the issuance of Ore Transport/Mineral Ore permits before any shipment can be made. The DENR monitors compliance with the environmental protection and enhancement program, as well as the social development and management programs of the Company and requires a certain percentage of the Company's operating cost to be allotted to these programs. The costs of complying with the above regulatory requirements are appropriately reflected in the books either as an expense or as a capital asset under the GAAP.

Determination of the effect of probable government regulations cannot be known until specific provisions are made clear.

### **Compliance with Environmental Laws**

The Company is strongly committed to its policy of protecting and enhancing the environment. It spent ₱15.85 million and ₱47.50 million on its environmental protection and enhancement program (EPEP) in 2024 and as of May 31, 2025, respectively.

### **Related Party Transactions**

As at May 31, 2025, the total advances to related parties has an outstanding balance of ₱2.95 million which represents a non-interest bearing unsecured and payable on demand.



On the other hand, the total advances from related parties as at December 31, 2024 has an outstanding balance of ₱6.30 million which represents a non-interest bearing unsecured loan payable on demand.

### Employees

- Parent Company- Marcventures Holdings, Inc. (MHI)

The Company currently has a total of 20 employees, consisting of 4 executive positions, 1 in Treasury, 1 in Accounting, 2 in Internal Audit, 1 in Marketing, 9 in Legal, and 2 messenger personnel. For the ensuing 12 months, the Company anticipates an increase in the number of employees, specifically transfer of Legal and Corporate Communications from MMDC to MHI.

- Marcventures Mining & Development Corporation (MMDC)

As of December 31, 2024, MMDC engaged a total of 302 workers. Out of the 302 workers, 52 are employed by security agencies engaged by MMDC.

Table below show the distribution of our workforce:

	Makati Office	Mine Site	Total
Senior Management	7	0	7
Managers	4	11	15
Supervisors	5	72	77
Rank and File	11	132	143
<b>Subtotal</b>	<b>27</b>	<b>215</b>	<b>242</b>
Security Agency	0	52	52
<b>Total</b>	<b>27</b>	<b>267</b>	<b>294</b>

The table below show a breakdown of the workforce hired from the local communities:

	Makati Office	Mine Site	Total
Regular	25	210	235
Probationary	4	5	9
Service Contract	0	3	3
Regular Seasonal	0	14	14
Project Based	0	41	41
<b>Subtotal</b>	<b>29</b>	<b>273</b>	<b>302</b>
Security Agency	0	52	52
<b>Total</b>	<b>29</b>	<b>325</b>	<b>354</b>

## **Business and Industry Risks**

### **Market Risk**

MMDC's revenue is dependent on both volume exported and the world market price of nickel. The sales price of nickel ore is correlated with the world market price of nickel. The nickel price is subject to volatile price movements over time and is affected by numerous factors that are beyond the Company's control.

From the start of the Company's shipment operations, 100% of our revenue are derived from sale of nickel ore into China. While China has become a significant source of global demand for commodities, our exposure to the Chinese Market and our short-term supply agreements with Chinese customers have resulted in increased volatility in our business.

### **Operational Risk**

The Mining operations are influenced by changing conditions that can affect the production levels and cost for varying periods that can diminish revenues and income. Severe weather conditions, changing prices of fuels and other supplies, increase in taxes and repair costs could have significant impact on the productivity of the Company's operating results.

### **Socio-Political Risk**

The Mining operations can be affected by relevant changes in the rules and regulations in the mining laws of the Philippines, as well as its implementation, both local and national. Impact would include changes in the company's mining methods and processes to avoid related fines and penalties, and also on any required rehabilitation efforts by local and national government.

### **Foreign Exchange Risk**

As all revenues are in US dollars, the Company revenues are affected by fluctuations in the US\$/PHP exchange rate. To mitigate this risk, the Company closely monitors foreign exchange rates trends and properly timed conversion of dollars into peso to attain the best rates.

## **Risk Management**

### *Risk Policy Statement*

The Organization is committed to integrating risk management practices into its business strategy and performance to drive consistent, effective and accountable management in achieving the Organization's business objectives.

The Organization recognizes that risk is dynamic and is inherent in all external and internal operating environments, and that managing risks is vital in defining the organization's purpose, process and expected results, which are the foundations of its daily operations.

Risk Management activities are carried out through a systematic and disciplined process. The process starts with a Board-approved, comprehensive and Risk Management Policy Manual which encompasses the Enterprise Risk Management (ERM) framework for managing risk at enterprise-wide level. ERM framework provides the means to ensure that all risks – operational, financial, compliance, security and safety as well as reputational are identified, assessed, monitored, mitigated and controlled.

### *Purpose*

The Enterprise Risk Management Framework Manual forms part of The Organization's compliance policies and shall:

- Establish the risk management framework – the risk philosophy, strategy, objectives, policies and procedures of the Company;

- Define the roles and responsibilities of the Board and the senior management in their oversight role, as well as the roles and responsibilities of the entire workforce;
- Communicate and provide rules or guidelines to the whole organization in the implementation of risk management practices;
- Provide baseline reference to the internal and external audit activities as they perform their function in the risk evaluation, assessment and other related audit activities
- Sets the scope and application of risk management within the organization
- Details the process of risk reporting obligations to external and internal stakeholders

To meet this commitment, risk management is every employee's business. All employees are responsible and accountable for managing risks within their area of responsibility and that the Board and senior management are responsible of their oversight. Three lines of defense are also identified within the organization to be the operational staff and associates, line supervisors and managers and lastly, the Compliance and Audit function. Through the Framework and its supporting processes, the organization formally establishes and communicates its risk appetite in managing risks.

The organization is averse to risks relating to:

1. health, safety and well-being of our employees, staff and the community
2. administration of finances and assets
3. compliance with applicable regulations – especially those in relation to environmental protection as issued by Mine and Geoscience Board (MGB) and Department of Environment and Natural Resources (DENR), among others.

There is a potentially higher appetite where benefits created by potential innovation or improvisation outweigh the risks. Benefits may include improved production, and/or increased efficiency and effectiveness of the organization's operations.

The framework follows the model of the 2017 Enterprise Risk Management – Integrating with Strategy and Performance of COSO or Committee of the Sponsoring Organizations of the Treadway Commission.

This Enterprise Risk Management Framework also demonstrates that it has incorporated the four areas of sound risk management practices, as required by the Security and Exchange Commission and Philippine Stock Exchange:

1. Adequate and active board management oversight
2. Acceptable policies and procedures
3. Appropriate monitoring and management information system
4. Comprehensive internal controls and audit

## **ITEM 2. DESCRIPTION OF PROPERTIES**

### **Mineral Properties**

MHI currently has four (4) mining subsidiaries, namely, Marcventures Mining and Development Corporation, ("MMDC"), BrightGreen Resources Corp. ("BRC"), Alumina Mining Philippines Inc. ("AMPI") and Bauxite Resources Inc. ("BARI").

### **MMDC**

The Company, through its subsidiary Marcventures Mining & Development Corporation, holds Mineral Production Sharing Agreement No. 016-93-XI which covers 4,799 hectares in the province of Surigao Del Sur. It is physiologically located within the Diwata Mountain Range.

**BRC**

BrightGreen Resources Corp., another subsidiary of The Company holds MPSA No. 015-93-XIII approved on 01 July 1993, covering approximately 4,860 hectares of the Municipalities of Carrascal and Cantilan in the Province of Surigao del Sur.

**AMPI**

Alumina Mining Philippines Inc. holds MPSA No. 179-2002 VIII (SBMR), with an area of 6,694 hectares located in the Province of Samar, issued on December 5, 2002.

**BARI**

Bauxite Resources Inc. holds MPSA No. 180-2002 VIII (SBMR), with an area of 5,519 hectares located in the Province of Samar, issued on December 5, 2002.

**Mineral Resource and Reserve Estimate As of December 31, 2024**

RESOURCE	MMDC	BRC	AMPI	BARI
Tonnage	<p>Measured &amp; Indicated Saprolite: 8.7 million WMT at 1.32% Nickel, 12.73% Iron</p> <p>Limonite 43.7 million WMT at 0.89% Nickel and 44.06% Iron</p> <p>Inferred Saprolite: 4.4 million WMT at 1.21% Nickel and 12.58% Iron</p> <p>Limonite: 19.7 million WMT at 0.85% Nickel and 43.70% Iron</p>	<p>Measured &amp; Indicated Saprolite: 3.055 million WMT at 1.59% Nickel, 14.85% Iron</p> <p>Limonite 12.972 million WMT at 1.07% Nickel and 39.73% Iron</p> <p>Inferred Saprolite: 0.329 million WMT at 1.61% Nickel and 14.25% Iron</p> <p>Limonite: 4.698 million WMT at 0.90% Nickel and 39.61% Iron</p>	<p>Measured &amp; Indicated Bauxite Ore: 41.713 million WMT at 40.06% Al<sub>2</sub>O<sub>3</sub> and 14.50% SiO<sub>2</sub></p> <p>Inferred Bauxite Ore 17.275 million WMT at 38.96% Al<sub>2</sub>O<sub>3</sub> and 16.59% SiO<sub>2</sub></p>	<p>Measured &amp; Indicated Bauxite Ore: 31.469 million WMT At 43.78% Al<sub>2</sub>O<sub>3</sub> and 7.96% SiO<sub>2</sub></p> <p>Inferred Bauxite Ore 28.436 million WMT at 43.75% Al<sub>2</sub>O<sub>3</sub> and 8.09% SiO<sub>2</sub></p>

**Notes:**

1. The Mineral Resource Estimates (MRE) reported for MMDC is based on the 11 November 2024 resource block model of Cabangahan, 21 October 2024 block model of Sipangpang, and 30 September 2024 block model of Pili prepared by MMDC Resource Geologist and Area-in-charge Gisella Jane E. Dida and Junior Geologist Jeremy C. Sabornido, which in turn was reviewed and certified by PMRC Accredited Competent Person Jayvhel T. Guzman.
2. The MRE reported for BRC is based on the March 2016 report of the PMRC Accredited Competent Person Radegundo S. De Luna (deceased). Manual polygon method was used in estimating the mineral resources of BRC as of December 31, 2015, with resources classified purely as a function of drill spacing.

3. The MRE reported for AMPI and BARI is based on the technical report signed and certified by PMRC Accredited Competent Person Tomas D. Malihan in June 2017. Block modelling and resource estimation was done using Surpac software with Inverse Distance Weighting (IDW) as the interpolation method.
4. The MRE followed the terminology and guidelines set forth in the Philippine Mineral Reporting Code (PMRC).
5. The MRE are not precise calculations, being dependent on the interpretation of limited information on the location, shape, continuity of the mineralization and the availability of sampling results. Tonnages are reported in millions to reflect the relative uncertainty of the estimate.
6. The MRE is valid from the date of signing of the ACP. In the event that any new geological information, exploration results and ore deposit models will arise that may have direct or indirect implication on the mineral resource estimates as disclosed in this statement, the said MRE may be rendered inaccurate and should therefore be treated with caution.

### Office Space

In January 2014, the Company acquired two (2) condominium units located at Citi Center Condominium Project, Citibank Center (Now: BDO Towers Paseo), 8741 Paseo de Roxas, Makati City, with an aggregate floor area of, more or less, nine hundred sixty-seven and 7/100 (967.07) square meters and amounting to Sixty-Eight million pesos (₱68,000,000). The property is covered by Condominium Certificates of Title Nos. 006-2011006557 and 006-2011006558 issued by the Register of Deeds of Makati City. The said property became the Company's new principal office address starting September 2014.

In November 2017, the Company acquired another condominium unit also located at the 4th Floor Citi Center Condominium, 8741 Paseo de Roxas, Makati City, with with an approximate area of 220 square meters inclusive one (1) parking slot amounting to twenty five million (₱25,000,000.00). The property is covered by Condominium Certificates of Title No. 006-2012006781. The said condominium unit was purchased for the Makati office expansion.

### MMDC Properties

The table below sets forth a summary of the properties owned and rented by MMDC.

Land and Improvements owned	
	Lot Area (sqm)
Haulage Roads	117,596
Stockyards	426,583
Causeway	38,856
Campsite	14,700
Butuan Lot	3,544
Others	85,357
<b>Total Land &amp; improvements</b>	<b>686,636</b>

Rented	
	Lot Area (sqm)
Haulage Roads	223,644

Stockyards	128,959
Causeway	19,555
Others	94,859
<b>Total</b>	<b>467,017</b>

The renewals of the above leases are subject to agreement by the parties.

The above leased properties are used by MMDC for hauling roads and stockpile areas.

MMDC will acquire and/or lease additional properties to be utilized for hauling roads and stockpile areas needed for operations. The cost acquisitions will depend on negotiations with prospective owners and lessors. MMDC plans to finance acquisitions from internally generated funds and through bank loans.

### **ITEM 3. LEGAL PROCEEDINGS**

The Company is not a party to any pending material legal proceedings and/or assessment or pending governmental investigation. It is not involved in any pending legal proceedings with respect to any of its properties. It is not involved in any claims or lawsuits involving damages, which may materially affect it or its subsidiaries.

MMDC, one of MHI's subsidiaries, is a party to a number of legal proceedings that commonly arise in the course of running a fully operational business concern.

To the knowledge and/or information of the Company, none of its directors or its executive officers has presently or during the last five (5) years been involved in any material legal proceeding in any court or government agency on the Philippines or elsewhere which would put to question their ability and integrity to serve Marcventures Holdings, Inc. and its stockholders.

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

### **ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

The Company submitted the following matters to a vote of the security holders during the 2024 Annual Meeting:

1. Call to Order
2. Proof of Notice and Certification of Quorum
3. Approval of the Minutes of Previous Stockholders' Meeting held on 25 July 2023
4. Approval of the Management Report and Audited Financial Statements for the Year Ended 31 December 2023

5. Ratification of all acts of the Board of Directors and Management
6. Election of Directors
7. Approval of Appointment of the External Auditor
8. Other Matters
9. Adjournment

## PART II – OPERATIONAL AND FINANCIAL INFORMATION

**ITEM 5. MARKET PRICE AND DIVIDENDS ON REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS****Market Information**

The principal market for the registrant’s common stock is the Philippine Stock Exchange (“PSE”). The Company’s stock symbol is “MARC”.

**Stock Prices – Common Shares**

The following table sets forth the high and low closing sales prices per share of the Common Shares listed on the PSE during the respective periods indicated as per published financial sources.

	Price per Share (In Pesos) **	
	High	Low
	<b>2023</b>	
January – March	<b>1.36</b>	<b>1.36</b>
April – June	<b>1.12</b>	<b>1.12</b>
July - September	<b>0.99</b>	<b>0.99</b>
October – December	<b>1.15</b>	<b>1.15</b>
	<b>2024</b>	
January – March	<b>1.10</b>	<b>1.10</b>
April – June	<b>0.87</b>	<b>0.87</b>
July - September	<b>0.78</b>	<b>0.78</b>
October – December	<b>0.78</b>	<b>0.78</b>
	<b>2025</b>	
January – March	<b>0.77</b>	<b>0.52</b>
April – June	<b>0.58</b>	<b>0.49</b>
July - September		
October – December		

**Latest Market Price**

On the trading date of June 30, 2025, the closing market price of the Company’s common stock was ₱0.51 per share.

**Stockholders**

The number of shareholders of record as of June 30, 2025 was 2,173 and the outstanding shares were 3,014,820,305 common shares, 2,932,303,910 or 97.26% of which are owned by Filipinos.



**MARCVENTURES HOLDINGS, INC.**  
**TOP 20 STOCKHOLDERS**  
**AS OF June 30, 2025**

1	PCD NOMINEE CORPORATION (FILIPINO)	FILIPINO	2,598,509,006	86.19%
2	STINSON PROPERTIES INC.	FILIPINO	87,834,569	2.91%
3	SUREGUARD PROPERTIES INC.	FILIPINO	86,514,534	2.87%
4	MYOLNER PROPERTIES INC.	FILIPINO	86,514,533	2.87%
5	PCD NOMINEE CORP. (NON-FILIPINO)	NON-FILIPINO	82,429,602	2.73%
6	GLORIOUS DECADE PROPERTIES, INC	FILIPINO	30,000,000	1.00%
7	ANTHONY M. TE	FILIPINO	27,000,500	0.90%
8	GLORIOUS DECADE PROPERTIES, INC.	FILIPINO	13,013,000	0.43%
9	BENJAMIN CONSUNJI SANDOVAL	FILIPINO	1,000,000	0.03%
10	ATC SECURITIES, INC.	FILIPINO	808,023	0.03%
11	BENJAMIN S. GELI	FILIPINO	100,000	0.00%
12	JOHN C. JOVEN	FILIPINO	100,000	0.00%
13	ANSALDO GODINEZ & CO., INC.	FILIPINO	92,255	0.00%
14	PACIFICO B. TACUB	FILIPINO	50,000	0.00%
15	OTILIA D. MOLO OR ELAINE D. MOLO	FILIPINO	48,419	0.00%
16	ARNOLD JANSSEN T. BANTUGAN OR CHRISTINE ANGELI L. BANTUGAN	FILIPINO	45,000	0.00%
17	TERESITA N. LIM	FILIPINO	40,000	0.00%
18	VICENTE GOQUIOLAY & CO., INC.	FILIPINO	39,599	0.00%
19	ALBERTO MENDOZA&/OR JEANIE MENDOZA	FILIPINO	30,000	0.00%
20	PERALTA ENRIQUE B.	FILIPINO	23,000	0.00%
	<b>TOTAL TOP 20 SHAREHOLDERS</b>		<b>3,014,192,040</b>	<b>99.98%</b>

The Company has no other class of registered securities outstanding aside from common shares.

#### **Dividends**

Subject to the availability of unrestricted retained earnings and the funding requirements of the Company's operations, the Company's policy is to declare regular dividends, whether cash, stock or property dividends, twice a year in such amounts and at such dates to be determined by the Board. The declaration of stock dividends is subject to stockholders' approval in accordance with the requirements of the Revised Corporation Code.

#### **Cash Dividends**

Year	Date			Amount	
	Declared	Record	Payable	Dividends Per Share	Total Declared (in millions)
2025	No dividends were declared for the period ended May 31, 2025				
2024	No dividends were declared for the year 2024				
2023	Dec. 7, 2023	Jan. 12, 2024	Jan. 26, 2024	₱0.10	₱301.48
2022	No dividends were declared for the year 2022				

2021	Nov. 19, 2021	Dec. 7, 2021	Jan. 4, 2022	₱0.13	₱391.9
2020	No dividends were declared for the year 2020				
2019	No dividends were declared for the year 2019				
2018	No dividends were declared for the year 2018				
2017	No dividends were declared for the year 2017				
2016	No dividends were declared for the year 2016				
2015	No dividends were declared for the year 2015				
2014	Nov. 14, 2014	Dec. 19, 2014	Jan. 16, 2015	₱0.15	₱273.2
2014	Sept. 19, 2014	Oct. 31, 2014	Oct. 22, 2014	0.15	273.2

### Stock Dividends

There were no stock dividends declared for years 2015 to May 31, 2025.

### Sales of Securities

As of May 31, 2025, there are no sales of unregistered or exempt Securities.

## ITEM 6. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes as at May 31, 2025, December 31, 2024, and 2023 prepared in conformity with PFRS hereto attached in the Exhibits.

The financial information for the five months ended May 31, 2025, and years ended December 31, 2024 and 2023, and as at May 31, 2025, December 31, 2024 and 2023 are discussed below.

### A. Discussion for May 31, 2025 (with comparative Audited Consolidated Statements of Financial Position as at December 31, 2024) and for the and five-month period ended May 31, 2025 and 2024

#### Results of Operations

	Unaudited (in million Pesos)		Increase (Decrease)	
	2025	2024	Amount	%Change
Revenue	₱ 676.02	₱ 273.55	₱ 402.47	147.1%
Cost of Sales	439.91	198.47	241.44	121.6%
Operating Expenses	159.54	142.36	17.19	12.1%
Income (Loss) before Tax	₱ 76.56	₱ (67.28)	₱ 143.84	(213.8%)
Income Tax Expense (Benefit)	17.52	(12.23)	29.74	(243.3%)
Net Income (Loss)	₱ 56.87	₱ (60.29)	₱ 117.16	(194.3%)

**Revenues**

For the period ended May 31, 2025, MHI subsidiary MMDC sold an aggregate of 448,385 wet metric tonnes (WMT) of nickel ore, or equivalent to eight (8) shipments of which all three (3) of those shipments are saprolite and the remaining are limonite, as compared to the period ended May 31, 2024 with a total of 266,120 wet metric tonnes (WMT) of nickel ore, or equivalent to five (5) shipments of which all are limonite. Hence, registering an increase of 182,265 WMT. The increase was due to productive operations and good weather conditions.

MMDC's total revenue as of May 31, 2025 was ₱676.65 million which is significantly higher by ₱405.61 million or 149.6% as compared to ₱271.04 million in May 31, 2024. The increase in shipment volume resulted to a increase in gross sales. The result of operations was a net income after tax of ₱56.87 million in 2025 compared to 2024 with net loss after tax benefit of ₱60.29 million.

Shipment details of volume are as follows:

**WMT**

	2025	2024	Increase
Limonite	275,390	266,120	9,270
Saprolite	172,995	–	172,995

**Average Price per wmt (in US\$)**

	2025	2024	Increase
Limonite	\$21.32	\$17.68	\$ 3.64
Saprolite	\$35.15	\$ –	\$ 35.15

**Cost of Sales**

Higher sales and production led to a substantial 122% increase in the company's cost of sales, climbing by ₱241.44 million to reach ₱439.91 million in 2025, up from ₱198.47 million in 2024. The main factors contributing to this increase were:

- **Personnel cost** increased by 22% or ₱10.62 million.
- **Contracted services** saw a 47% rise (from ₱154.88 million to ₱227.60 million) largely due to increased production costs resulting from a greater number of shipments.
- **Excise Taxes** surged by 159% (₱16.45 million) reflecting the higher sales volume during the period.
- **Production Overhead** notably grew by 70% (₱24.92 million).
- **Depletion** also significantly increased by 218% (₱28.37 million).

**Operating Expenses**

Operating expenses increased by 12% or ₱17.19 million from ₱142.36 million last year to ₱159.54 million this year. The increase was mainly due to the following:

- **Royalties to indigenous people** are paid based on 1.05% of the Company's sales. The Company's royalty expenses increased from ₱2.84million in 2024 to ₱7.04 million in 2025, equivalent to 148% increase.
- **Environmental expenses** for 2024 amounting to ₱15.08 million increased by ₱0.77 million or 5% to ₱15.85 million in 2025 due to higher Company's environmental activities during the period.

## Financial Position

### Assets

Consolidated total assets for the Company rose to ₱6.12 billion as of May 31, 2025, an increase of 5.4% from ₱5.81 billion recorded on December 31, 2024. This growth was largely the result of:

- **Cash** grew by ₱174.81 million (30.8%), from ₱567.11 million at the end of 2024 to ₱741.92 million by May 31, 2025. This increase was driven by sales collections and advance customer deposits.
- **Trade and other receivables** saw a substantial jump of ₱141.64 million (398.3%), rising from ₱35.56 million in December 2024 to ₱177.2 million by May 31, 2025, due to outstanding customer balances.
- **Advances to related parties** increased by ₱1.99 million (67.5%), from ₱2.96 million in December 2024 to ₱4.95 million by May 31, 2025.
- **Ore inventories** decreased by ₱17.7 million (14.8%), from ₱119.83 million in December 2024 to ₱102.13 million by May 31, 2025, a result of higher ore sales during the period.
- **Other current assets** rose by ₱51.51 million (58.5%), from ₱88.06 million in December 2024 to ₱139.57 million by May 31, 2025. This was due to advance payments made to suppliers, contractors, and for taxes.
- **Other noncurrent assets** saw a slight increase of ₱2.31 million (0.4%), from ₱532.1 million in December 2024 to ₱534.42 million by May 31, 2025, attributed to additional input VAT during the period.

### Liabilities

As at May 31, 2025, the total liabilities increased by ₱0.25 billion or 28.5% from ₱0.89 billion in 2024 to ₱1.15 billion in 2025. The increase was due to the following:

- **Trade and other payables** grew from ₱190.6 million at the end of 2024 to ₱486.28 million by May 31, 2025, marking a ₱295.67 million (155.1%) increase. This surge was mainly attributed to advance deposits received from customers.
- **Loans payable** reduced by ₱10.79 million, or 43.1%, moving from ₱25.05 million in December 2024 to ₱14.26 million by May 31, 2025. This decline was a direct result of principal payments made throughout the period.
- **Income tax payable** saw a considerable decrease of ₱39.13 million, or 80.4%, falling from ₱48.69 million in December 2024 to ₱9.56 million by May 31, 2025. This reduction was due to the settlement of the annual income tax for the 2024 taxable year.

### Stockholders' Equity

Total stockholder's equity increased by ₱56.87 million or 1.2% from ₱4.91 billion in 2024 to ₱4.97 billion in 2025. The increase pertains to the consolidated net income for the period.

**Consolidated Cash Flow**

	For Five-Months Ended May 31 (in million Pesos)	
	2025	2024
Cash provided by (used) operating activities	<b>₱198.95</b>	(₱111.42)
Cash provided by (used) in investing activities	<b>(9.87)</b>	5.52
Cash provided by (used in) financing activities	<b>(14.26)</b>	(313.44)

Cashflow from operating activities during the 2025 provided a positive cashflow due to net profit and advance deposits from customers.

Cash used during the period for investing activities amounted to 9.87 million caused by additional properties purchased during the period.

The company's net cash used in financing activities are mainly due to the settlement of loan principal payments.

**B. Discussion for 2024 and 2023 Financial Results****Results of Operations**

	Audited (in million Pesos)		Increase (Decrease)	
	2024	2023	Amount	%
Revenues	<b>₱1,679.28</b>	₱2,050.42	(₱371.13)	(18.1%)
Cost of Sales	<b>1,085.34</b>	1,203.10	(117.76)	(9.8%)
Operating and Other Expenses	<b>395.63</b>	508.86	(113.24)	(22.3%)
Income Before Income Tax	<b>198.32</b>	338.46	(140.14)	(41.4%)
Income Tax	<b>80.20</b>	106.32	(26.12)	(24.6%)
Net Income	<b>₱118.12</b>	₱232.14	(₱114.02)	(49.1%)

**Revenues**

MMDC sold an aggregate of 1,510,151 wet metric tonnes (WMT) of nickel ore, or equivalent to 28 shipments of which 1 vessel is saprolite and 27 vessels are limonite for the year ended December 31, 2024, as compared to the year 2023 with a total of 1,502,251 WMT of nickel ore, or equivalent to 28 shipments of which 2 vessels are saprolite and 26 vessels are limonite, hence, registering a decline of 7,900 WMT.

The Company's total revenue in 2024 was ₱1,679.28 million which is notably lower by ₱371.13 million or 18.1% as compared to ₱2,050.41 million in 2023. The result of operations was a net income after tax of ₱118.12 million in 2024 resulting to a decrease of ₱114.02 million or 49.1% compared to 2023 with net income of ₱232.14 million.

The regression of profit was due to the weakening ore market in year 2024.

Shipment details of volume and prices are as follows:

**WMT**

	<b>2024</b>	<b>2023</b>	<b>Increase (decrease)</b>
Limonite	<b>1,454,381</b>	1,394,001	60,380
Saprolite	<b>55,770</b>	108,250	(52,480)

**Average Price per wmt (in US\$)**

	<b>2024</b>	<b>2023</b>	<b>Increase (decrease)</b>
Limonite	<b>\$18.86</b>	\$26.42	(\$7.56)
Saprolite	<b>\$32.84</b>	\$33.52	(\$0.68)

**Cost of Sales**

Due to decrease in revenue, the Company's cost of sales decreased by ₱117.76 million or 9.8% from ₱1,203.10 million in 2023 to ₱1,085.34 million in 2024. The decline was mainly due to lower production cost during the year.

**Operating Expenses**

The Company's total operating and other expenses in 2024 was ₱395.63 million, a decrease of ₱113.24 million or 22.3% as compared to ₱508.86 million in 2023. The decrease was due to the following:

- Royalties decreased by ₱3.42 million or 16.3%. These expenses were computed and paid based on the percentage of gross sales.
- Repairs and maintenance expense decreased by ₱33.10 million or 80.4% due to minimal breakdown of transport and other equipment during the year.
- Environmental expenses decreased by ₱17.05 million or 26.4%, total amount of ₱47.50 million is in compliance with the required minimum of 3.0% of the direct mining cost of prior year to be allocated to mitigate environmental issues.
- Social Development Program decreased by ₱7.78 million or 29.0%, total amount of ₱19.05 million in 2024 is in compliance with implementing rules and regulation of 1995 Phil. Mining Act, which requires that 1.5% of the operating cost of prior year be allocated for the development of host and neighboring mining communities.

**Financial Position**

	<b>Audited (in million Pesos)</b>		<b>Increase (Decrease)</b>	
	<b>2024</b>	<b>2023</b>	<b>Amount</b>	<b>%</b>
Assets	<b>₱5,806.29</b>	₱6,049.78	(₱243.49)	(4.0%)
Liabilities	<b>893.11</b>	1,252.41	(359.30)	(28.69%)
Stockholders' Equity	<b>4,913.18</b>	4,797.37	115.81	2.4%

**Assets**

The consolidated total assets of the Company decreased from ₱6,049.78 million as of December 31, 2023 to 5,806.29 million as of December 31, 2024. The 4.0% decrease was mainly due to the effect of the following:

- Cash decreased by ₱36.77 million or 6.1% from ₱603.88 million in 2023 to ₱567.11 million in 2024 due to lower ore sales proceeds.
- Ore inventories decreased by ₱49.29 million or 29.1% from ₱169.12 million in 2023 to ₱119.83 million in 2024 due to lower production during the last quarter of the current year.
- Other current assets decreased by ₱12.43 million or 12.4% from ₱100.49 million in 2023 to ₱88.05 million in 2024, mostly pertains to advances to suppliers and contractors.
- Other noncurrent assets decreased by ₱105.06 million or 16.5% from ₱637.16 million in 2023 to ₱532.10 million in 2024 due to input vat refunded during the year.

#### Liabilities

As of December 31, 2024, the total liabilities of the Company decreased by ₱359.30 million or 28.7% from ₱1,252.41 million in December 2023 to ₱893.11 million in 2024. The decrease was due to the effect of the following:

- Trade and other payables decreased by ₱32.71 million or 14.6% due to the full payment of some of the contractors and suppliers during the year.
- Dividends payment of ₱297.06 million in relation to dividends declaration last December 7, 2023 with payment date on January 26, 2024.
- Loans payable decreased by ₱55.72 million or 42% from ₱132.60 million in 2023 to ₱76.88 million in 2024 due to the partial settlement of the loan principal.

#### Stockholders' Equity

The stockholders' equity increased by ₱115.81 million from ₱4,797.37 million in 2023 to ₱4,913.18 million in 2024. The increase pertains mainly to the net income for the year.

#### **Consolidated Cash Flow**

	Audited (in million Pesos)		Increase (Decrease)	
	2024	2023	Amount	%
Cash provided by operating activities	<b>₱252.63</b>	₱338.63	(₱85.96)	(25.4%)
Cash provided by (used) in investing activities	<b>72.79</b>	(191.15)	263.90	138.1%
Cash used in financing activities	<b>(362.77)</b>	(90.41)	(272.36)	(301.3%)

In 2024, the company's net decrease in cash amounted to ₱37.35 million compared to a net increase of ₱57.07 million in 2023 was mainly due to the lower ore sales proceeds during the year.

## C. Discussion for 2023 and 2022 Financial Results

## Results of Operations

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Revenues	<b>₱2,050.42</b>	₱3,067.49	(₱1,017.07)	(33.2%)
Cost of Sales	<b>1,203.10</b>	2,043.61	(840.51)	(41.1%)
Operating and Other Expenses	<b>508.86</b>	684.29	(175.43)	(25.6%)
Income (Loss) Before Income Tax	<b>338.46</b>	339.59	(1.13)	(0.3%)
Income Tax	<b>106.32</b>	137.00	(30.68)	(22.4%)
Net Income (Loss)	<b>₱232.14</b>	₱202.58	₱29.56	14.6%

Revenues

MMDC sold an aggregate of 1,502,251 wet metric tonnes (WMT) of nickel ore, or equivalent to 28 shipments of which 2 vessels are saprolite and 26 vessels are limonite for the year ended December 31, 2023, as compared to the year 2022 with a total of 1,672,957 wet metric tonnes (WMT) of nickel ore, or equivalent to 31 shipments of which 26 vessels are saprolite and 5 vessels are limonite, hence, registering a decline of 170,706 WMT. The regression of ore sales were due to the shortfall in number of shipments coupled with the weakening ore market price in 2023.

The company's total revenue in 2023 was ₱2,050.41 million which is notably lower by ₱1,017.07 million or 33.2% as compared to ₱3,067.49 million in 2022. The result of operations was a net income after tax of ₱232.14 million in 2023 resulting to a decrease of ₱29.6 million or 14.6% compared to 2022 with net income of ₱202.58 million.

The regression of profit was due to the shortfall in number of shipments coupled with the weakening ore market in the year 2023.

Shipment details of volume and prices are as follows:

## WMT

	2023	2022	Increase (decrease)
Limonite	<b>1,394,001</b>	263,397	1,130,604
Saprolite	<b>108,250</b>	1,409,560	(1,301,310)

## Average Price per wmt (in US\$)

	2023	2022	Increase (decrease)
Limonite	<b>\$22.70</b>	\$26.42	(\$3.72)
Saprolite	<b>\$32.24</b>	\$33.52	(\$1.28)

Cost of Sales

Due to decrease in revenue, the Company's cost of sales decreased by ₱840.51 million or 41.1% from ₱2,043.61 million in 2022 to ₱1,203.10 million in 2023. The decline was mainly due to the lessening of contracted services and excise tax payments needed to produce and sell of ores.



### Operating Expenses

The Company's total operating and other expenses in 2023 was ₱508.86 million, a decrease of ₱175.43 million or 25.6% as compared to ₱684.29 million in 2022. The decrease was due to the following:

- There is no additional Provision for ECL for the year compared to ₱75.52million last year.
- Royalties decreased by ₱10.52 million or 33.3%. These expenses were computed and paid based on the percentage of gross sales.
- Depreciation expense decreased by ₱5.92 million or 41.0% due to most of the property and equipment were already fully depreciated.
- Environmental expenses decreased by ₱48.77 million or 43.0%, total amount of ₱64.55 million is in compliance with the required minimum of 3.0% of the direct mining cost of prior year to be allocated to mitigate environmental issues.
- Representation decreased by ₱41.42 million or 71.4% due to minimal meetings and entertainment activities and contributions incurred during the year.
- Social Development Program decreased by ₱8.09 million or 23.2%, total amount of ₱26.83 million in 2023 is in compliance with implementing rules and regulation of 1995 Phil. Mining Act, which requires that 1.5% of the operating cost of prior year be allocated for the development of host and neighboring mining communities.
- Taxes and licenses decreased by ₱19.34 million or 21.3% due to lower LGU business tax assessment for 2022 gross revenue, the basis of business permit computation.

### **Financial Position**

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Assets	<b>₱6,049.78</b>	₱5,940.61	₱109.17	1.8%
Liabilities	<b>1,252.41</b>	1,068.22	184.22	17.2%
Stockholders' Equity	<b>4,797.37</b>	4,872.38	(75.01)	(1.5%)

### Assets

The consolidated total assets of the Company increased from ₱5,940.61 million as of December 31, 2022 to ₱6,049.78 million as of December 31, 2023. The 1.8% increase was mainly due to the net effect of the following:

- Cash increased by ₱56.98 million or 10.4% from ₱546.89 million in 2022 to ₱603.88 million in 2023.
- Ore inventories increased by ₱18.01 million or 11.9% from ₱151.11 million in 2022 to ₱169.12 million in 2023.
- Other current assets increased by ₱8.75 million or 9.5% from ₱91.74 million in 2022 to ₱100.49 million in 2023, these are mostly pertains to advances to suppliers and contractors.
- Other noncurrent assets increased by ₱152.72 million or 31.5% from ₱484.48 million in 2022 to ₱637.2 million in 2023 due to additional input vat incurred for the year.
- Trade and other receivables decreased by ₱78.89 million or 78% from ₱101.2 million in 2022 to ₱22.31 million in 2023 due to write-off of long outstanding receivable.

### Liabilities

As of December 31, 2023, the total liabilities of the Company increased by ₱184.22 million or 17.2% from ₱1,068.22 million in December 2022 to ₱1,252.41 million in 2023. The increase was due to the net effect of the following:

- Dividends declaration in December 7, 2023 amounting to ₱301.48 million payable in January 26, 2024.
- Income tax payable increased by ₱12.20 million or 66.9% from ₱18.25 million in 2022 to ₱30.44 million in 2023 due to higher taxable income for the current year.
- Additional ₱2.73 million for provision for mine rehabilitation and decommissioning.
- Retirement benefit liability increased by ₱3.75 million or 9.3% from ₱40.48 million in 2022 to ₱44.23 million in 2023.
- Loans payable decreased by ₱52.54 million or 65.4% from ₱80.35 million in 2022 to ₱27.8 million in 2023 due to the settlement of the loan principal.

### Stockholders' Equity

The stockholders' equity decreased by ₱75.01 million from ₱4,872.38 million in 2022 to ₱4,797.37 million in 2023. The decrease pertains to the dividends declaration for the year.

### **Consolidated Cash Flow**

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Cash provided by operating activities	<b>₱338.63</b>	₱714.98	(₱376.35)	(52.6%)
Cash provided by (used) in investing activities	<b>(191.15)</b>	(334.31)	(143.16)	(42.8%)
Cash provided by (used in) financing activities	<b>(90.41)</b>	(634.01)	(543.60)	(85.7%)

The cash provided by operating activities decreased by 52.60% from ₱714.98 million in 2022 to ₱338.63 million in 2023 due to the significant decline of revenue and collection.

In 2023, the decreased in net cash used in investing activities are primarily due to the additions in mine and mining properties amounting to ₱58.10 million as these were utilized in various stockyards in the form of matting and repair and maintenance of haulage road and causeway. Also, with an increased in other noncurrent asset amounting to ₱127.98 million coming from the input VAT subject for refund.

In 2023, the company's net cash provided in financing activities are mainly due to the settlement of principal loans payable during the year.

**Horizontal and Vertical Analysis as at May 31, 2025 and for years ended December 31, 2024, 2023 and 2022**

<i>Amounts thousands</i>	<i>in</i>		Horizontal Analysis		Vertical Analysis	
	May 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)	Change	% Change	2025	2024
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	₱ 741,920	₱ 567,105	₱ 174,814	30.8%	12.1%	9.8%
Trade & other receivables	177,197	35,559	141,638	398.3%	2.9%	0.6%
Advances to related party	4,949	2,955	1,994	67.5%	0.1%	0.1%
Inventories	102,134	119,835	(17,701)	(14.8%)	1.7%	2.1%
Other current assets	139,570	88,056	51,514	58.5%	2.3%	1.5%
Total Current Assets	₱ 1,165,768	₱ 813,509	₱ 352,259	43.3%	19.1%	14.0%
<b>Noncurrent Assets</b>						
Property & equipment	₱ 128,944	₱ 134,539	₱ (5,595)	(4.2%)	2.1%	2.3%
Investment Property	16,146	16,146	-	0.0%	0.3%	0.3%
Mining rights and other mining assets	4,260,980	4,290,458	(29,478)	(0.7%)	69.6%	73.9%
Net deferred tax assets	11,572	19,534	(7,962)	(40.8%)	0.2%	0.3%
Other noncurrent assets	534,417	532,104	2,313	0.4%	8.7%	9.2%
Total Noncurrent Assets	₱ 4,952,058	₱ 4,992,780	₱ (40,722)	(0.8%)	80.9%	86.0%
	₱ 6,117,826	₱ 5,806,289	₱ 311,537	5.4%	100.0%	100.0%
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	₱ 486,277	₱ 190,604	₱ 295,673	155.1%	7.9%	3.3%
Loans payable	14,263	25,051	(10,787)	(43.1%)	0.2%	0.4%
Advances from related party	6,302	5,000	1,302	26.0%	0.1%	0.1%
Dividends payable	14,906	14,910	(4)	0.0%	0.2%	0.3%
Income tax payable	9,556	48,689	(39,133)	(80.4%)	0.2%	0.8%
Total Current Liabilities	₱ 531,304	₱ 284,253	₱ 247,051	86.9%	8.7%	4.9%
<b>Noncurrent Liabilities</b>						
Long-term debt	₱ 51,829	₱ 51,829	₱ -	0.0%	0.8%	0.9%
Provision for mine rehab	65,696	65,696	-	0.0%	1.1%	1.1%
Retirement benefit liability	54,331	49,331	5,000	10.1%	0.9%	0.8%
Deferred tax liability	444,610	442,000	2,611	0.6%	7.3%	7.6%
Total Noncurrent Liabilities	₱ 616,466	₱ 608,855	₱ 7,611	1.2%	10.1%	10.5%
Total Liabilities	₱ 1,147,771	₱ 893,109	₱ 254,662	28.5%	18.8%	15.4%
<b>Equity</b>						
Capital stock	₱ 3,014,820	₱ 3,014,820	₱ -	0.0%	49.3%	51.9%
Additional paid-in capital	269,200	269,200	-	0.0%	4.4%	4.6%
Retained earnings	1,653,418	1,596,543	56,875	3.6%	27.0%	27.5%
Remeasurement gain	32,618	32,618	-	0.0%	0.5%	0.6%
Total Equity	₱ 4,970,056	₱ 4,913,181	₱ 56,875	1.2%	81.2%	84.6%
	₱ 6,117,826	₱ 5,806,289	₱ 311,537	5.4%	100.0%	100.0%

Amounts in thousands				Horizontal Analysis		Vertical Analysis			
	Dec. 31 ,2024 (Audited)		Dec. 31 ,2023 (Audited)		Change	% Change	2024	2023	
ASSETS									
Current Assets									
Cash	₱	567,105	₱	603,878	₱	(36,773)	(6.1%)	9.8%	10.0%
Trade & other receivables		35,559		22,310		13,248	59.4%	0.6%	0.4%
Advances to related party		2,955		2,383		572	24.0%	0.1%	0.0%
Inventories		119,835		169,125		(49,290)	(29.1%)	2.1%	2.8%
Other current assets		88,056		100,488		(12,432)	(12.4%)	1.5%	1.7%
Total Current Assets	₱	813,509	₱	898,184	₱	(84,675)	(9.4%)	14.0%	14.8%
Noncurrent Assets									
Property & equipment	₱	134,539	₱	140,928	₱	(6,389)	(4.5%)	2.3%	2.3%
Investment Property		16,146		17,396		(1,250)	(7.2%)	0.3%	0.3%
Mining rights and other mining assets		4,290,458		4,339,841		(49,384)	(1.1%)	73.9%	71.7%
Net deferred tax assets		19,534		16,266		3,268	20.1%	0.3%	0.3%
Other noncurrent assets		532,104		637,164		(105,060)	(16.5%)	9.2%	10.5%
Total Noncurrent Assets	₱	4,992,780	₱	5,151,595	₱	(158,815)	(3.1%)	86.0%	85.2%
	₱	5,806,289	₱	6,049,779	₱	(243,490)	(4.0%)	100.0%	100.0%
LIABILITIES AND EQUITY									
Current Liabilities									
Trade and other payables	₱	190,604	₱	223,313	₱	(32,710)	(14.6%)	3.3%	3.7%
Loans payable		25,051		27,804		(2,754)	(9.9%)	0.4%	0.5%
Advances from related parties		5,000		5,000		-	0.0%	0.1%	0.1%
Dividends payable		14,910		311,967		(297,057)	(95.2%)	0.3%	5.2%
Income tax payable		48,689		30,445		18,245	59.9%	0.8%	0.5%
Total Current Liabilities	₱	284,253	₱	598,529	₱	(314,276)	(52.5%)	4.9%	9.9%
Noncurrent Liabilities									
Long-term debt - net of current portion	₱	51,829	₱	104,801	₱	(52,972)	(50.5%)	0.9%	1.7%
Provision for mine rehab		65,696		62,847		2,849	4.5%	1.1%	1.0%
Retirement benefit liability		49,331		44,228		5,102	11.5%	0.8%	0.7%
Deferred tax liability		442,000		442,000		-	0.0%	7.6%	7.3%
Total Noncurrent Liabilities	₱	608,855	₱	653,876	₱	(45,021)	(6.9%)	10.5%	10.8%
Total Liabilities	₱	893,109	₱	1,252,405	₱	(359,297)	(28.7%)	15.4%	20.7%
Equity									
Capital stock	₱	3,014,820	₱	3,014,820	₱	-	0.0%	51.9%	49.8%
Additional paid-in capital		269,200		269,200		-	0.0%	4.6%	4.4%
Retained earnings		1,596,543		1,478,425		118,117	8.0%	27.5%	24.4%
Remeasurement gain		32,618		34,928		(2,310)	(6.6%)	0.6%	0.6%
Total Equity	₱	4,913,181	₱	4,797,374	₱	115,807	2.4%	84.6%	79.3%
	₱	5,806,289	₱	6,049,779	₱	(243,490)	(4.0%)	100.0%	100.0%

<i>Amounts in thousands</i>			Horizontal Analysis		Vertical Analysis	
	Dec. 31 ,2023 (Audited)	Dec. 31 ,2022 (Audited)	Change	% Change	2023	2022
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	₱ 603,878	₱ 546,894	₱ 56,984	10.4%	10.0%	9.2%
Trade & other receivables	22,310	101,197	(78,887)	(78.0%)	0.4%	1.7%
Advances to related party	2,383	26,281	(23,897)	(90.9%)	0.0%	0.4%
Inventories	169,125	151,114	18,010	11.9%	2.8%	2.5%
Other current assets	100,488	91,740	8,748	9.5%	1.7%	1.5%
Total Current Assets	₱ 898,184	₱ 917,226	₱ (19,042)	(2.1%)	14.8%	15.4%
<b>Noncurrent Assets</b>						
Property & equipment	₱ 140,928	₱ 179,647	₱ (38,719)	(21.6%)	2.3%	3.0%
Investment Property	17,396	—	17,396	0.0%	0.3%	0.0%
Mining rights and other mining assets	4,339,841	4,327,258	12,583	0.3%	71.7%	72.8%
Net deferred tax assets	16,266	31,990	(15,724)	(49.2%)	0.3%	0.5%
Other noncurrent assets	637,164	484,485	152,679	31.5%	10.5%	8.2%
Total Noncurrent Assets	₱ 5,151,595	₱ 5,023,380	₱ 128,215	2.6%	85.2%	84.6%
	₱ 6,049,779	₱ 5,940,605	₱ 109,174	1.8%	100.0%	100.0%
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	₱ 223,313	₱ 281,210	₱ (57,896)	(20.6%)	3.7%	4.7%
Loans payable	27,804	80,346	(52,541)	(65.4%)	0.5%	1.4%
Advances from related parties	5,000	4,937	63	1.3%	0.1%	0.1%
Dividends payable	311,967	10,485	301,482	2,875.4%	5.2%	0.2%
Income tax payable	30,445	18,246	12,199	66.9%	0.5%	0.3%
Total Current Liabilities	₱ 598,529	₱ 395,223	₱ 203,307	51.4%	9.9%	6.7%
<b>Noncurrent Liabilities</b>						
Long-term debt - net of current portion	₱ 104,801	₱ 130,401	₱ (25,601)	(19.6%)	1.7%	2.2%
Provision for mine rehab	62,847	60,122	2,725	4.5%	1.0%	1.0%
Retirement benefit liability	44,228	40,475	3,753	9.3%	0.7%	0.7%
Deferred tax liability	442,000	442,000	-	0.0%	7.3%	7.4%
Total Noncurrent Liabilities	₱ 653,876	₱ 672,998	₱ (19,122)	(2.8%)	10.8%	11.3%
Total Liabilities	₱ 1,252,405	₱ 1,068,221	₱ 184,184	17.2%	20.7%	18.0%
<b>Equity</b>						
Capital stock	₱ 3,014,820	₱ 3,014,820	₱ -	0.0%	49.8%	50.7%
Additional paid-in capital	269,200	269,200	-	0.0%	4.4%	4.5%
Retained earnings	1,478,425	1,547,771	(69,346)	(4.5%)	24.4%	26.1%
Remeasurement gain	34,928	40,593	(5,665)	(14.0%)	0.6%	0.7%
Total Equity	₱ 4,797,374	₱ 4,872,384	₱ (75,011)	(1.5%)	79.3%	82.0%
	₱ 6,049,779	₱ 5,940,605	₱ 109,174	1.8%	100.0%	100.0%

<i>Amounts in thousands</i>	For the five-months ended May 31,		Horizontal Analysis		Vertical Analysis	
	2025 (Unaudited)	2024 (Unaudited)	Increase (Decrease)	% Change	2025	2024
REVENUE	₱ 676,652	₱ 271,040	₱ 405,611	149.6%	100.0%	100.0%
COST OF SALES	439,910	198,471	241,439	121.6%	65.0%	73.2%
GROSS INCOME	₱ 236,742	₱ 72,569	₱ 164,172	226.2%	35.0%	26.8%
OPERATING EXPENSES	(159,544)	(142,359)	(17,186)	12.1%	23.6%	52.5%
INCOME(LOSS) FROM OPERATIONS	₱ 77,197	₱ (69,789)	₱ 146,987	(210.6%)	11.4%	(25.7%)
INTEREST EXPENSE	(2,170)	(5,234)	3,065	(58.6%)	0.3%	1.9%
INTEREST INCOME	3,944	1,597	2,347	147.0%	0.6%	0.6%
OTHER INCOME (CHARGES) - Net	(4,578)	914	(5,493)	(600.7%)	0.7%	0.3%
INCOME(LOSS) BEFORE TAX	₱ 74,393	₱ (72,512)	₱ 146,906	(202.6%)	11.0%	(26.8%)
INCOME TAX EXPENSE(BENEFIT)	17,519	(12,225)	29,744	(243.3%)	2.6%	4.5%
NET INCOME(LOSS)	₱ 56,875	₱ (60,287)	₱ 117,162	(194.3%)	8.4%	(22.2%)

<i>Amounts in thousands</i>	For the Year Ended December 31,		Horizontal Analysis		Vertical Analysis	
	2024 (Audited)	2023 (Audited)	Increase (Decrease)	% Change	2024	2023
REVENUE	₱ 1,679,284	₱ 2,050,416	₱ (371,132)	(18.1%)	100.0%	100.0%
COST OF SALES	1,085,339	1,203,096	(117,757)	(9.8%)	64.6%	58.7%
GROSS INCOME	₱ 593,945	₱ 847,320	₱ (253,375)	(29.9%)	35.4%	41.3%
OPERATING EXPENSES	(429,175)	(507,165)	77,990	(15.4%)	25.6%	24.7%
INCOME(LOSS) FROM OPERATIONS	₱ 164,770	₱ 340,155	₱ (175,385)	(51.6%)	9.8%	16.6%
INTEREST EXPENSE	(12,834)	(15,056)	2,221	(14.8%)	0.8%	0.7%
INTEREST INCOME	5,989	10,304	(4,315)	(41.9%)	0.4%	0.5%
OTHER INCOME (CHARGES) - Net	40,395	3,056	37,339	1,221.8%	2.4%	0.1%
INCOME(LOSS) BEFORE TAX	₱ 198,320	₱ 338,459	₱ (140,139)	(41.4%)	11.8%	16.5%
INCOME TAX EXPENSE	(80,202)	(106,322)	(26,120)	(24.6%)	4.8%	5.2%
NET INCOME	₱ 118,117	₱ 232,137	₱ (114,019)	(49.1%)	7.0%	11.3%

<i>Amounts in thousands</i>	<b>For the Year Ended December 31,</b>				<b>Horizontal Analysis</b>		<b>Vertical Analysis</b>	
		2023 (Audited)		2022 (Audited)	Increase (Decrease)	% Change	2023	2022
<b>REVENUE</b>	₱	2,050,416	₱	3,067,485	₱ (1,017,069)	(33.2%)	100.0%	100.0%
<b>COST OF SALES</b>		1,203,096		2,043,608	(840,512)	(41.1%)	58.7%	66.6%
<b>GROSS INCOME</b>	₱	847,320	₱	1,023,877	₱ (176,557)	(17.2%)	41.3%	33.4%
<b>OPERATING EXPENSES</b>		(507,165)		(690,870)	185,505	(26.8%)	24.7%	22.5%
<b>INCOME FROM OPERATIONS</b>	₱	340,155	₱	333,007	₱ 8,947	2.7%	16.6%	10.9%
<b>INTEREST EXPENSE</b>		(15,056)		(28,659)	11,804	(43.9%)	0.7%	0.9%
<b>INTEREST INCOME</b>		10,304		800	9,504	1,188.4%	0.5%	0.0%
<b>OTHER INCOME</b>		3,056		34,437	(31,381)	(91.1%)	0.1%	1.1%
<b>INCOME BEFORE TAX</b>	₱	338,459	₱	339,585	₱ (1,126)	(0.3%)	16.5%	11.1%
<b>INCOME TAX EXPENSE</b>		106,322		137,004	(30,682)	(22.4%)	5.2%	4.5%
<b>NET INCOME</b>	₱	232,137	₱	202,581	₱ 29,556	14.6%	11.3%	6.6%

**Key Performance Indicators (KPI's)**

Marcventures' Management uses the following KPIs for the Company and its subsidiaries:

	<b>May 31, 2025</b>	<b>Dec. 31, 2024</b>	<b>Dec. 31, 2023</b>
Net Income (Loss)	<b>₱ 56,874,865</b>	₱118,117,245	₱232,136,506
Quick assets	<b>1,063,634,765</b>	693,674,725	667,722,512
Current assets	<b>1,165,768,350</b>	813,509,424	898,183,945
Total assets	<b>6,117,826,109</b>	5,806,289,229	6,049,779,002
Current liabilities	<b>531,304,451</b>	284,253,113	598,529,310
Total liabilities	<b>1,147,770,527</b>	893,108,512	1,252,405,412
Stockholders' Equity	<b>4,970,055,582</b>	4,913,180,717	4,797,373,590
No. of common shares outstanding	<b>3,014,820,305</b>	3,014,820,305	3,014,820,305
	<b>May 31, 2025</b>	<b>Dec. 31, 2024</b>	<b>Dec. 31, 2023</b>
Liquidity ratios:			
Current ratio <sup>(a)</sup>	<b>2.19:1</b>	2.86:1	1.50:1
Quick ratio <sup>(b)</sup>	<b>2.00:1</b>	2.44:1	1.12:1
Solvency Ratios:			
Debt ratio <sup>(c)</sup>	<b>0.19:1</b>	0.25:1	0.21:1
Debt to Equity ratio <sup>(d)</sup>	<b>0.23:1</b>	0.18:1	0.26:1
Profitability ratios:			
Earnings (Loss) per share <sup>(e)</sup>	<b>0.02:1</b>	0.04:1	0.08:1
Book value per share <sup>(f)</sup>	<b>1.65:1</b>	1.63:1	1.59:1

Note:

- a. Current Assets / Current liabilities
- b. Quick Assets / Current liabilities
- c. Total Liabilities / Total assets
- d. Total Liabilities / Shareholders' equity
- e. Net Income (Loss) / Common shares outstanding
- f. Stockholders' Equity / Common shares outstanding



### **Other Information**

Other material events and uncertainties known to management that would address the past and would have an impact on the Company's future operations are discussed below.

1. Except as disclosed in the management discussion and notes to the financial statements, there are no other known events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
2. Except as disclosed in the management discussion and notes to the financial statements, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on revenues or income from operations.
3. All significant elements of income or loss from continuing operations are already discussed in the management discussion and notes to financial statements. Likewise, any significant elements of income or loss that did not arise from the registrant's continuing operations are disclosed either in the management discussion or notes to financial statements.
4. There is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the company with unconsolidated entities or other persons created during the reporting period.
5. The Company does not expect any liquidity or cash problem within the next twelve months.
6. There no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described. If the registrant knows of events that will cause material change in the relationship between cost and revenues (such as known future increases in cost of labor or materials or price increases or inventory adjustments), the change in the relationship shall be disclosed.
7. There are no significant elements of income or loss that did not arise from the registrant's continuing operations.
8. The Company's mining operations starts during dry season and ends during rainy season, for a period of approximately six (6) to eight (8) months. During off-season months, it implements measures to prepare for the next production season with emphasis on mine planning and development as well as its mine rehabilitation programs and community relations initiatives and commitments.
9. There are no material commitments for capital expenditures for the year for MHI aside from the capital expenditures for transportation equipment for the mining operations of its operating subsidiary MMDC, which are still subject to appropriate controls, budget, and approvals.

**Key Performance Indicator Of The Significant Majority Owned Subsidiary****Marcventures Mining & Development Corporation**

	May 31, 2025	Dec. 31, 2024	Dec. 31, 2023
Net Income (Loss)	<b>₱72,569,410</b>	₱195,917,487	₱305,332,706
Quick assets	<b>1,481,788,101</b>	741,750,135	476,927,197
Current assets	<b>1,583,921,686</b>	861,584,834	646,051,891
Total assets	<b>3,502,502,076</b>	3,245,924,596	3,166,662,648
Current liabilities	<b>662,048,667</b>	447,772,431	419,709,823
Total liabilities	<b>825,182,383</b>	605,906,147	624,963,690
Stockholders' Equity	<b>2,677,319,693</b>	2,640,018,449	2,541,698,958
No. of common shares outstanding	<b>390,000,020</b>	390,000,020	390,000,020

	May 31, 2025	Dec. 31, 2024	Dec. 31, 2023
<b>Liquidity ratios:</b>			
Current ratio <sup>(a)</sup>	<b>2.39:1</b>	1.92:1	1.54:1
Quick ratio <sup>(b)</sup>	<b>2.24:1</b>	1.66:1	0.14:1
<b>Solvency Ratios:</b>			
Debt ratio <sup>(c)</sup>	<b>0.24:1</b>	0.19:1	0.20:1
Debt to Equity ratio <sup>(d)</sup>	<b>0.31:1</b>	0.23:1	0.25:1
<b>Profitability ratios:</b>			
Earnings (Loss) per share <sup>(e)</sup>	<b>0.19:1</b>	0.50:1	0.78:1
Book value per share <sup>(f)</sup>	<b>6.86:1</b>	6.77:1	6.52:1

Note:

- a. Current Assets / Current liabilities
- b. Quick Assets / Current liabilities
- c. Total Liabilities / Total assets
- d. Total Liabilities / Shareholders' equity
- e. Net Income (Loss) / Common shares outstanding
- f. Stockholders' Equity / Common shares outstanding

**Other Subsidiaries**

There are no key performance indicators for other subsidiaries due to minimal impact on the Company's total financial performance.

**Information On Independent Accountant And Other Related Matters**

External Audit Fees and Services

	Year Ended December 31	
	2024	2023
Audit Fees	<b>₱2,290,000</b>	₱2,060,000
Audit-Related Fees	<b>229,000</b>	206,000
<b>Total</b>	<b>₱2,519,000</b>	₱2,266,000

**Audit Fees.** Represent professional fees of the external auditor for the audit services rendered on Company's Annual Financial Statements for the year 2024 and 2023.

**Audit-Related Fees.** Represent the out-of-pocket expenses of the individuals who will perform the audit, including postage and reproduction of Financial Statements as billed by the external auditor.

**Tax Fees.** Represent professional fees for tax advisory/consultation services rendered. There were no tax fees paid for the period.

Audit services provided to the Company by external auditor have been pre-approved by the Audit Committee. The Audit Committee has reviewed the magnitude and nature of these services to ensure that they are compatible with maintaining the independence of the external auditor.

There are no other fees billed by the external auditor during the period.

**Changes in and disagreements with Accountants on Accounting and financial Disclosure**

There was no event in the past years where the external auditor and the Registrant had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

COVER SHEET

1 2 9 4 2

SEC Registration Number

M A R C V E N T U R E S H O L D I N G S , I N C . A N D  
S U B S I D I A R I E S  
( F O R M E R L Y : A J O . N E T H O L D I N G S , I N C . )

(Company's Full Name)

U N I T 4 - 3 4 T H F L R . B D O T O W E R S  
P A S E O ( F O R M E R L Y : C I T I B A N K C E N T E R )  
8 7 4 1 P A S E O D E R O X A S M A K A T I C I T Y

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

ROLANDO S. SANTOS

(Contact Person)91

8831-4479

(Company Telephone Number)

1 2 3 1

Month Day

(Calendar Year)

1 7 - A

(Form Type)

Month Day

(Annual Meeting)

N/A

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

2,174

Total No. of Stockholders

Total Amount of Borrowings

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 Number: 12942

SEC FORM 17-A  
ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 141  
OF THE CORPORATION CODE OF THE PHILIPPINES

For the calendar year ended  
December 31, 2024 (SEC Use Only)

Industry Classification Code:



**MARCVENTURES HOLDINGS INC.**  
(Company Name)

**Philippines**  
(Province, country, or other jurisdiction of  
incorporation or organization)

**000-104-320-000**  
(BIR Tax Identification No.)

**Unit 4-3 4<sup>th</sup> Floor BDO Towers Paseo 8741 Paseo de Roxas, Makati City**  
(Company's Address)

**1227**  
(Zip Code)

Registrant's telephone numbers, including area code:

**(632) 831-44-79**

Securities registered pursuant to Sections 4 and 8 of the RSA:

<u>Title of each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>	<u>Name of each stock exchange in which securities are listed</u>
Common Stock (P1.00 par value)	3,014,820,305 common shares	Philippine Stock Exchange

Indicate whether the registrant has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule 11 (a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports). **Yes**

Indicate whether the registrant has been subject to such filing requirements for the past 90 days. **Yes**

The aggregate market value of voting stock held by non-affiliates is ₱333,740,608 computed on the basis of ₱1.00 representing 11.07% shares equivalent to ₱250,531,567 based on the closing price of ₱0.75 at the Philippine Stock Exchange as of December 31, 2024.

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**PART I - BUSINESS AND GENERAL INFORMATION**

**ITEM 1. BUSINESS**

**Background**

Marcventures Holdings, Inc. (Formerly: AJO.net Holdings, Inc.), (MHI, or the Company), was incorporated and registered with the Securities and Exchange Commission (SEC) on August 7, 1957, with primary purpose to acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise operate, manage, enjoy and dispose of, any and all properties of every kind and description and wherever situated, including land as and to the extent permitted by law, including but not limited to, buildings, tenements, warehouses, factories, edifices and structures and other improvements and bonds, debentures, promissory notes, shares of stock, or other securities or obligations, created, negotiated or issued by any corporation, association or other entity, foreign or domestic and while the owner, holder or possessors thereof, to exercise all rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interest and income derived therefrom, and the right to vote on any proprietary or other interest, on any shares of the capital stock, and upon any bonds, debentures or other securities having voting power, so owned or held; and provided it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act 2629), or act as a securities broker or dealer.

On December 15, 2009, the Company entered into a Memorandum of Agreement (MOA) with the shareholders of Marcventures Mining & Development Corporation (MMDC) (Investor Group) and their partners to exchange their stake in MMDC for a total value of ₱1.3 billion consisting of: (i) new Company shares worth ₱100.0 million representing the full payment of the balance for the subscription to the increase in authorized capital stock; (ii) additional Company shares worth ₱1.15 billion to be issued from the authorized capital stock as increased, and the new par value of the Company after its corporate restructuring; and (iii) 488 membership certificates of The Metropolitan Club, Inc. (Metroclub Certificates) with an agreed net value of ₱50.0 million together with the Company's rights, obligation and interests. The consolidated financial statements assumed June 30, 2010 as the acquisition date.

In March 2010, the Company reduced the par value of its capital stock from ₱0.10 to ₱0.01, which resulted in a reduction in its issued and outstanding capital stock in the amount of ₱459 million and in a corresponding increase in its Additional Paid-in Capital account. Subsequently, the Company issued 5 billion new shares (par value of ₱0.01) at a price of ₱0.02, which resulted in additional paid-in capital of ₱50.0 million. The Company also transferred the amount of ₱441.0 million from its Additional Paid-in Capital to reduce its Deficit account.

On September 30, 2010, the Securities and Exchange Commission approved the change in the par value of its capital stock from ₱0.01 to ₱1.00.

Marcventures Mining & Development Corporation, the wholly-owned Subsidiary of the Company, is incorporated in the Philippines and is primarily engaged to carry on the business of mining, smelting, extracting, smelting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource from the earth; to operate, manage and/or engage in the business of smelting, and/or operate smelting plant, to refine and/or convert metals, ore, and other precious metals into finished products within the commerce of man.

MMDC obtained its ISO 14001:2004 + Cor. 1:2009 Certification from TÜV Rheinland Cert GmbH, an International Certification Body performing system certification and training as well as providing third-party audit/certification based on various international standards. The certificate issued in favor of MMDC dated 16 May 2016 complies with DENR Administrative Order No. 2015-07. It confirms that MMDC's Environment Management Systems implemented for Mining and Shipping of Nickel Laterite Ore and Post-Mining Activities are compliant with International Standards.

Going beyond regulatory demand, MMDC integrated 3 management systems to raise business standards and more importantly, protect the environment and people. After rigorous, simultaneous audits, MMDC's Surigao Nickel Mining project obtained International Organization for Standardization (ISO) certification for Environmental Management System (ISO 14001:2015), Quality Management System (ISO 9001:2015), and the Occupational Health and Safety Management System (ISO18001:2007). The British certifying body National Quality Assurance (NQA), which granted MMDC the ISO certification in September 2017, also certified the Company's integrated Management Systems (IMS)

On December 29, 2017, the Securities and Exchange Commission approved the merger of MHI with Asia Pilot Mining Philippines Corp. (APMPC) and BrightGreen Resources Holdings Inc. ("BHI") with MHI as the surviving entity. BHI owns 100% interest in BrightGreen Resources Corporation (BRC) and APMPC owns 100% interest in Alumina Mining Philippines, Inc. (AMPI) and Bauxite Resources, Inc. (BARI).

The merger resulted to MHI's acquisition of APMPC's subsidiaries, namely, Alumina Mining Philippines Inc. (AMPI) and Bauxite Resources Inc. (BARI) as well as BHI's subsidiary, BrightGreen Resources Corp. (BRC). Moreover, this resulted in the increase in authorized capital stock of the Parent Company to accommodate the merger from 2,000,000,000 shares at ₱1 par value to 4,000,000,000 shares at ₱1 par value a share. Out of this increase, a total of 1,125,000,000 of the Company's common shares were issued to BHI and APMPC shareholders at ₱1 per share.

The merger allowed MHI to grow its business, diversify its products, and expand its source of income. Bauxite has been observed to be more stable in prices as compared to other commodities even during the slump of metal prices.

The Company is not involved in any bankruptcy, receivership, or similar proceedings.

The Company is listed in the Philippine Stock Exchange. The consolidated financial statements include the accounts of the Company and its subsidiaries, MMDC, BRC, AMPI and BARI as at December 31, 2024 and 2023 and for the years ended December 31, 2024 and 2023.



The Company's current registered office is located at Unit 4-3 4th Flr. BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City.

On 19 July, 2017, the Company's Board of Directors approved the subscription of Mr. Isidro C. Alcantara, Jr. ("Mr. Alcantara"), President & CEO, to 22,730,000 MARC shares at ₱2.20 per share for a total subscription price of ₱50,006,000.00.

Furthermore, on 15 February 2018, the Board of Directors of the Company also approved the subscription of Mr. Alcantara to 45,731,706 MARC shares at ₱1.64 per share equivalent to ₱74,999,997.84. The subscription price was based on the average 30 day high and low prices from January 3, 2018 to February 9, 2018 as disclosed.

Simultaneously, the Company entered into a Subscription Agreement with its subsidiary, Marcventures Mining and Development Corp. (MMDC), wherein the Company subscribed to additional 7,500,000 MMDC shares with a par value of Ten Pesos (₱10.00) per share for a total amount of Seventy-Five Million Pesos (₱75,000,000.00). The subscription proceeds are to be used by MMDC for its operations and infrastructure development.

During the annual meeting held on December 19, 2018, the Company's Stockholders approved the amendment of the Seventh Article of the Articles of Incorporation to increase the Company's authorized capital stock from ₱4.0 Billion to an amount of up to ₱7.0 Billion and to create a class of up to 100,000,000 non-voting, non-participating, cumulative, and redeemable Preferred Shares with a par value of ₱10.00 per share or aggregate par value of ₱1,000,000,000, thereby amending the Seventh Article as follows:

SEVENTH. That the authorized capital stock of the corporation is SEVEN BILLION PESOS (₱7,000,000,000.00) and said capital stock is divided into:

(a) SIX BILLION (6,000,000,000) common shares with a par value of One Peso (₱1.00) each share or an aggregate par value of SIX BILLION PESOS (₱6,000,000,000.00); AND

(b) ONE HUNDRED MILLION (100,000,000) Preferred Shares with a par value of TEN PESOS (₱10.00) each share or an aggregate par value of ONE BILLION PESOS (₱1,000,000,000.00)

Furthermore, the Stockholders also authorized the Company to enter into Placing and Subscription Transactions. The Stockholders authorized the Board of Directors to determine the terms and conditions of the Placing and Subscription Transaction, provided that:

(i) The number of Placing Shares shall not exceed 600,000,000 listed common shares to be provided by existing shareholders of the Corporation, and the number of Subscription Shares shall be equivalent to the number of Placing Shares actually sold; and

(ii) The Placing price shall not be less than the par value of the common shares.

The Stockholders likewise approved the issuance of warrants to stockholders, directors, officers and/or third-party consultants under such terms and conditions as the Board of Directors may deem proper.

The foregoing has yet to be implemented.

On February 13, 2019, the Philippine Stock Exchange approved MHI's listing application of shares issued in connection with the merger of APMC and BHI and further approved the listing application for Mr. Alcantara's two private placements.

**2024 Updates and Developments**

The Security Agreements of the Company for the loan obligations of its subsidiaries are as follows:

- a. Loan obligations of Marcventures Mining and Development Corporation;
  - A 6-year loan agreement granted by China Banking Corporation in the principal amount of Two Hundred Million Pesos (₱208,000,000.00); the authority of the SVP-Finance and VP for controllership, to execute, and deliver any and all documents and instruments on behalf of the Company; and the authority of the Company to mortgage the following:

Description	CCT	Area	Location
Unit 4-3	006-2014001598	313.76 sqm.	4F, BDO Towers Paseo
Unit 4-4	006-2014001597	469.55 sqm.	4F, BDO Towers Paseo
Parking B351	006-2014001599	36 sqm.	Basement, BDO Towers Valero
Parking B352			
Parking B353			
Unit 16-B	006-2014013061	464.74sqm.	16F, BDO Towers Valero
Parking A-519	006-2014013062	48 sqm	5th Floor BDO Towers Valero
Parking A-520			
Parking A-521			
Parking A-522			

**Information about the Subsidiaries**

All of the subsidiaries of the Company are wholly owned.

**Subsidiaries**

Below are the Company ownership interests in its subsidiaries:

Subsidiaries	2024	2023
Marcventures Mining and Development Corporation (MMDC)	100%	100%
BrightGreen Resources Corporation (BRC)	100%	100%
Alumina Mining Philippines Inc. (AMPI)	100%	100%
Bauxite Resources Inc. (BARI)	100%	100%

***Marcventures Mining and Development Corporation.*** MMDC was incorporated and registered with the SEC on January 18, 1995 primarily to engage and/or carry on the business of extracting, mining, smelting, refining and converting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource.

MMDC has been granted the Mineral Production Sharing Agreement (MPSA) No. 016-93-XI by the Department of Environment and Natural Resources (DENR), covering an area of approximately 4,799 hectares located in the municipalities of Carrascal, Cantilan and Madrid, Surigao Del Sur.

The MPSA was originally granted to Ventura Timber Corporation (VTC) on June 19, 1992. In January 1995, VTC executed a Deed of Assignment (the Deed) to transfer to MMDC all its rights and interest in and title to the MPSA. On January 15, 2008, the Deed was approved by the Mines and Geosciences Bureau (MGB).

On June 24, 2016, the DENR issued an order approving the extension of MMDC's MPSA for a period of 9 years starting from the expiration of the first 25-year term.

On February 13, 2017, MMDC received an order dated February 8, 2017 from the DENR cancelling its MPSA due to alleged violations of environment-related laws and regulations. The Technical Committee Report on MMDC, however, only showed a recommendation for fine and suspension.

The Management and its legal counsel assessed that the order was without basis in fact and in law. Foremost, MMDC is engaged in clean and responsible mining. On February 17, 2017, the MMDC filed a Notice of Appeal to the Office of the President. Subsequently, on March 17, 2017, MMDC filed its Appeal Memorandum. MMDC asserted that the grounds for cancellation cited by the DENR was without basis because: (a) operations are allowed by law since said MPSA dated 01 July 1993 is granted with prior rights and is allowed by law as indicated specifically in Proclamation 1747 issued in 2009 by former President Gloria Macapagal Arroyo; (b) despite operations in a watershed, MMDC has not impaired farmlands, rivers or coastal areas within the MPSA area. As to the alleged non-compliance to the planting of three million seedlings, MMDC was prevented from implementing the same due to circumstances beyond its control.

As at December 31, 2024, MMDC has not received any decision nor any notice from the Office of the President. Its Legal Counsel is of a good faith position that MMDC may continue its operations as the execution of the Order of the DENR Secretary is deemed automatically stayed as a matter of law given the pendency of its appeal, as likewise confirmed by the Office of the President.

MMDC has continued to implement and adopt measures not only to rectify any shortcomings allegedly found in its operations but more importantly, it has continuously sought to improve operational efficiencies both in the area of its regulatory compliances and in maintaining its commitments to its host and neighboring communities.

MMDC has continuously been granted the necessary regulatory permits and licenses to operate, including but not limited to Discharge Permits, Ore Transport Permits (OTP) and Mineral Ore Export Permits (MOEP). As proof its compliance, MMDC has also secured a certification from the MGB as of March 5, 2024, attesting to the validity and existence of its MPSA and that the Company has an approved Declaration of Mining Project Feasibility dated October 15, 2014 covering its entire contract mining area and is being developed and utilized by virtue of an approved Three-Year Development/Utilization Work Program dated 29 November 2022 covering Calendar Years 2023 to 2025. Moreover, MGB also certified that MMDC has complied with the terms and conditions of the MPSA and the pertinent provisions of the R.A.7942 or the Philippine Mining Act of 1995 and its Implementing Rules and Regulations.

Accordingly, MMDC has continued its mining operations in areas covered by the MPSA.

**BrightGreen Resources Corporation.** BRC was incorporated and registered with the SEC on July 20,1989 to engage in the mining business.

On July 1, 1993, the DENR approved BRC's application for MPSA No. 015-93-XI (SMR) covering an area of approximately 4,860 hectares located in the municipalities of Carrascal and Cantilan, Surigao del Sur. BRC is undertaking its continuous exploratory drilling program to block mineral resources at indicated and measured category. In a letter dated 11 April 2022, the Mines and Geosciences Bureau (MGB) of the DENR approved the request for extension of the third renewal of BRC's Exploration Period due to force majeure for a period of two years effective from 2 July 2022 to 1 July 2024 to recover its unused term.

On February 17, 2017, BRC received a Show-Cause Order dated February 13, 2017. In the Show-Cause Order, it was alleged that the contract area covered by the said MPSA is within a watershed, such that if mining operations will be conducted therein, its ecological functions will be impaired.

On February 27, 2017, BRC submitted a reply to the Show-Cause Order to explain why the MPSA should not be cancelled. It stated in the reply that it has prior legal right considering that its MPSA with the Republic of the Philippines was approved on July 1, 1993, while Proclamation No. 1747 on the proclamation of watershed areas was only issued on March 23, 2009. Notably, Proclamation No. 1747 provides that prior rights should be respected. Thus, BRC should be allowed to continue its operations over its contract area. The management and its legal counsel believe that the alleged violation is without basis in fact and in law.

As at December 31, 2024, there are no developments regarding the Show-Cause orders. However, the Management and the Legal Counsel of BRC take the good faith position that the operations of BRC under said MPSA is granted with prior rights and is allowed by law and the alleged impairment and damage in the MPSA area is not supported by any specific acts because BRC is not yet operating in the area but has only completed exploration and drilling. As a proof of compliance, BRC secured a certification from the MGB as of March 5, 2024, attesting to the validity and existence of its MPSA and its existing Exploration Period (Third Renewal).

On April 24, 2024, BRC submitted the its Application for Renewal of its MPSA. Without prejudice BRC's Application for its MPSA Renewal, BRC has submitted a Request for Restitution of the term of its MPSA. Also submitted was the Application for the Declaration of Mining Project Feasibility (DMPF) for the Propose Nickel Laterite Project Under MPSA No.015-93-XI.

**Alumina Mining Philippines Inc.** AMPI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

On December 5, 2002, the DENR approved AMPI's application for MPSA No. 179-2002-VIII-SBMR covering 6,694 hectares in the municipalities of San Jose de Buan and Paranas Samar in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

**Bauxite Resources Inc.** BARI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

On December 5, 2002, the DENR approved BARI's application for MPSA No. 180-2002-VIII-SBMR covering 5,519 hectares in the Municipalities of Gandara, San Jose de Buan, Matuguinao, and San Jorge, Province of Samar (formerly known as Western Samar) in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On February 17, 2017, AMPI and BARI received a Show-Cause Order dated February 13, 2017 from the DENR. In the Show-Cause Order, it was alleged that the contract area covered by their respective MPSA is within a watershed, such that if mining operations will be conducted therein, its ecological functions will be impaired. The Show-Cause Order required AMPI and BARI to submit an explanation on the alleged violation that may cause the cancellation of their respective MPSA.

As at December 31, 2024, the DENR has not issued any other Show Cause Orders for AMPI and BARI. Based on the above letters from FMB and DENR, the Management and Legal Counsel of AMPI and BARI opined that the Show-Cause Orders became moot and academic.

Furthermore, On May 18, 2020, BARI received a letter-approval from the DENR, through the MGB, granting the requested extension of the Exploration Period (EP) of the Company's MPSA from June 18, 2020 to June 18, 2022.

In a letter dated February 9, 2022, BARI wrote to MGB requesting for additional two (2) years extension or until June 18, 2024 of the 3rd Exploration Period (2<sup>nd</sup> Extension of the 3<sup>rd</sup> EP) on the ground that due to force majeure, factors and events that prevented BARI from fully utilizing its respective contract area to complete its activities corresponding to the exploration period were not yet addressed and are still prevailing.

On March 28, 2022, the MGB approved the extension of the Exploration Period (EP) for another two (2) years effective from June 19, 2022 to June 18, 2024 to recover its unused term. Additionally, it has completed and validated its Mineral Resource Report by Philippine Mineral Reporting Code (PMRC) during the year. BARI plans to achieve and finish its compliance with Environmental Compliance Certificate and the filing of DMPF within the extension of the EP.

On July 04, 2023, BARI requested for temporary suspension of the second (2<sup>nd</sup>) extension of the third (3<sup>rd</sup>) renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

#### **Products/Sales/Competition**

The MMDC's main product is nickel ore. All its nickel ore productions were exported to China. The principal market for nickel ore production from the Philippines is currently China. After Indonesia implemented a ban on nickel ore exports, the Philippines has become the main source of Chinese nickel ore – Chinese imports of ores from the Philippines accounted for 90% of total imports in volume and 68% in value. Chinese companies prefer Philippine-sourced nickel ore due to savings in freight costs because of the proximity of the Philippines to China. Nickel ore is sold to Chinese customers based on FOB shipping point and customers handle the charter of vessels. China also relies heavily on imported nickel ore due to insufficient domestic supplies. While MMDC does not rely heavily on a single customer, it is affected by the market price of nickel ore depending on domestic and foreign supply and demand.

#### **Sources and availability of Raw Materials**

MMDC's nickel ore is extracted from its mining property covered by MPSA No. 016-93-XI in Surigao del Sur in the municipalities of Cantilan, Carrascal and Madrid.

Equipment, spare parts, and other operating supplies are readily available both locally and abroad and as such MMDC is not expected to be dependent upon one or a limited number of suppliers.

#### **Mining Claim**

MMDC was granted by Philippine National Government, through the DENR, a MPSA No. 016-93-XI covering an area of approximately 4,799 hectares located in Surigao Del Sur. As the holder of the said MPSA, MMDC has the exclusive right to conduct and develop mining operations within the contract area over a period of 25 years from July 1, 1993. The MPSA is valid until 2018 and renewable for another 25 years. MMDC has identified Nickel Ore as the primary mineral that will be extracted and sold to third parties due to the abundance and favorable characteristics of nickel within the mineral property.

The MPSA was originally granted to Ventura Timber Corporation on June 19, 1992 and subsequently approved on July 1, 1993. In January 1995, a Deed of Assignment executed, wherein Ventura assigned to MMDC all its rights, title and interest in and to MPSA No. 016-93-XI. The Deed was duly registered with the Mines and Geosciences Bureau (MGB) Regional Office (RO) No. XIII on February 9, 1995, and was subsequently approved on January 15, 2008, making the Subsidiary the official contractor of the mineral property.

To date, MMDC has done exploration work on 1,659 hectares and has performed mining operations on 282.8 hectares on the above MPSA covered area.

On June 24, 2016, the DENR issued an order approving the extension of MPSA for a period of 9 years starting from the expiration of the 25-year term.

Aside from the above discussed MPSA, the approval of the Merger of the Company with Asia Pilot Mining Philippines Corp. (AMPC) and the holding company of Brightgreen Resources Corp. (BRC) gave the Company 3 additional mining tenements, particularly, under MPSA 179-2002 VIII (SBMR) with an area of 6,694 Hectares located in Motiong, San Jose De Buan and Wright, Province of Samar issued on December 5, 2002 to Alumina Mining Philippines Inc. and MPSA 180-2002 VIII (SBMR) with an area of 5,519 Hectares located in Gandara, San Jose De Buan and Wright, Province of Samar issued on December 5, 2002 in favor of Bauxite Resources Inc. and MPSA 015-93-XIII issued to BrightGreen Resources Corp. which was approved on 01 July 1993, covering approximately 4,860 hectares of Carrascal and Cantilan, Surigao del Sur.

#### **Government Regulation and Approvals**

As mentioned above, the Company's subsidiaries respectively hold MPSAs issued by the MGB which define the percentage share of the local and national government in the mining revenues. MGB also regulates the export of mineral ores with the issuance of Ore Transport/Mineral Ore permits before any shipment can be made. The DENR monitors compliance with the environmental protection and enhancement program, as well as the social development and management programs of the Company and requires a certain percentage of the Company's operating cost to be allotted to these programs. The costs of complying with the above regulatory requirements are appropriately reflected in the books either as an expense or as a capital asset under the GAAP.

Determination of the effect of probable government regulations cannot be known until specific provisions are made clear.

#### **Compliance with Environmental Laws**

The Company is strongly committed to its policy of protecting and enhancing the environment. It spent ₱47.50 million on its environmental protection and enhancement program (EPEP) in 2024.

#### **Related Party Transactions**

As at December 31, 2024, the total advances to related parties has an outstanding balance of ₱2.95 million which represents a non-interest bearing unsecured and payable on demand.

On the other hand, the total advances from related parties as at December 31, 2024 has an outstanding balance of ₱5.0 million which represents a non-interest bearing unsecured loan payable on demand.

Please refer to Note 14 on page 25 of the 2024 Audited Consolidated Financial Statements (ACFS).

**Employees**

• **Parent Company- Marcventures Holdings, Inc. (MHI)**

The Company currently has a total of 20 employees, consisting of 4 executive positions, 1 in Treasury, 1 in Accounting, 2 in Internal Audit, 1 in Marketing, 9 in Legal, and 2 messenger personnel. For the ensuing 12 months, the Company anticipates an increase in the number of employees, specifically transfer of Legal and Corporate Communications from MMDC to MHI.

• **Marcventures Mining & Development Corporation (MMDC)**

As of December 31, 2024, MMDC engaged a total of 302 workers. Out of the 302 workers, 52 are employed by security agencies engaged by MMDC.

**Table below show the distribution of our workforce:**

	<b>Makati Office</b>	<b>Mine Site</b>	<b>Total</b>
Senior Management	7	0	7
Managers	4	11	15
Supervisors	5	72	77
Rank and File	11	132	143
<b>Subtotal</b>	<b>27</b>	<b>215</b>	<b>242</b>
Security Agency	0	52	52
<b>Total</b>	<b>27</b>	<b>267</b>	<b>294</b>

**The table below show a breakdown of the workforce hired from the local communities:**

	<b>Makati Office</b>	<b>Mine Site</b>	<b>Total</b>
Regular	25	210	235
Probationary	4	5	9
Service Contract	0	3	3
Regular Seasonal	0	14	14
Project Based	0	41	41
<b>Subtotal</b>	<b>29</b>	<b>273</b>	<b>302</b>
Security Agency	0	52	52
<b>Total</b>	<b>29</b>	<b>325</b>	<b>354</b>

**Business and Industry Risks**

**Market Risk**

MMDC's revenue is dependent on both volume exported and the world market price of nickel. The sales price of nickel ore is correlated with the world market price of nickel. The nickel price is subject to volatile price movements over time and is affected by numerous factors that are beyond the Company's control.

From the start of the Company's shipment operations, 100% of our revenue are derived from sale of nickel ore into China. While China has become a significant source of global demand for commodities, our exposure to the Chinese Market and our short-term supply agreements with Chinese customers have resulted in increased volatility in our business.

**Operational Risk**

The Mining operations are influenced by changing conditions that can affect the production levels and cost for varying periods that can diminish revenues and income. Severe weather conditions, changing

prices of fuels and other supplies, increase in taxes and repair costs could have significant impact on the productivity of the Company's operating results.

**Socio-Political Risk**

The Mining operations can be affected by relevant changes in the rules and regulations in the mining laws of the Philippines, as well as its implementation, both local and national. Impact would include changes in the company's mining methods and processes to avoid related fines and penalties, and also on any required rehabilitation efforts by local and national government.

**Foreign Exchange Risk**

As all revenues are in US dollars, the Company revenues are affected by fluctuations in the US\$/PHP exchange rate. To mitigate this risk, the Company closely monitors foreign exchange rates trends and properly timed conversion of dollars into peso to attain the best rates.

**Other risks**

Other risks affecting the Company were discussed in Note 24 on pages 33-37 of the 2024 ACFS.

**Risk Management**

***Risk Policy Statement***

The Organization is committed to integrating risk management practices into its business strategy and performance to drive consistent, effective and accountable management in achieving the Organization's business objectives.

The Organization recognizes that risk is dynamic and is inherent in all external and internal operating environments, and that managing risks is vital in defining the organization's purpose, process and expected results, which are the foundations of its daily operations.

Risk Management activities are carried out through a systematic and disciplined process. The process starts with a Board-approved, comprehensive and Risk Management Policy Manual which encompasses the Enterprise Risk Management (ERM) framework for managing risk at enterprise-wide level. ERM framework provides the means to ensure that all risks – operational, financial, compliance, security and safety as well as reputational are identified, assessed, monitored, mitigated and controlled.

***Purpose***

The Enterprise Risk Management Framework Manual forms part of The Organization's compliance policies and shall:

- Establish the risk management framework – the risk philosophy, strategy, objectives, policies and procedures of the Company;
- Define the roles and responsibilities of the Board and the senior management in their oversight role, as well as the roles and responsibilities of the entire workforce;
- Communicate and provide rules or guidelines to the whole organization in the implementation of risk management practices;
- Provide baseline reference to the internal and external audit activities as they perform their function in the risk evaluation, assessment and other related audit activities
- Sets the scope and application of risk management within the organization
- Details the process of risk reporting obligations to external and internal stakeholders

To meet this commitment, risk management is every employee's business. All employees are responsible and accountable for managing risks within their area of responsibility and that the Board and senior management are responsible of their oversight. Three lines of defense are also identified within the organization to be the operational staff and associates, line supervisors and managers and lastly, the Compliance and Audit function. Through the Framework and its supporting processes, the organization formally establishes and communicates its risk appetite in managing risks.



The organization is averse to risks relating to:

1. health, safety and well-being of our employees, staff and the community
2. administration of finances and assets
3. compliance with applicable regulations – especially those in relation to environmental protection as issued by Mine and Geoscience Board (MGB) and Department of Environment and Natural Resources (DENR), among others.

There is a potentially higher appetite where benefits created by potential innovation or improvisation outweigh the risks. Benefits may include improved production, and/or increased efficiency and effectiveness of the organization's operations.

The framework follows the model of the 2017 Enterprise Risk Management – Integrating with Strategy and Performance of COSO or Committee of the Sponsoring Organizations of the Treadway Commission.

This Enterprise Risk Management Framework also demonstrates that it has incorporated the four areas of sound risk management practices, as required by the Security and Exchange Commission and Philippine Stock Exchange:

1. Adequate and active board management oversight
2. Acceptable policies and procedures
3. Appropriate monitoring and management information system
4. Comprehensive internal controls and audit

## **ITEM 2. DESCRIPTION OF PROPERTIES**

### **Mineral Properties**

MHI currently has four (4) subsidiaries engaged in mining operations, namely, Marcventures Mining and Development Corporation, ("MMDC"), BrightGreen Resources Corp. ("BRC"), Alumina Mining Philippines Inc. ("AMPI") and Bauxite Resources Inc. ("BARI").

#### **MMDC**

Marcventures Mining & Development Corporation holds Mineral Production Sharing Agreement No. 016-93-XI which covers 4,799 hectares in the province of Surigao Del Sur. It is physiologically located within the Diwata Mountain Range.

#### **BRC**

BrightGreen Resources Corp., another subsidiary of the Company, holds MPSA No. 015-93-XIII approved on 01 July 1993, covering approximately 4,860 hectares of the Municipalities of Carrascal and Cantilan in the Province of Surigao del Sur.

#### **AMPI**

Alumina Mining Philippines Inc. holds MPSA No. 179-2002 VIII (SBMR), with an area of 6,694 hectares located in the Province of Samar, issued on December 5, 2002.

#### **BARI**

Bauxite Resources Inc. holds MPSA No. 180-2002 VIII (SBMR), with an area of 5,519 hectares located in the Province of Samar, issued on December 5, 2002.

**Mineral Resource and Reserve Estimate as of December 31, 2024 :**

RESOURCE	MMDC	BRC	AMPI	BARI
Tonnage	<p>Measured &amp; Indicated Saprolite: 8.7 million WMT at 1.32% Nickel, 12.73% Iron</p> <p>Limonite 43.7 million WMT at 0.89% Nickel and 44.06% Iron</p> <p>Inferred Saprolite: 4.4 million WMT at 1.21% Nickel and 12.58% Iron</p> <p>Limonite: 19.7 million WMT at 0.85% Nickel and 43.70% Iron</p>	<p>Measured &amp; Indicated Saprolite: 3.055 million WMT at 1.59% Nickel, 14.85% Iron</p> <p>Limonite 12.972 million WMT at 1.07% Nickel and 39.73% Iron</p> <p>Inferred Saprolite: 0.329 million WMT at 1.61% Nickel and 14.25% Iron</p> <p>Limonite: 4.698 million WMT at 0.90% Nickel and 39.61% Iron</p>	<p>Measured &amp; Indicated Bauxite Ore: 41.713 million WMT at 40.06% Al<sub>2</sub>O<sub>3</sub> and 14.50% SiO<sub>2</sub></p> <p>Inferred Bauxite Ore 17.275 million WMT at 38.96% Al<sub>2</sub>O<sub>3</sub> and 16.59% SiO<sub>2</sub></p>	<p>Measured &amp; Indicated Bauxite Ore: 31.469 million WMT At 43.78% Al<sub>2</sub>O<sub>3</sub> and 7.96% SiO<sub>2</sub></p> <p>Inferred Bauxite Ore 28.436 million WMT at 43.75% Al<sub>2</sub>O<sub>3</sub> and 8.09% SiO<sub>2</sub></p>

**Notes:**

1. The Mineral Resource Estimates (MRE) reported for MMDC is based on the 11 November 2024 resource block model of Cabangahan, 21 October 2024 block model of Sipangpang, and 30 September 2024 block model of Pili prepared by MMDC Resoure Geologist and Area-in-charge Gisella Jane E. Dida and Junior Geologist Jeremy C. Sabornido, which in turn was reviewed and certified by PMRC Accredited Competent Person Jayvhel T. Guzman.
2. The MRE reported for BRC is based on the March 2016 report of the PMRC Accredited Competent Person Radegundo S. De Luna (deceased). Manual polygon method was used in estimating the mineral resources of BRC as of December 31, 2015, with resources classified purely as a function of drill spacing.
3. The MRE reported for AMPI and BARI is based on the technical report signed and certified by PMRC Accredited Competent Person Tomas D. Malihan in June 2017. Block modelling and resource estimation was done using Surpac software with Inverse Distance Weighting (IDW) as the interpolation method.
4. The MRE followed the terminology and guidelines set forth in the Philippine Mineral Reporting Code (PMRC).
5. The MRE are not precise calculations, being dependent on the interpretation of limited information on the location, shape, continuity of the mineralization and the availability of sampling results. Tonnages are reported in millions to reflect the relative uncertainty of the estimate.

6. The MRE is valid from the date of signing of the ACP. In the event that any new geological information, exploration results and ore deposit models will arise that may have direct or indirect implication on the mineral resource estimates as disclosed in this statement, the said MRE may be rendered inaccurate and should therefore be treated with caution.

For other discussions of mining properties, please refer to Note 10, pages 21-22 of the 2024 ACFS.

**Property and Equipment**

**Office Space**

In January 2014, the Company acquired two (2) condominium units located at Citi Center Condominium Project, Citibank Center (Now: BDO Towers Paseo), 8741 Paseo de Roxas, Makati City, with an aggregate floor area of, more or less, nine hundred sixty-seven and 7/100 (967.07) square meters and amounting to Sixty-Eight million pesos (₱68,000,000). The property is covered by Condominium Certificates of Title Nos. 006-2011006557 and 006-2011006558 issued by the Register of Deeds of Makati City. The said property became the Company's new principal office address starting September 2014.

In November 2017, the Company acquired another condominium unit also located at the 4th Floor Citi Center Condominium, 8741 Paseo de Roxas, Makati City, with with an approximate area of 220 square meters inclusive one (1) parking slot amounting to twenty five million (₱25,000,000.00). The property is covered by Condominium Certificates of Title No. 006-2012006781. The said condominium unit was purchased for the Makati office expansion.

**MMDC Properties**

The table below sets forth a summary of the properties owned and rented by MMDC.

**Land and Improvements owned**

	<b>Lot Area (sqm)</b>
Haulage Roads	117,596
Stockyards	426,583
Causeway	38,856
Campsite	14,700
Butuan Lot	3,544
Others	85,357
<b>Total Land &amp; improvements</b>	<b>686,636</b>

**Rented**

	<b>Lot Area (sqm)</b>
Haulage Roads	223,644
Stockyards	128,959
Causeway	19,555
Others	94,859
<b>Total</b>	<b>467,017</b>

The renewals of the above leases are subject to agreement by the parties.

The above leased properties are used by MMDC for hauling roads and stockpile areas.

MMDC will acquire and/or lease additional properties to be utilized for hauling roads and stockpile areas needed for operations. The cost acquisitions will depend on negotiations with prospective owners and lessors. MMDC plans to finance acquisitions from internally generated funds and through bank loans.

The Company's equipment mostly pertains to transportation equipment. For details of the property and equipment, please refer to Note 8 on page 20-21 of the 2024 ACFS.

### **ITEM 3. LEGAL PROCEEDINGS**

The Company is not a party to any pending material legal proceedings and/or assessment or pending governmental investigation. It is not involved in any pending legal proceedings with respect to any of its properties. It is not involved in any claims or lawsuits involving damages, which may materially affect it or its subsidiaries.

MMDC, one of MHI's subsidiaries, is a party to a number of legal proceedings that commonly arise in the course of running a fully operational business concern.

To the knowledge and/or information of the Company, none of its directors or its executive officers has presently or during the last five (5) years been involved in any material legal proceeding in any court or government agency on the Philippines or elsewhere which would put to question their ability and integrity to serve Marcventures Holdings, Inc. and its stockholders.

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

### **ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

The Company submitted the following matters to a vote of the security holders during the 2024 Annual Meeting:

1. Call to Order
2. Proof of Notice and Certification of Quorum
3. Approval of the Minutes of Previous Stockholders' Meeting held on 25 July 2023
4. Approval of the Management Report and Audited Financial Statements for the Year Ended 31 December 2023
5. Ratification of all acts of the Board of Directors and Management
6. Election of Directors
7. Approval of Appointment of the External Auditor
8. Other Matters
9. Adjournment

**PART II – OPERATIONAL AND FINANCIAL INFORMATION**

**ITEM 5. MARKET PRICE AND DIVIDENDS ON REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS**

**Market Information**

The principal market for the registrant’s common stock is the Philippine Stock Exchange (“PSE”). The Company’s stock symbol is “MARC”.

**Stock Prices – Common Shares**

The following table sets forth the high and low closing sales prices per share of the Common Shares listed on the PSE during the respective periods indicated as per published financial sources.

	Price per Share (In Pesos) **	
	High	Low
	<b>2022</b>	
January – March	<b>2.50</b>	<b>2.50</b>
April – June	<b>1.84</b>	<b>1.84</b>
July - September	<b>1.62</b>	<b>1.62</b>
October – December	<b>1.45</b>	<b>1.45</b>
	<b>2023</b>	
January – March	<b>1.36</b>	<b>1.36</b>
April – June	<b>1.12</b>	<b>1.12</b>
July - September	<b>0.99</b>	<b>0.99</b>
October – December	<b>1.15</b>	<b>1.15</b>
	<b>2024</b>	
January – March	<b>1.10</b>	<b>0.73</b>
April – June	<b>0.87</b>	<b>0.68</b>
July - September	<b>0.78</b>	<b>0.58</b>
October – December	<b>0.78</b>	<b>0.63</b>

**Latest Market Price**

On the trading date of December 27, 2024, the closing market price of the Company’s common stock was ₱0.75 per share.

**Stockholders**

The number of shareholders of record as of December 31, 2024 was 2,174. The outstanding shares as of December 31, 2024 were 3,014,820,305 common shares, 2,933,929,690 or 97.32% of which are owned by Filipinos.

**MARCVENTURES HOLDINGS, INC.**  
**TOP 20 STOCKHOLDERS**  
**AS OF DECEMBER 31, 2024**

1	PCD NOMINEE CORPORATION (FILIPINO)	FILIPINO	2,599,887,023	86.24%
2	STINSON PROPERTIES INC.	FILIPINO	87,834,569	2.91%
3	SUREGUARD PROPERTIES INC.	FILIPINO	86,514,534	2.87%
4	MYOLNER PROPERTIES INC.	FILIPINO	86,514,533	2.87%
5	PCD NOMINEE CORP. (NON-FILIPINO)	NON-FILIPINO	81,051,552	2.69%
6	GLORIOUS DECADE PROPERTIES, INC	FILIPINO	30,000,000	1.00%
7	ANTHONY M. TE	FILIPINO	27,000,500	0.90%
8	GLORIOUS DECADE PROPERTIES, INC.	FILIPINO	13,013,000	0.43%
9	BENJAMIN CONSUNJI SANDOVAL	FILIPINO	1,000,000	0.03%
10	ATC SECURITIES, INC.	FILIPINO	808,023	0.03%
11	BENJAMIN S. GELI	FILIPINO	100,000	0.00%
12	JOHN C. JOVEN	FILIPINO	100,000	0.00%
13	ANSALDO GODINEZ & CO., INC.	FILIPINO	92,255	0.00%
14	PACIFICO B. TACUB	FILIPINO	50,000	0.00%
15	OTILIA D. MOLO OR ELAINE D. MOLO	FILIPINO	48,419	0.00%
16	ARNOLD JANSSEN T. BANTUGAN OR CHRISTINE ANGELI L. BANTUGAN	FILIPINO	45,000	0.00%
17	TERESITA N. LIM	FILIPINO	40,000	0.00%
18	VICENTE GOQUIOLAY & CO., INC.	FILIPINO	39,599	0.00%
19	ALBERTO MENDOZA&/OR JEANIE MENDOZA	FILIPINO	30,000	0.00%
20	ENRIQUE B. PERALTA	FILIPINO	23,000	0.00%
	<b>TOTAL TOP 20 SHAREHOLDERS</b>		<b>3,014,191,007</b>	<b>99.98%</b>

The Company has no other class of registered securities outstanding aside from common shares.

**Dividends**

Subject to the availability of unrestricted retained earnings and the funding requirements of the Company's operations, the Company's policy is to declare regular dividends, whether cash, stock or property dividends, twice a year in such amounts and at such dates to be determined by the Board. The declaration of stock dividends is subject to stockholders' approval in accordance with the requirements of the Revised Corporation Code.

### Cash Dividends

Year	Date			Amount	
	Declared	Record	Payable	Dividends Per Share	Total Declared (in millions)
2024	No dividends were declared for the year 2024				
2023	Dec. 7, 2023	Jan. 12, 2024	Jan. 26, 2024	₱0.10	₱301.48
2022	No dividends were declared for the year 2022				
2021	Nov. 19, 2021	Dec. 7, 2021	Jan. 4, 2022	₱0.13	₱391.9
2015-2020	No dividends were declared for the year 2015 to 2020				
2014	Nov. 14, 2014	Dec. 19, 2014	Jan. 16, 2015	₱0.15	₱273.2
2014	Sept. 19, 2014	Oct. 31, 2014	Oct. 22, 2014	0.15	273.2

### Stock Dividends

There were no stock dividends declared for years 2015 to 2024.

### Sales of Securities

As of December 31, 2024, there are no sales of unregistered or exempt Securities.

## ITEM 6. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes as of December 31, 2024, 2023 and 2022 prepared in conformity with PFRS hereto attached in the Exhibits.

The financial information for the three years ended December 31, 2024, 2023 and 2022 and as of December 31, 2024, 2022 and 2021 are discussed below.

### A. Discussion for 2024 and 2023 Financial Results

#### Results of Operations

	Audited (in million Pesos)		Increase (Decrease)	
	2024	2023	Amount	%
Revenues	₱1,679.28	₱2,050.42	(₱371.13)	(18.1%)
Cost of Sales	1,085.34	1,203.10	(117.76)	(9.8%)
Operating and Other Expenses	395.63	508.86	(113.24)	(22.3%)
Income Before Income Tax	198.32	338.46	(140.14)	(41.4%)
Income Tax	80.20	106.32	(26.12)	(24.6%)
Net Income	₱118.12	₱232.14	(₱114.02)	(49.1%)

#### Revenues

MMDC sold an aggregate of 1,510,151 wet metric tonnes (WMT) of nickel ore, or equivalent to 28 shipments of which 1 vessel is saprolite and 27 vessels are limonite for the year ended December 31, 2024, as compared to the year 2023 with a total of 1,502,251 WMT of nickel ore, or equivalent to 28 shipments of which 2 vessels are saprolite and 26 vessels are limonite, hence, registering a decline of 7,900 WMT.

The Company's total revenue in 2024 was ₱1,679.28 million which is notably lower by ₱371.13 million or 18.1% as compared to ₱2,050.41 million in 2023. The result of operations was a net income after

tax of ₱118.12 million in 2024 resulting to a decrease of ₱114.02 million or 49.1% compared to 2023 with net income of ₱232.14 million.

The regression of profit was due to the weakening ore market in year 2024.

Shipment details of volume and prices are as follows:

**WMT**

	<b>2024</b>	<b>2023</b>	<b>Increase (decrease)</b>
Limonite	<b>1,454,381</b>	<b>1,394,001</b>	<b>60,380</b>
Saprolite	<b>55,770</b>	<b>108,250</b>	<b>(52,480)</b>

**Average Price per wmt (in US\$)**

	<b>2024</b>	<b>2023</b>	<b>Increase (decrease)</b>
Limonite	<b>\$18.86</b>	<b>\$26.42</b>	<b>(\$7.56)</b>
Saprolite	<b>\$32.84</b>	<b>\$33.52</b>	<b>(\$0.68)</b>

**Cost of Sales**

Due to decrease in revenue, the Company's cost of sales decreased by ₱117.76 million or 9.8% from ₱1,203.10 million in 2023 to ₱1,085.34 million in 2024. The decline was mainly due to lower production cost during the year.

**Operating Expenses**

The Company's total operating and other expenses in 2024 was ₱395.63 million, a decrease of ₱113.24 million or 22.3% as compared to ₱508.86 million in 2023. The decrease was due to the following:

- Royalties decreased by ₱3.42 million or 16.3%. These expenses were computed and paid based on the percentage of gross sales.
- Repairs and maintenance expense decreased by ₱33.10 million or 80.4% due to minimal breakdown of transport and other equipment during the year.
- Environmental expenses decreased by ₱17.05 million or 26.4%, total amount of ₱47.50 million is in compliance with the required minimum of 3.0% of the direct mining cost of prior year to be allocated to mitigate environmental issues.
- Social Development Program decreased by ₱7.78 million or 29.0%, total amount of ₱19.05 million in 2024 is in compliance with implementing rules and regulation of 1995 Phil. Mining Act, which requires that 1.5% of the operating cost of prior year be allocated for the development of host and neighboring mining communities.



## Financial Position

	Audited (in million Pesos)		Increase (Decrease)	
	2024	2023	Amount	%
Assets	<b>₱5,806.29</b>	₱6,049.78	(₱243.49)	(4.0%)
Liabilities	<b>893.11</b>	1,252.41	(359.30)	(28.69%)
Stockholders' Equity	<b>4,913.18</b>	4,797.37	115.81	2.4%

### Assets

The consolidated total assets of the Company decreased from ₱6,049.78 million as of December 31, 2023 to 5,806.29 million as of December 31, 2024. The 4.0% decrease was mainly due to the effect of the following:

- Cash decreased by ₱36.77 million or 6.1% from ₱603.88 million in 2023 to ₱567.11 million in 2024 due to lower ore sales proceeds.
- Ore inventories decreased by ₱49.29 million or 29.1% from ₱169.12 million in 2023 to ₱119.83 million in 2024 due to lower production during the last quarter fo the current year.
- Other current assets decreased by ₱12.43 million or 12.4% from ₱100.49 million in 2023 to ₱88.05 million in 2024, mostly pertains to advances to suppliers and contractors.
- Other noncurrent assets decreased by ₱105.06 million or 16.5% from ₱637.16 million in 2023 to ₱532.10 million in 2024 due to input vat refunded during the year.

### Liabilities

As of December 31, 2024, the total liabilities of the Company decreased by ₱359.30 million or 28.7% from ₱1,252.41 million in December 2023 to ₱893.11 million in 2024. The decrease was due to the effect of the following:

- Trade and other payables decreased by ₱32.71 million or 14.6% due to the full payment of some of the contractors and suppliers during the year.
- Dividends payment of ₱297.06 million in relation to dividends declaration last December 7, 2023 with payment date on January 26, 2024.
- Loans payable decreased by ₱55.72 million or 42% from ₱132.60 million in 2023 to ₱76.88 million in 2024 due to the partial settlement of the loan principal.

### Stockholders' Equity

The stockholders' equity increased by ₱115.81 million from ₱4,797.37 million in 2023 to ₱4,913.18 million in 2024. The increase pertains mainly to the net income for the year.

## Consolidated Cash Flow

	Audited (in million Pesos)		Increase (Decrease)	
	2024	2023	Amount	%
Cash provided by operating activities	<b>₱252.63</b>	₱338.63	(₱85.96)	(25.4%)
Cash provided by (used) in investing activities	<b>72.79</b>	(191.15)	263.90	138.1%
Cash used in financing activities	<b>(362.77)</b>	(90.41)	(272.36)	(301.3%)

In 2024, the company's net decrease in cash amounted to ₱37.35 million compared to a net increase of ₱57.07 million in 2023 was mainly due to the lower ore sales proceeds during the year.

**B. Discussion for 2023 and 2022 Financial Results**

**Results of Operations**

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Revenues	<b>₱2,050.42</b>	₱3,067.49	(₱1,017.07)	(33.2%)
Cost of Sales	<b>1,203.10</b>	2,043.61	(840.51)	(41.1%)
Operating and Other Expenses	<b>508.86</b>	684.29	(175.43)	(25.6%)
Income (Loss) Before Income Tax	<b>338.46</b>	339.59	(1.13)	(0.3%)
Income Tax	<b>106.32</b>	137.00	(30.68)	(22.4%)
Net Income (Loss)	<b>₱232.14</b>	₱202.58	₱29.56	14.6%

**Revenues**

MMDC sold an aggregate of 1,502,251 wet metric tonnes (WMT) of nickel ore, or equivalent to 28 shipments of which 2 vessels are saprolite and 26 vessels are limonite for the year ended December 31, 2023, as compared to the year 2022 with a total of 1,672,957 wet metric tonnes (WMT) of nickel ore, or equivalent to 31 shipments of which 26 vessels are saprolite and 5 vessels are limonite, hence, registering a decline of 170,706 WMT. The regression of ore sales were due to the shortfall in number of shipments coupled with the weakening ore market price in 2023.

The Company's total revenue in 2023 was ₱2,050.41 million which is notably lower by ₱1,017.07 million or 33.2% as compared to ₱3,067.49 million in 2022. The result of operations was a net income after tax of ₱232.14 million in 2023 resulting to a decrease of ₱29.6 million or 14.6% compared to 2022 with net income of ₱202.58 million.

The regression of profit was due to the shortfall in number of shipments coupled with the weakening ore market in the year 2023.

Shipment details of volume and prices are as follows:

**WMT**

	2023	2022	Increase (decrease)
Limonite	<b>1,394,001</b>	263,397	1,130,604
Saprolite	<b>108,250</b>	1,409,560	(1,301,310)

**Average Price per wmt (in US\$)**

	2023	2022	Increase (decrease)
Limonite	<b>\$22.70</b>	\$26.42	(\$3.72)
Saprolite	<b>\$32.24</b>	\$33.52	(\$1.28)

**Cost of Sales**

Due to decrease in revenue, the Company's cost of sales decreased by ₱840.51 million or 41.1% from ₱2,043.61 million in 2022 to ₱1,203.10 million in 2023. The decline was mainly due to the lessening of contracted services and excise tax payments needed to produce and sell of ores.

**Operating Expenses**

The Company's total operating and other expenses in 2023 was ₱508.86 million, a decrease of ₱175.43 million or 25.6% as compared to ₱684.29 million in 2022. The decrease was due to the following:

- There is no additional Provision for ECL for the year compared to ₱75.52million last year.
- Royalties decreased by ₱10.52 million or 33.3%. These expenses were computed and paid based on the percentage of gross sales.
- Depreciation expense decreased by ₱5.92 million or 41.0% due to most of the property and equipment were already fully depreciated.
- Environmental expenses decreased by ₱48.77 million or 43.0%, total amount of ₱64.55 million is in compliance with the required minimum of 3.0% of the direct mining cost of prior year to be allocated to mitigate environmental issues.
- Representation decreased by ₱41.42 million or 71.4% due to minimal meetings and entertainment activities and contributions incurred during the year.
- Social Development Program decreased by ₱8.09 million or 23.2%, total amount of ₱26.83 million in 2023 is in compliance with implementing rules and regulation of 1995 Phil. Mining Act, which requires that 1.5% of the operating cost of prior year be allocated for the development of host and neighboring mining communities.
- Taxes and licenses decreased by ₱19.34 million or 21.3% due to lower LGU business tax assessment for 2022 gross revenue, the basis of business permit computation.

**Financial Position**

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Assets	<b>₱6,049.78</b>	₱5,940.61	₱109.17	1.8%
Liabilities	<b>1,252.41</b>	1,068.22	184.22	17.2%
Stockholders' Equity	<b>4,797.37</b>	4,872.38	(75.01)	(1.5%)

**Assets**

The consolidated total assets of the Company increased from ₱5,940.61 million as of December 31, 2022 to ₱6,049.78 million as of December 31, 2023. The 1.8% increase was mainly due to the net effect of the following:

- Cash increased by ₱56.98 million or 10.4% from ₱546.89 million in 2022 to ₱603.88 million in 2023.
- Ore inventories increased by ₱18.01 million or 11.9% from ₱151.11 million in 2022 to ₱169.12 million in 2023.
- Other current assets increased by ₱8.75 million or 9.5% from ₱91.74 million in 2022 to ₱100.49 million in 2023, these are mostly pertains to advances to suppliers and contractors.
- Other noncurrent assets increased by ₱152.72 million or 31.5% from ₱484.48 million in 2022 to ₱637.2 million in 2023 due to additional input vat incurred for the year.
- Trade and other receivables decreased by ₱78.89 million or 78% from ₱101.2 million in 2022 to ₱22.31 million in 2023 due to write-off of long outstanding receivable.

**Liabilities**

As of December 31, 2023, the total liabilities of the Company increased by ₱184.22 million or 17.2% from ₱1,068.22 million in December 2022 to ₱1,252.41 million in 2023. The increase was due to the net effect of the following:

- Dividends declaration in December 7, 2023 amounting to ₱301.48 million payable in January 26, 2024.
- Income tax payable increased by ₱12.20 million or 66.9% from ₱18.25 million in 2022 to ₱30.44 million in 2023 due to higher taxable income for the current year.
- Additional ₱2.73 million for provision for mine rehabilitation and decommissioning.
- Retirement benefit liability increased by ₱3.75 million or 9.3% from ₱40.48 million in 2022 to ₱44.23 million in 2023.
- Loans payable decreased by ₱52.54 million or 65.4% from ₱80.35 million in 2022 to ₱27.8 million in 2023 due to the settlement of the loan principal.

**Stockholders' Equity**

The stockholders' equity decreased by ₱75.01 million from ₱4,872.38 million in 2022 to ₱4,797.37 million in 2023. The decrease pertains to the dividends declaration for the year.

**Consolidated Cash Flow**

	Audited (in million Pesos)		Increase (Decrease)	
	2023	2022	Amount	%
Cash provided by operating activities	<b>₱338.63</b>	₱714.98	(₱376.35)	(52.6%)
Cash provided by (used) in investing activities	<b>(191.15)</b>	(334.31)	(143.16)	(42.8%)
Cash provided by (used in) financing activities	<b>(90.41)</b>	(634.01)	(543.60)	(85.7%)

The cash provided by operating activities decreased by 52.60% from ₱714.98 million in 2022 to ₱338.63 million in 2023 due to the significant decline of revenue and collection.

In 2023, the decreased in net cash used in investing activities are primarily due to the additions in mine and mining properties amounting to ₱58.10 million as these were utilized in various stockyards in the form of matting and repair and maintenance of haulage road and causeway. Also, with an increased in other noncurrent asset amounting to ₱127.98 million coming from the input VAT subject for refund.

In 2023, the Company's net cash provided in financing activities are mainly due to the settlement of principal loans payable during the year.

**Financial Indicators**

**Key Performance Indicators (KPI's)**

Comparative figures of the key performance indicators (KPI) for the fiscal years ended December 31, 2024 and December 31, 2023:

	2024	2023
Net Income	<b>₱118,117,245</b>	<b>₱232,136,506</b>
Current assets	<b>813,509,424</b>	<b>898,183,945</b>
Total assets	<b>5,806,289,229</b>	<b>6,049,779,002</b>
Current liabilities	<b>284,253,113</b>	<b>598,529,310</b>
Total liabilities	<b>893,108,512</b>	<b>1,252,405,412</b>
Stockholders' Equity	<b>4,913,180,717</b>	<b>4,797,373,590</b>
No. of common shares outstanding	<b>3,014,820,305</b>	<b>3,014,820,305</b>
	<b>2024</b>	<b>2023</b>
Current ratio <sup>1</sup>	<b>2.86</b>	<b>1.50</b>
Book value per share <sup>2</sup>	<b>1.63</b>	<b>1.59</b>
Debt to equity ratio <sup>3</sup>	<b>0.18</b>	<b>0.26</b>
Earnings per share <sup>4</sup>	<b>0.04</b>	<b>0.08</b>
Return on assets <sup>5</sup>	<b>0.02</b>	<b>0.04</b>

Note:

1. Current assets / current liabilities
2. Stockholder's Equity / Total outstanding number of shares
3. Total Liabilities / Stockholder's Equity
4. Net Income (Loss) / Total outstanding number of shares
5. Net income / average total assets

**Other Information**

Other material events and uncertainties known to management that would address the past and would have an impact on the Company's future operations are discussed below.

1. Except as disclosed in the management discussion and notes to the financial statements, there are no other known events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
2. Except as disclosed in the management discussion and notes to the financial statements, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on revenues or income from operations.
3. All significant elements of income or loss from continuing operations are already discussed in the management discussion and notes to financial statements. Likewise, any significant elements of income or loss that did not arise from the registrant's continuing operations are disclosed either in the management discussion or notes to financial statements.
4. There is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the company with unconsolidated entities or other persons created during the reporting period.
5. The company does not expect any liquidity or cash problem within the next twelve months.
6. There no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described. If the registrant knows of events that will cause material change in

the relationship between cost and revenues (such as known future increases in cost of labor or materials or price increases or inventory adjustments), the change in the relationship shall be disclosed.

7. There are no significant elements of income or loss that did not arise from the registrant's continuing operations.
8. The Company's mining operations starts during dry season and ends during rainy season.

#### **ITEM 7. FINANCIAL STATEMENTS**

The consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A. The management is not aware of any significant or material events or transactions not included nor disclosed in the consolidated financial statements in compliance with the SRC Rule 68.

#### **ITEM 8. INFORMATION ON INDEPENDENT ACCOUNTANT AND OTHER RELATED MATTERS**

##### **External Audit Fees and Services**

	Year Ended December 31	
	2024	2023
Audit Fees	<b>₱2,290,000</b>	<b>₱2,060,000</b>
Audit-Related Fees	<b>229,000</b>	<b>206,000</b>
<b>Total</b>	<b>₱2,519,000</b>	<b>₱2,266,000</b>

**Audit Fees.** Represents professional fees of the external auditor for the audit services rendered on Company's Annual Financial Statements for the year 2024 and 2023.

**Audit-Related Fees.** Represents the out-of-pocket expenses of the individuals who will perform the audit, it also includes postage and reproduction of Financial Statements as billed by the external auditor.

**Tax Fees.** Represents professional fees for tax advisory/consultation services rendered.

**Audit services provided to the Company by external auditor have been pre-approved by the Audit Committee.** The Audit Committee has reviewed the magnitude and nature of these services to ensure that they are compatible with maintaining the independence of the external auditor.

##### **Changes in and disagreements with Accountants on Accounting and financial Disclosure**

There was no event in the past years where the external auditor and the Registrant had any disagreements with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

**PART III – CONTROL AND COMPENSATION INFORMATION**

**ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT**

**Board of Directors and Executive Officers**

**Board of Directors and Executive Officers**

The names, ages, citizenship, position and business experience of all directors and executive officers held for the past five (5) years (except those years stated otherwise) are as follows:

<b>Name</b>	<b>Age</b>	<b>Citizenship</b>	<b>Position</b>
Cesar C. Zalamea	95	Filipino	Chairman
Augusto C. Serafica, Jr.	63	Filipino	Director
Marianne Regina T. Dy	47	Filipino	Director
Carlos Alfonso T. Ocampo	59	Filipino	Independent Director
Kwok Yam Ian Chan	37	Filipino	Independent Director
Ruby K. Sy	72	Filipino	Director
Michael L. Escaler	74	Filipino	Director
Anthony M. Te	54	Filipino	Director
Andrew Julian K. Romualdez	24	Filipino	Director
Rolando S. Santos	74	Filipino	Chief Operating Officer and Executive Vice-President
Dale A. Tongco	60	Filipino	Treasurer
Roberto V. San Jose	83	Filipino	Corporate Secretary
Ana Maria A. Katigbak	56	Filipino	Asst. Corporate Secretary/Compliance Officer/Corporate Information Officer/ Data Privacy Officer
Rommel T. Casipe	37	Filipino	Co-Assistant Corporate Secretary/ Co-Compliance Officer/ Co-Corporate Information Officer
Deborra C. Ilagan	61	Filipino	Vice-President for Human Resources / Administration
Ma. Theresa A. Defensor	57	Filipino	Vice President – Corporate Communications

**Mr. Cesar C. Zalamea** was elected Chairman of Marcventures Holdings, Inc. (MHI) in June 2013. He served as the Company's President from June 2013 to September 2014. He serves as Chairman of Marcventures Mining and Development Corp. (MMDC) and Bright Kindle Resources Inc. (formerly Bankard Inc.). He is an independent director of Araneta Properties Inc., a company he joined as Director in December 2008. He was a member of the Advisory Board of Campbell Lutyens & Co. Ltd., an investment advisory company based in the U.K., from July 2011 until June 2015. In 1945, Mr. Zalamea joined AIG where he started as an Investment Analyst at the Philippine American Life Insurance Company (Philamlife) and, later, its President in May 1969. While with Philamlife, he was called to serve the Program Implementation Agency (PIA) in 1964 as Deputy Director General. PIA was an economic group that reported directly to the President of the Philippines. He returned to Philamlife in 1965. In 1969, Mr. Zalamea was appointed Member of the Monetary Board of the Central Bank of the Philippines, representing the private sector. In 1981, he left Philamlife to become Chairman of the Development Bank of the Philippines, giving up his post in the Monetary Board. In 1986, he left the DBP to go back to AIG. He was then stationed in Hong Kong to be the first President of AIG Investment

Corporation (Asia) Ltd. At this time, he was elected to serve as Director in many AIG affiliated companies in Asia, such as the AIA Insurance Co., Nan Shan Life Insurance Co., and Philamlife. He left AIG in 2005 to work directly with Mr. Maurice R. Greenberg at C.V. STARR Companies, where he was appointed President and CEO of Starr Investment Co. (Asia) Ltd. In 2008, he became its Chairman until he retired in 2010.

Mr. Zalamea obtained his BS in Accounting and Banking in 1951 from Colegio de San Juan de Letran, where he graduated valedictorian. In 1953, Mr. Zalamea received his MBA from New York University.

**Mr. Augusto Antonio C. Serafica Jr.** was elected as President in July 2024. He served as the Company's Director since June 2013. Mr. Serafica is currently the President and CEO of Bright Kindle Resources & Investments Corp and Armstrong Capital Holdings, Inc. He was formerly the President of Premiere Horizon Alliance Corporation and the Managing Director of Asian Alliance Investment Corporation and Asian Alliance Holdings & Development Corporation. He is currently the Treasurer of Ardent Property Development Corporation and First Ardent Development Corporation.

Mr. Serafica obtained a Bachelor of Commerce in Accountancy degree from San Beda College and Master in Business Management degree from the Asian Institute of Management. Mr. Serafica is a Certified Public Accountant.

Mr. Serafica is also a member of the Board of Trustees of the AIM Scientific Research Foundation, Inc., President of the AIM Alumni Leadership Foundation, Inc., and is a former Treasurer of the Federation of AIM Alumni Associations, Inc. and Chairman and Director of the Alumni Association of AIM – Philippines, Inc. He was also a former National Chairman of the Board of Trustees as well as a former National Treasurer of the Brotherhood of Christian Businessmen and Professionals (BCBP).

**Ms. Marianne Regina T. Dy** was elected Director in September 2014. She is the Vice President and Chief Operating Officer of So-Nice International Corporation and an active member of the Meat Importers and Traders Association (MITA). She is a graduate of De La Salle University with degrees in Psychology, Marketing Management, and Finance for Senior Executives from the Asian Institute of Management.

**Atty. Carlos Alfonso T. Ocampo** was elected as Independent Director in August 2013. He is also an independent director of Bright Kindle Resources & Investments, Inc. He is the founder of Ocampo & Manalo Law Firm, which was established in 1997. He is a member of the Board in various corporations, including MAA General Assurance Phils. Inc., South Forbes City College Corporation, Columbian Autocar Corporation, Asian Carmakers Corp., Jam Transit Inc., Prestige Cars Inc., Autohaus Quezon City Inc., and AVK Philippines, Inc. He is the Corporate Secretary of PSI Healthcare Development Services Corp., PSI Prescription Solutions Corp., Adrianse Phils. Inc., Bluelion Motors Corp., First Charters and Tours Transport Corp., Brycl Resorts and International Inc., AVK Philippines Inc., Jam Liner Inc., and Manila Golf and Country Club. He previously served as Vice President and General Counsel of Air Philippines Corporation. Atty. Ocampo obtained his Bachelor of Laws from the University of the Philippines. Upon graduation from college, he was admitted into the honor societies of Phi Kappa Phi and Pi Gamma Mu. He also completed an Executive Management Program at the Asian Institute of Management and earned Certificates from The Harvard Kennedy School of Government for the IME program in 2017 and MN program in 2016. In 2013, he was named as a leading adviser as well as a commercial law expert by Acquisition International and Global Law Experts, respectively.

**Mr. Kwok Yam Ian Chan** was elected as Independent Director on 25 September 2020. He is currently a Director of Zenith System and Heavy Equipment, Seaborne Shipping Inc., and Isky Empire Realty Inc. He is likewise a Director of Megalifters Cargo Handling Corp., King Dragon Realty Corp. and DK Ventures Inc. Previous to that, he was the Managing Director of Dunfeng Philippines International Inc. from 2010 to 2017. He was also the President of Dunfeng Shipping Inc. from 2013 to 2017 and served as a Director of Mannage Resource and Trading Inc. from 2015 to 2017. He obtained his Master's degree in Economics



majoring in Finance at California Polytechnic University. Mr. Chan graduated from DLSU - College of St. Benilde with a Bachelor of Science degree in Business Administration majoring in Export Management.

**Ms. Ruby Sy** was elected Director in April 2018. She previously served as President and Director of Asia Pilot Mining Philippines Corp. (APMPC), Director and Treasurer of Bauxite Resources, Inc. and Director and Treasurer of Alumina Mining Philippines Inc.

**Mr. Michael L. Escaler** was elected Director on November 14, 2014. He is the President and CEO of All Asian Countertrade Inc. known as the largest sugar trader in the Philippines, founded in 1994 in partnership with Louis Dreyfus and Nissho-Iwai. He is also the Chairman and President of PASUDECO Development Corp. ; Chairman and CEO of Sweet Crystals Integrated Mill Corporation and Okeelanta Corporation; Chairman of Balibago Waterworks System Inc., South Balibago Resources Inc., Megaworld Capital Town Inc., JSY Transport Services Inc., Aldrew and Gray Transport Inc., Silverdragon Transport Inc. and Metro Clark Waste Management Inc.; President of San Fernando Electric Light and Power Company Inc. and Stanwich Philippines Inc. He serves as an Independent Director of Lorenzo Shipping Corporation, Director of PowerSource Philippines Inc., Empire Insurance Company, Trinity Insurance Brokers Inc., Trinity Healthcare Services Inc., Omnigrains Trading Corporation and Leyte Agri Corporation.

A sugar trader in New York and London from 1974 to 1993, Mr. Escaler began his career at Nissho-Iwai of America for two years and left for ACLI International, one of the largest privately held trading company. Later on, he transferred to Philipp Brothers as Vice-President to head its white sugar trading operations. Afterwards he started his own trading company in the Philippines. He is a Hall of Fame Sprinter for Ateneo de Manila University, where he graduated Cum Laude in Bachelor of Arts in Economics. He obtained his Master's in Business Administration in International Marketing in New York University.

A Philanthropist, Mr. Escaler supports various charities including Habitat for Humanity, Coca Cola Foundation, PGH Medical Foundation, Mano Amiga Academy, Productive Internships in Dynamic Enterprise (PRIDE), American Chamber Foundation Philippines Inc. and San Lorenzo Ruiz Charity.

**Mr. Anthony M. Te** was elected Director in October 2017 and has been a director of Marcventures Mining & Development Corp since August 2013. He is currently Chairman of the Board of Asian Appraisal Company, Inc., Amalgamated Project Management Services, Inc., Asian Asset Insurance Brokerage Corp. and AE Proteina Industries Corp. He serves as Chairman and Chief Finance Officer of Mactel Corp., and as Director and Treasurer for Manila Standard Today Management, Inc. Mr. Te is a licensed soliciting official for Non-Life Insurance with the Philippine Insurance Commission. He previously sat as director in the following companies: AG Finance, Inc. Balabac Resources & Holdings Co., Inc., Commonwealth Savings & Loans bank, EBECOM Holdings, Inc. Equitable PCI Bank, MRC Allied Industries, Inc., Oriental Petroleum & Minerals Corp., PAL Holdings, Inc., PGA Cars, Inc., and Phoenix Energy Corp. He obtained his Bachelor of Arts in Business Management from De La Salle University.

**Mr. Andrew Julian K. Romualdez** was elected as Director on 28 July 2022. He is also a Director of the Company's subsidiaries, namely: Marcventures Mining and Development Corporation, Alumina Mining Phils., Inc. Bauxite Resources, Inc. and Brightgreen Resources Corporation. He is currently a director of *listed companies*, Benguet Corp. (BC) and Bright Kindle Resources & Investments, Inc. (BKR). He is also a director of the BC's subsidiaries, namely: Benguetcorp Resources Management Corporation (BRMC), Arrow Freight and Construction Corporation (AFCC), Benguetcorp Laboratories, Inc. (BCLI) and Benguet Management Corporation (BMC), and BKR's subsidiary, Brightstar Holdings and Development Inc. He is currently a director of Armstrong Securities, Inc. and Armstrong Capital Holdings, Inc. Mr. Romualdez graduated from Cornell University in 2022 with a Bachelor's Degree in International Agriculture and Rural Development.

**Mr. Rolando S. Santos** was elected Chief Operating Officer and Executive Vice-President in 29 September 2022. He was previously the Treasurer of the Company. He also serves as Treasurer for MMDC, Prime Media Holdings Inc., Southern Alluvial Minerals and Alumina Resources Inc., BrightGreen Resources Holdings Inc. and BrightGreen Resources Corp. and SVP Treasurer of Bright Kindle Resources and Investments, Inc. He previously served as Treasurer for AG Finance Inc., and was the Branch head/Cluster head of Branches for Banco De Oro from 2001 to 2013, Bank of Commerce from 1984 to 2001, Producers Bank of the Philippines from 1981 to 1984, and Far East Bank from 1972 and 1981. He obtained his degree in BS Business Administration from the University of the East.

**Mr. Dale A. Tongco** was appointed Treasurer in 29 September 2022. He was previously the Vice-President for Controllershship of the Company. He is also the Risk Management Officer of Prime Media Holdings Inc. and the VP Risk Management and and Chief Risk Officer of Bright Kindle Resources & Investments Inc. He is a Certified Public Accountant with extensive experience in Public Accounting Firms as External Auditor and with Corporations as an Internal Auditor and Risk Management Officer specifically in the areas of Fraud Management; ISO 9001 and 14001 Audit and Management; Process and Control Review; Policies and Procedures Documentation; Corporate Governance; and Finance and Treasury. His professional experience over 13 years includes stints in KPMG, Deloitte, Phil-Am-AIA, CP de Guzman & Co.-CPAs and Benguet Corporation.

**Atty. Roberto V. San Jose** is the Corporate Secretary of the Company and has held the office since 2010. He is also a Director, Corporate Secretary, or an officer of various companies which are clients of the law firm of Castillo Laman Tan Pantaleon & San Jose, where he is a Senior Consultant. He is a member of the Integrated Bar of the Philippines.

**Atty. Ana Maria A. Katigbak** is the Assistant Corporate Secretary, Compliance Officer and Corporate Information Officer of the company and has held the office since 1997. She is a partner in Castillo, Laman, Tan, and Pantaleon & San Jose Law Offices. She is a member of the Integrated Bar of the Philippines.

**Atty. Rommel T. Casipe** was appointed Co-Assistant Corporate Secretary, Co-Compliance Officer and Co-Corporate Information Officer in July 2023. He is also the Co-Assistant Corporate Secretary of a listed company, Bright Kindle Resources & Investments, Inc. Atty. Casipe has been a member of the Integrated Bar of the Philippines since 2019. Before joining the Company, he served as the Compliance Officer of D.M. Wenceslao & Associates, Inc., a real estate company. He also worked as an associate lawyer in OPCN Law Offices specializing in Labor Law and Trademark Law. He obtained his Bachelor's Degree in Sports Science from the University of the Philippines and Law degree from the Far Eastern University.

**Ms. Deborra C. Ilagan** was appointed Vice President for Human Resource and Administration in October 2020. She has been a Human Resources practitioner for well over 20 years with solid background in various HR roles and office administration functions, as well as Finance. Her longest stint (1991-2014) was with Metro Drug, Inc. – a leading distributor of pharmaceutical and healthcare products – where she rose through the ranks from Management Services Supervisor, Treasury Supervisor, Assistant Manager, HR Manager, and Vice President for HR. She was instrumental in building the HR department's resources, led collective bargaining agreement negotiations from 2002 to 2013, and implemented 3 rightsizing and early retirement programs of the company. She transitioned to her role as Associate Director – Human Resources and Systems in 2017 at Pacific Cross Insurance, Inc. where she led overall HR operations.

**Ms. Ma. Theresa A. Defensor** was promoted to Vice President – Corporate Communications of Marcventures Holdings, Inc. on September 1, 2023. She was formerly Assistant Vice President for Corporate Communications and has been with the Company for over five years. Ms. Defensor is a Communications practitioner backed up with decades of experience in public relations, content creation, and media management. Prior to Marcventures Holdings Inc., she held key positions in top agencies Fleishman Hillard, Fuentes Manila, and Agatep and Associates. As a journalist, she wrote for Business

World, Philippine Tatler and The Manila Chronicle. A certified Global Crisis Counselor, she majored in Journalism at the University of the Philippines and completed her graduate studies at the University of Santo Tomas and the Asian Institute of Management.

**Service Period of Directors and Executive Officers**

The directors and executive officers should serve for a period of one (1) year.

**Terms of Office for Directors**

The nine (9) directors shall be stockholders and shall be elected annually by the stockholders owning majority of the outstanding capital stock for a term of one (1) year and shall serve until the election and qualification of their successors.

Any vacancy in the board of directors other than removal or expiration of term may be filled by a majority vote of the remaining members thereof at a meeting called for that purpose if they still constitute a quorum, and the director or directors so chosen shall serve for the unexpired term.

**Significant Employees**

The Company is not highly dependent on any individual who is not an executive officer.

**Family Relationships**

None.

**Resignation or Refusal to Stand for Re-election by Members of the Board of Directors**

None.

**ITEM 10. EXECUTIVE COMPENSATION**

The following table summarizes certain information regarding compensation paid or accrued during the last three fiscal years and to be paid in the ensuing fiscal year to the Company's President and each of the Company's three other most highly compensated executive officers:

**SUMMARY OF COMPENSATION TABLE**

<b>Positions</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Chairman, President, Corporate Secretary, Assistant Corporate Secretary and All Executive Officers	<b>₱53,656,066</b>	<b>₱48,605,701</b>	<b>₱46,075,722</b>

Compensation of key management personnel consists of salaries and other benefits.

The above executive officers are covered by standard employment contracts and can be terminated upon appropriate notice.

Non-executive Directors are entitled to a per diem allowance of ₱75,000 for each attendance in Regular Board meetings.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security ownership of certain record (“r”) and beneficial (“b”) owners of five percent (5%) or more of the outstanding capital stock of the Registrant as of December 31, 2024:

Title of Class	Name, address of record owner and relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (Based on new no. of Outstanding Shares)
Common	Ruby Sy	-	Filipino	168,615,000	5.59%
Common	PCD Nominee Corporation (registered owner in the books of the stock transfer agent)	Bright Kindle Resources & Investments Inc.	Filipino	600,000,000	19.9%
		Rodolfo Yu	Filipino	172,635,000	5.73%
		RYM Business Management Corp.	Filipino	309,999,946	10.28%
		Dy Family	Filipino	348,500,000	11.56%
		Except those enumerated above, the Company is not aware of other persons with lodged shares who are the beneficial owners of more than 5% of its outstanding capital stock.  PCD authorizes its trading participants to vote the shares registered in their name.	Filipino	1,081,188,587	35.86%
TOTAL				2,680,938,533	88.93%

As of December 31, 2024, the foreign ownership level of Marcventures Holdings, Inc. (MARC) is 85,007,105 shares or equivalent to 2.82%.

**Security Ownership of Management – Record “r” and Beneficial “b” (direct/indirect) owners as of December 31, 2024:**

<b>Title of Class</b>	<b>Name of Beneficial Owner</b>	<b>Amount and nature of ownership (Indicate record (“r”) and/or beneficial (“b”))</b>		<b>Citizenship</b>	<b>Percent of Class</b>
Common	Cesar C. Zalamea Chairman	1,000 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Marianne Regina T. Dy Director	1 5,999,999	“r” (direct) “b” (indirect)	Filipino	0.00% 0.20%
Common	Carlos T. Ocampo Independent Director	1,000 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Augusto C. Serafica, Jr. Director	10,000 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Ruby Sy Director	168,615,000 0	“r” (direct) “b” (indirect)	Filipino	5.59%
Common	Anthony M. Te Director	27,000,500 55,629,100	“r” (direct) “b” (indirect)	Filipino	0.90% 1.85%
Common	Kwok Yam Ian Chan	1,000 0	“r” (direct) “b” (indirect)	British	0.00%
Common	Michael L. Escaler Director	1 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Andrew Julian K. Romualdez Director	1,000 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Rolando S. Santos Chief Operating Officer and Executive Vice-President	1 0	“r” (direct) “b” (indirect)	Filipino	0.00%
	Roberto V. San Jose Corporate Secretary	0 0	“r” (direct) “b” (indirect)	Filipino	0.00%
Common	Ana Katigbak Asst. Corporate Secretary	0 150,000	“r” (direct) “b” (indirect)	Filipino	0.00%
	Rommel T. Casipe Co-Asst. Corporate Secretary	0 0	“r” (direct) “b” (indirect)	Filipino	0.00%
	Dale A. Tongco Treasurer	0 0	“r” (direct) “b” (indirect)	Filipino	0.00%
	Deborra C. Ilagan VP HR/ Admin	0 0	“r” (direct) “b” (indirect)	Filipino	0.00%
	Ma. Theresa A. Defensor VP Corporate Communications	0 0	“r” (direct) “b” (indirect)	Filipino	0.00%
		195,629,503 - “r” 61,779,099 - “b”			

**ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

As of December 31, 2024, advances to and from related party transactions have an outstanding balance of ₱2.95 million and ₱5.0 million, respectively, which represents a non-interest-bearing unsecured loan payable on demand. Please refer to Note 14 on page 25 of the 2024 ACFS.

The Company retains the law firm of Castillo Laman Tan Pantaleon & San Jose Law Offices (CLTPS) where the corporate secretary, Atty. Roberto V. San Jose, is a senior partner. During the last fiscal year, the Company paid CLTPS legal fees which the Company believes to be reasonable.

The Company is involved in nickel mining operations in Surigao del Sur, through Marcventures Mining & Development Corporation. The mine is covered by ECC NO. 0807-022-1093 issued by the Department of the Environment and Natural Resources. Please refer to Note 1 of the 2024 ACFS.

Other than the foregoing, there has been no transaction outside of the ordinary course of business during the last two years, nor is any transaction presently proposed, to which the Company was or is to be a party in which any director or executive officer of the Company, or owner of more than 10% of the Company's voting securities or any member of the immediate family of any of the foregoing persons had or is to have a direct or indirect material interest. In the ordinary and regular course of business, the Company had or may have had transactions with other companies in which some of the foregoing persons may have an interest.

**ITEM 13. CORPORATE GOVERNANCE**

This portion has been deleted pursuant to SEC Memorandum Circular No. 5, Series of 2013. The Corporate Governance report shall be filed separately.

**PART IV - EXHIBITS AND SCHEDULES**

**ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C**

**Exhibits**

Please see attached Audited Financial Statements of the Company for the years ended December 31, 2024, 2023 and 2022, and its 2024 Sustainability Report.

**(b) Reports on SEC Form 17-C**

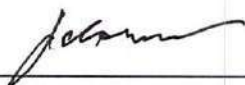
Items reported under SEC Form 17-C during the last six months covered by this report:


<u>Date of Report</u>	<u>Event Reported</u>
July 4, 2024	Notice of Annual Stockholders' Meeting
July 26, 2024	<ul style="list-style-type: none"><li>• Results of the Annual Stockholders' Meeting held on July 26, 2024</li><li>• Results of the Organizational Meeting of the Board of Directors held on July 26, 2024</li><li>• Election of Mr. Augusto C. Serafica, Jr.</li></ul>
December 5, 2024	Results of the Board Meeting held on December 5, 2024

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on APR 30 2025

By:

  
\_\_\_\_\_  
**CESAR C. ZALAMEA**  
Chairman

  
\_\_\_\_\_  
**ROLANDO S. SANTOS**  
Chief Operating Officer and Exec. Vice-President

  
\_\_\_\_\_  
**DALE A. TONGCO**  
Treasurer


BEFORE ME, Notary Public for and in the above-named locality, personally appeared the following, with their respective residence certificates and competent evidence of identity, to wit:

<u>Name</u>	<u>Competence Evidence of Identity</u>	<u>Place Issued/Valid Until</u>
Cesar C. Zalamea	TIN 137-712-551	
Rolando S. Santos	TIN 127-551-084	
Dale A. Tongco	TIN 125-401-967	

known to me and to me known as the same persons who executed the foregoing 2024 SEC Form 17-A Annual Report, and they acknowledge to me that the same is their free and voluntary act and deed as well as of the corporations they respectively represent.

WITNESS MY HAND AND SEAL on the date and in the place above written.

Doc. No. 15  
Page No. 4  
Book No. I  
Series of 2025.

  
**ATTY. REUBEN CARLO O. GENERAL**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2026  
Roll of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-10476980MN; 01/13/2025  
MCLE Compliance No. VII-0018681;  
3F ALPAP I Building, #140 Leviste Street  
Salcedo Village, Makati City



Jommel Ramos &lt;jommel.ramos@marcventures.com.ph&gt;

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**Your BIR AFS eSubmission uploads were received**

1 message

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**eafs@bir.gov.ph** <eafs@bir.gov.ph>  
To: RENITASTY2000@gmail.com  
Cc: jommel.ramos@marcventures.com.ph

Tue, Apr 29, 2025 at 4:12 PM

Hi MARCVENTURES HOLINGS INC,

**Valid files**

- EAFS000104320RPTTY122024.pdf
- EAFS000104320ITRTY122024.pdf
- EAFS000104320AFSTY122024.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-4WPXXRSM0CJKF95EDNMQZM4QM0M3M1SQ4Y**Submission Date/Time: **Apr 29, 2025 04:12 PM**Company TIN: **000-104-320**

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

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

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



**for**  
**AUDITED FINANCIAL STATEMENTS**

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A	A	S	F	S
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C	R	M	D
---	---	---	---

N	/	A
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Company's Email Address	Company's Telephone Number/s	Mobile Number
rommel.casipe@marcventures.com.ph	(02) 8831-4479	0917-187-5742
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
2,174	May of each year	December 31

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
<b>Mr. Rolando S. Santos</b>	<b>rolly.santos@marcventures.com.ph</b>	<b>(02) 8831-4479</b>	<b>0998-985-0229</b>

**4th Floor BDO Towers, 8741 Paseo de Roxas, Makati City 1226**

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

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


The management of Marcventures Holdings Inc. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

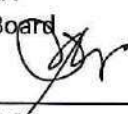
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Reyes Tacandong & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature:   
CESAR C. ZALAMEA  
Chairman of the Board

Signature:   
ROLANDO S. SANTOS  
Chief Operating Officer and Executive Vice President

Signature:   
DALE A. TONGCO  
Treasurer  
Officer

Signed this 30<sup>TH</sup> day of April 2025.

**SUBSCRIBED AND SWORN TO BEFORE ME** this day of APR 30 2025 at City of Makati, affiants to exhibiting to their evidence of the identity, as follows:

**Names**

Cesar C. Zalamea

Rolando S. Santos

Dale A. Tongco

**Tax Identification Number**

137-712-551

127-551-054

125-401-967

DOC NO. 71  
PAGE NO. 16  
BOOK NO. 93  
SERIES OF 2025

ATTY. ROMEO M. MONFORT  
Notary Public City of Makati  
Until December 31, 2025  
Appointment No. M-032 (2024-2025)  
PTR No. 10466003 Jan. 2, 2025/Makati City  
IBP No. 488534 Dec. 27, 2024  
MCLE NO. VII-0027570 Roll No. 27932  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City



## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Marcventures Holdings, Inc.  
4th Floor, BDO Towers Paseo (Formerly Citibank Center)  
8741 Paseo de Roxas, Makati City

### *Opinion*

We have audited the separate financial statements of Marcventures Holdings, Inc. (the Company), which comprise the separate statements of financial position as at December 31, 2024 and 2023, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years ended December 31, 2024, 2023, and 2022, and notes to separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years ended December 31, 2024, 2023, and 2022 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### *Basis for Opinion*

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

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

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

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



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

*Auditors' Responsibilities for the Audit of the Separate Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

**REYES TACANDONG & Co.**

  
CAROLINA P. ANGELES

Partner

CPA Certificate No. 86981

Tax Identification No. 205-067-976-000

BOA Accreditation No. 4782/P-007; Valid until June 6, 2026

BIR Accreditation No. 08-005144-007-2022

Valid until October 16, 2025

PTR No. 10467120

Issued January 2, 2025, Makati City

April 3, 2025

Makati City, Metro Manila

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF FINANCIAL POSITION**

		December 31	
	Note	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	P44,183,867	P336,871,510
Dividends and other receivables	5	206,478,195	162,636,493
Advances to related parties	11	287,586,406	283,131,703
Other current assets	6	59,055,977	58,712,716
Total Current Assets		597,304,445	841,352,422
<b>Noncurrent Assets</b>			
Investments in subsidiaries	7	2,746,546,182	2,746,546,182
Property and equipment	8	46,651,492	51,531,054
Investment property	9	16,145,833	17,395,833
Total Noncurrent Assets		2,809,343,507	2,815,473,069
		P3,406,647,952	P3,656,825,491
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liability</b>			
Dividends and other current liabilities	10	P31,494,833	P328,445,244
<b>Noncurrent Liability</b>			
Retirement benefit liability	12	8,722,061	6,622,613
Total Liabilities		40,216,894	335,067,857
<b>Equity</b>			
Capital stock	13	3,014,820,305	3,014,820,305
Additional paid-in capital		269,199,788	269,199,788
Retained earnings		84,666,651	37,781,100
Remeasurement loss on retirement benefit liability	12	(2,255,686)	(43,559)
Total Equity		3,366,431,058	3,321,757,634
		P3,406,647,952	P3,656,825,491

*See accompanying Notes to Separate Financial Statements.*

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Years Ended December 31		
		2024	2023	2022
<b>DIVIDEND INCOME</b>	7	<b>₱97,500,005</b>	<b>₱301,482,029</b>	<b>₱—</b>
<b>INTEREST INCOME</b>	4	<b>2,130,301</b>	<b>686,029</b>	<b>39,981</b>
<b>RENTAL INCOME</b>	15	<b>1,200,000</b>	<b>1,380,000</b>	<b>300,000</b>
<b>OPERATING EXPENSES</b>	14	<b>(53,920,755)</b>	<b>(52,968,765)</b>	<b>(59,213,662)</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>		<b>46,909,551</b>	<b>250,579,293</b>	<b>(58,873,681)</b>
<b>INCOME TAX EXPENSE</b>	16	<b>24,000</b>	<b>20,700</b>	<b>3,000</b>
<b>NET INCOME (LOSS)</b>		<b>46,885,551</b>	<b>250,558,593</b>	<b>(58,876,681)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<i>Not to be reclassified to profit or loss -</i>	12			
Remeasurement gain (loss) on retirement benefit liability - net of deferred tax		<b>(2,212,127)</b>	<b>(1,009,385)</b>	<b>316,899</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>₱44,673,424</b>	<b>₱249,549,208</b>	<b>(₱58,559,782)</b>

*See accompanying Notes to Separate Financial Statements.*



**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF CHANGES IN EQUITY**

		Years Ended December 31		
	Note	2024	2023	2022
<b>CAPITAL STOCK - ₱1 par value</b>				
Authorized - 4,000,000,000 shares				
Issued, subscribed and outstanding	13	<b>₱3,014,820,305</b>	₱3,014,820,305	₱3,014,820,305
<b>ADDITIONAL PAID-IN CAPITAL</b>				
		<b>269,199,788</b>	269,199,788	269,199,788
<b>RETAINED EARNINGS</b>				
Balance at beginning of year		<b>37,781,100</b>	88,704,537	147,581,218
Net income (loss)		<b>46,885,551</b>	250,558,593	(58,876,681)
Dividend declared	13	—	(301,482,030)	—
Balance at end of year		<b>84,666,651</b>	37,781,100	88,704,537
<b>REMEASUREMENT GAIN (LOSS) ON RETIREMENT LIABILITY - NET OF DEFERRED TAX</b>				
Balance at beginning of year	12	<b>(43,559)</b>	965,826	648,927
Remeasurement gain (loss)		<b>(2,212,127)</b>	(1,009,385)	316,899
Balance at end of year		<b>(2,255,686)</b>	(43,559)	965,826
		<b>₱3,366,431,058</b>	₱3,321,757,634	₱3,373,690,456

*See accompanying Notes to Separate Financial Statements.*

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF CASH FLOWS**

		Years Ended December 31		
	Note	2024	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income (loss) before income tax		<b>₱46,909,551</b>	<b>₱250,579,293</b>	<b>(₱58,873,681)</b>
Adjustments for:				
Dividend income	7	<b>(97,500,005)</b>	<b>(301,482,029)</b>	<b>—</b>
Depreciation	14	<b>6,278,811</b>	<b>6,411,835</b>	<b>6,058,385</b>
Interest income	4	<b>(2,130,301)</b>	<b>(686,029)</b>	<b>(39,981)</b>
Retirement benefit expense	12	<b>1,258,321</b>	<b>6,085,401</b>	<b>373,986</b>
Operating loss before working capital changes		<b>(45,183,623)</b>	<b>(39,091,529)</b>	<b>(52,481,291)</b>
Decrease (increase) in:				
Other receivables		<b>250,777</b>	<b>4,256,097</b>	<b>—</b>
Other current assets		<b>(343,261)</b>	<b>(875,093)</b>	<b>12,832</b>
Other noncurrent assets		<b>—</b>	<b>512,174</b>	<b>(888,557)</b>
Decrease in other current liabilities		<b>106,581</b>	<b>(5,259,645)</b>	<b>(6,379,265)</b>
Net cash used for operations		<b>(45,169,526)</b>	<b>(40,457,996)</b>	<b>(59,736,281)</b>
Contributions to plan asset	12	<b>(1,371,000)</b>	<b>(2,500,000)</b>	<b>—</b>
Interest received		<b>2,130,301</b>	<b>686,029</b>	<b>39,981</b>
Income tax paid		<b>(24,000)</b>	<b>(20,700)</b>	<b>(3,000)</b>
Net cash used in operating activities		<b>(44,434,225)</b>	<b>(42,292,667)</b>	<b>(59,699,300)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Dividends received	7	<b>53,407,526</b>	<b>664,939,988</b>	<b>—</b>
Additional advances to related parties	11	<b>(4,454,703)</b>	<b>(4,318,326)</b>	<b>(6,342,615)</b>
Acquisition of property and equipment	8	<b>(149,249)</b>	<b>(68,062)</b>	<b>(994,931)</b>
Decrease in other noncurrent asset		<b>—</b>	<b>—</b>	<b>—</b>
Net cash provided by (used in) investing activities		<b>48,803,574</b>	<b>660,553,600</b>	<b>(7,337,546)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividends paid		<b>(297,056,992)</b>	<b>—</b>	<b>(371,460,509)</b>
Increase (decrease) in advances from related parties		<b>—</b>	<b>(317,422,318)</b>	<b>49,000,165</b>
Net cash used in financing activities		<b>(297,056,992)</b>	<b>(317,422,318)</b>	<b>(322,460,344)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>(292,687,643)</b>	<b>300,838,615</b>	<b>(389,497,190)</b>
<b>CASH AT BEGINNING OF YEAR</b>		<b>336,871,510</b>	<b>36,032,895</b>	<b>425,530,085</b>
<b>CASH AT END OF YEAR</b>		<b>₱44,183,867</b>	<b>₱336,871,510</b>	<b>₱36,032,895</b>
<b>NONCASH FINANCIAL INFORMATION</b>				
Dividend declaration	13	<b>₱—</b>	<b>₱301,482,030</b>	<b>₱—</b>

See accompanying Notes to Separate Financial Statements.

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**MARCVENTURES HOLDINGS, INC.**

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**NOTES TO SEPARATE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2024 AND 2023  
AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023, and 2022**

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**1. Corporate Information****General Information**

Marcventures Holdings, Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 7, 1957 with a primary purpose to acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to transfer any and all properties of every kind and description and wherever situated to the extent permitted by law provided it shall not engage in the business of an open-end or close-end investment company as defined in the Republic Act (R.A.) No. 2629, *Investment Company Act*, or act as a securities broker or dealer.

The Company's shares of stock were initially listed in the Philippine Stock Exchange, Inc. (PSE) on January 10, 1958. As at December 31, 2024 and 2023, the 3,014,820,305 shares of the Company's shares of stock, are listed in the PSE.

The following are the subsidiaries of the Company which are wholly-owned and accounted for under the cost method:

	Principal Place of Business	Status of Operations
Marcventures Mining and Development Corp. (MMDC)	Cantilan, Surigao del Sur	Operational
BrightGreen Resources Corporation (BGRC)	Carrascal, Surigao del Sur	Exploration Phase
Alumina Mining Philippines Inc. (AMPI)	Samar Island Natural Park (SINP)	Exploration Phase
Bauxite Resources Inc. (BARI)	Samar Island Natural Park (SINP)	Exploration Phase

All of the subsidiaries are incorporated in the Philippines and are engaged in mining operations.

**Registered Address**

The registered address of the Company is at 4th Floor, BDO Towers Paseo (Formerly Citibank Center), 8741 Paseo de Roxas, Makati City.

**Approval of Separate Financial Statements**

The Company's separate financial statements as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022 were approved and authorized for issue by the Board of Directors on April 3, 2025.

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**2. Summary of Material Accounting Policy Information****Basis of Preparation and Statement of Compliance**

The separate financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

The Company also prepares and issues consolidated financial statements for the same year as the separate financial statements. Users of these separate financial statements should read them together with the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the Group) in order to obtain full information on the financial position, financial performance and cash flows of the Group as a whole. The consolidated financial statements can be obtained in the registered office address of the Company or from SEC.

#### **Measurement Bases**

The financial statements are presented in Philippine Peso, which is the Company's functional currency. All values are in absolute amounts, unless otherwise indicated.

The separate financial statements of the Company have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability.

#### **Adoption of Amended PFRS Accounting Standards**

The accounting policies adopted are consistent with those of the previous financial year. Relevant amended PFRS Accounting Standards effective beginning January 1, 2024 did not have any material effect on the financial statements of the Company.

#### **New and Amended PFRS Accounting Standards in Issue but Not Yet Effective**

Relevant new and amended PFRS Accounting Standards, which are not yet effective as at December 31, 2024, is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

#### **Financial Assets and Liabilities**

The Company recognizes a financial asset or a financial liability in the separate statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

Financial asset or liability is recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability).

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is 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 solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL), if any. For ECL, the Company has applied simplified approach and has calculated ECL based on the lifetime ECL.

As at December 31, 2024 and 2023, the Company's cash and cash equivalents, dividends receivable, other receivables (excluding advances to officers and employees) and advances to related parties is considered as financial assets at amortized cost.

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

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

As at December 31, 2024 and 2023, the Company's dividends payable and other current liabilities (excluding statutory payables) are classified financial liabilities at amortized cost.

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

Revenue, expenses and assets are generally recognized net of the amount of VAT except in cases where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable, or receivables and payables that are stated with the amount of VAT included. The amount of VAT recoverable from the tax authority is included as part of the "Other current assets" account in the statements of financial position.

#### **Property and Equipment**

Property and equipment are initially measured at cost less accumulated depreciation and amortization and any impairment in value. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Cost also includes any asset retirement obligation and capitalized interest on borrowed funds used in the case of a qualifying asset.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditures are recognized as expense in the period in which these are incurred.

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

Depreciation and amortization are calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	Number of Years
Building and improvements	5-20
Office furniture, fixtures and equipment	2-5
Computer equipment	5

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation are credited or charged to current operations.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

### **Investment Property**

Investment property is stated at cost less accumulated depreciation and amortization and any impairment in value.

Depreciation is calculated on a straight-line basis over 20 years as the estimated useful lives of the investment property.

Transfers are made to investment property when there are changes in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when there are changes in use, evidenced by commencement of owner-occupation, ending of operating lease or commencement of development with a view to sale.

Transfers between investment property, owner-occupied property and inventories do not change the carrying value of the property transferred and they do not change the cost of that property for measurement or disclosure purposes on the date of reclassification.

### **Investment in Subsidiaries**

The Company's investment in subsidiaries, entities over which the Company has control, are accounted for under the cost method of accounting in the separate financial statements less any impairment in value. In assessing control, the Company considers if it is exposed, or has right, to variable returns from its investment with the subsidiary and if it has the ability to affect those returns. The Company recognizes income from the investment only to the extent that the Company receives distributions from accumulated profits of the subsidiaries arising after the date of acquisition. Distributions received in excess of such profits are regarded as a recovery of investment and are recognized as a reduction of the cost of the investment.

### **Impairment of Nonfinancial Assets**

The Company assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, the asset or cash-generating unit (CGU) is written down to its recoverable amount, which is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction.

In assessing value in use, the estimated future cash flows are discounted to present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of any depreciation and depletion, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation and depletion charges are adjusted in future years to allocate the asset's revised carrying amount, on a systematic basis over its remaining useful life.

### **Equity**

*Capital Stock.* Capital stock is measured at par value of the shares issued.

*Additional Paid-in Capital (APIC).* APIC is the excess over par value of consideration received for the subscription and issuance of shares of stock. Incremental costs directly attributable to the issuances of capital stock are recognized as a deduction from equity.

*Retained Earnings.* Retained earnings represent the cumulative balance of all current and prior period operating results, less any dividends declared in the current and prior periods.

*Other Comprehensive Income (OCI).* OCI comprises of items of income and expenses that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. OCI pertains to remeasurement gain on retirement benefit liability.

### **Revenue Recognition**

*Dividend Income.* Dividend income is recognized at declaration date of the Company's subsidiary.

*Interest Income.* Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

*Rental Income.* Rental income is recognized on a straight-line basis over the lease term.

### **Expense Recognition**

*Operating Expenses.* Operating expense constitutes cost of administering the business and expensed as incurred.

### **Employee Benefits**

*Short-term Benefits.* The Company provides short-term benefits to its employees in the form of basic 13th month pay, bonuses, employer's share on government contribution, and other short-term benefits. The Company recognizes a liability, net of amounts already paid, and an expense for services rendered by employees during the accounting period.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

*Retirement Benefits.* The Company has a non-contributory defined benefit plan covering all qualified employees. The retirement benefits expense is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Company recognizes service costs, comprising of current service costs, past service costs and interest cost in profit or loss. Interest cost is calculated by applying the discount rate to the retirement benefit liability.

Current service costs are the increase in the present value of the defined benefit obligation resulting from employee service and are recognized in profit or loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment; and the date that the Company recognizes restructuring related costs.

Net interest on the net retirement liability or asset is the change during the period in the net retirement liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net retirement liability or asset.

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

Remeasurements comprising actuarial gains and losses and any change in the effect of the asset ceiling (excluding interest cost on retirement benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

The retirement benefit liability is the aggregate of the present value of the defined benefit obligation which is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement benefit liability.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the separate financial statements do not differ materially from the amounts that would be determined at the reporting date.

#### **Income Taxes**

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate used to compute the amount is the one that has been enacted or substantively enacted at the reporting date.

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

The carrying amount of deferred 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 tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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



Deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items directly recognized in equity as other comprehensive income.

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

#### **Related Party Transactions and Related Parties**

Related party transactions consist of transfers of resources, services or obligations between the Company and its related parties.

Parties are considered to be related if one party has the ability to directly or indirectly, control or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled, or under common control with the Company; (b) associates; and (c) individuals owning directly or indirectly, an interest in the voting power of the Company that give them significant influence over the Company and close members of the family of any such individual; and (d) members of the key management personnel of the Company.

In considering each possible related party relationship, attention is directly to the substance of the relationship and not merely on the legal form.

#### **Provisions**

Provisions are recognized when the Company 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.

#### **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 assets are not recognized in the financial statements but are 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 Company's financial position at the end of reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

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### **3. Significant Judgement, Accounting Estimates and Assumptions**

PFRS Accounting Standards requires management to make judgment, accounting estimates and assumptions that affect the amounts reported in the separate financial statements. The judgment, accounting estimates and assumptions used in the separate financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

**Judgment**

In the process of applying the Company's accounting policies, management has made certain judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

*Classification of a Property.* The Company determines whether a property is classified as investment property or property and equipment as follows:

- Property and equipment comprise properties that are held for use in the ordinary course of business.
- Investment property is property not occupied and not used in the operations, nor for sale in the ordinary course of business, but are held primarily for earning rental income.

The carrying amounts of property and equipment and investment property as at December 31, 2024 and 2023 are disclosed in Notes 8 and 9, respectively.

*Evaluation of Lease Commitments - Company as Lessor.* The Company has entered into operating lease agreements with a third party for the lease of office space. Considering that there will be no transfer of ownership of the leased properties to the lessees, the Company has determined that it retains all the significant risks and benefits of ownership of these properties. Accordingly, the leases are accounted for as operating leases.

Rental income is disclosed in Note 15.

**Accounting 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 described below.

*Estimating the Allowance of Impairment of Financial Assets.* The Company determines the allowance for impairment of other financial assets based on potential liquidity of counterparties based on available financial information. Financial assets are derecognized when the right to receive cash flows from the asset has expired or the Company has transferred its right to receive cash flows from the financial asset.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions;
- actual or expected significant adverse changes in the operating results of the borrower; and
- significant changes in credit spread, rates or terms such as more stringent covenants and increased amount of collateral or guarantees.

For cash in banks, cash equivalents, dividend and other receivable (excluding advances to officers and employees) and advances to related parties, the Company assessed that these financial assets have low credit risk because the counterparties are reputable banks and related parties which possess good credit standings. Thus, the ECL on these financial assets in 2024 and 2023 are not significant and not recognized.

The carrying amounts of the Company's financial assets are disclosed in Notes 4, 5 and 11.

*Estimating the Useful Lives of Property and Equipment and Investment Property.* The Company estimates the useful lives of property and equipment and investment property based on the period over which the assets are expected to be available for use. The Company reviews annually the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental changes and anticipated use of the assets.

There were no changes in estimated useful lives of property and equipment and investment property in 2024 and 2023. The carrying amount of property and equipment and investment property are disclosed in Note 8 and Note 9, respectively.

*Assessing the Impairment of Other Nonfinancial Assets.* The Company assesses impairment on other nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company 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;
- or
- significant negative industry or economic trends.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

Recoverable amount of an asset is the higher of its fair value less costs to sell or value in use. Value in use is determined as the present value of estimated future cash flows expected to be generated from the Company's expected mining operations. The estimated cash flows are discounted using pre-tax discount rates that reflect the current assessment of the time value of money and the risks specific to the asset.

Based on management assessment, there are no impairment indicators on the Company's nonfinancial assets. Accordingly, no impairment loss was recognized in 2024, 2023, and 2022.

The carrying amounts of the Company's advances to officers and employees, other current assets, investment in subsidiaries, property and equipment and investment property are disclosed in Notes 5, 6, 7, 8 and 9, respectively.

*Estimating Retirement Benefit Liability.* The determination of the Company's retirement benefit obligation and costs is dependent on the selection by management of assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rate and salary increase rate.

Actual results that differ from the Company's assumptions are recorded as addition to or deduction from retirement benefit liability and recognized in profit or loss or other comprehensive income. One or more of the actuarial assumptions may differ significantly and as a result, the actuarial present value of the retirement benefit obligation estimated as at reporting date may differ significantly from the amount reported.

Retirement benefit expense and liability are disclosed in Note 12.

*Contingencies.* The Company is currently involved in various legal proceedings which the Company believes to have no material adverse effect on its financial position. It is possible however, that changes in estimates relating to these proceedings may materially affect the results of operations of the Company.

*Recognizing Deferred Tax Assets.* The Company reviews the carrying amount of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized.

The Company's unrecognized deferred tax assets are disclosed in Note 16.

#### 4. Cash and cash equivalents

This account consists of:

	2024	2023
Cash on hand	<b>₱5,000</b>	₱9,708
Cash in banks	<b>29,404,703</b>	4,196,502
Cash equivalents	<b>14,774,164</b>	332,665,300
	<b>₱44,183,867</b>	₱336,871,510

Cash in banks earn interest at prevailing bank deposit rates. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value. Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Company and earn interest at the prevailing short-term investment rates.

Interest income earned from cash in bank and cash equivalents amounted to ₱2.1 million, ₱0.7 million, and ₱39,981 in 2024, 2023, and 2022, respectively.

#### 5. Dividends and Other Receivables

This account consists of:

	Note	2024	2023
Dividends receivable	7	<b>₱206,426,920</b>	₱162,334,441
Advances to officers and employees		<b>29,711</b>	100,452
Others		<b>223,164</b>	201,600
		<b>206,679,795</b>	162,636,493
Allowance for ECL	14	<b>(201,600)</b>	—
		<b>₱206,478,195</b>	₱162,636,493

Advances to officers and employees are unsecured, noninterest-bearing and are subject to liquidation within one year.

Others include reimbursable expenses from third party and claims from regulatory agencies.

## 6. Other Current Assets

This account consists of:

	2024	2023
Prepaid income tax	<b>₱49,476,233</b>	₱49,440,233
Input VAT	<b>9,158,415</b>	8,864,134
Others	<b>421,329</b>	408,349
	<b>₱59,055,977</b>	<b>₱58,712,716</b>

## 7. Investment in Subsidiaries

This account consists of:

	2024	2023
MMDC	<b>₱1,683,750,000</b>	₱1,683,750,000
Acquired through merger:		
AMPI and BARI	<b>612,027,480</b>	612,027,480
BGRC	<b>450,768,702</b>	450,768,702
	<b>₱2,746,546,182</b>	<b>₱2,746,546,182</b>

### Information about the Subsidiaries

The subsidiaries of the Company are all wholly-owned.

#### **MMDC**

MMDC was incorporated and registered with the SEC on January 18, 1995 primarily to engage and/or carry on the business of extracting, mining, smelting, refining and converting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and natural metallic or non-metallic resource.

MMDC's registered address is at Unit E, One Luna Place, E. Luna St., Butuan City, Agusan del Norte.

On November 20, 2023, MMDC declared cash dividends totaling 301.5 million, which were subsequently paid on December 1, 2023. Additionally, on December 16, 2024, MMDC declared cash dividends amounting to ₱97.5 million. Dividends receivable amounted to ₱206.4 million and ₱162.3 million as at December 31, 2024 and 2023 (see Note 5).

The credit facilities of MMDC are secured by a real estate mortgage on the condominium units of the Company, recorded under "Buildings and improvements".

#### **BGRC**

BGRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business.

BGRC's registered office address is at 2nd Floor, One Luna Bldg., E. Luna St., Butuan City 8600.

On July 1, 1993, the DENR approved BGRC's application for MPSA No. 015-93-XI (SMR) covering an area of approximately 4,860 hectares located in the municipalities of Carrascal and Cantilan, Surigao del Sur. BGRC is undertaking its continuous exploratory drilling program to block mineral resources at indicated and measured category.

On April 11, 2022, MGB granted the extension of the 3rd Renewal of the Exploration Period (EP) of BRC for another period of two years effective from July 02, 2022 to July 01, 2024 to recover its unused term due to force majeure.

On July 13, 2023, BGRC have received from the MGB office a reply letter for intention to renew its MPSA agreement for another 25 years. The Company is now in the process and anticipative of obtaining the following permits, licenses, and approvals from the regulatory bodies:

- Free, Prior and Informed Consent and Certification Precondition from the National Commission on indigenous Peoples;
- Approval of the Declaration of Mining Project Feasibility from the MGB, including the required work programs: Environmental Protection and Enhancement Program, Social Development and Management Program, Safety and Health Program, Three (3)-Year Development/Utilization Work Program, Care and Maintenance Program and Project Feasibility Study; and
- Environmental Compliance Certificate from the Environmental Management Bureau.

BGRC's MPSA has expired last July 1, 2024. On April 24, 2024, BGRC has applied for restitution of the MPSA for 14 years due to force majeure events. As of December 31, 2024, the application is under the evaluation of the MGB.

#### **AMPI**

AMPI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

AMPI's principal address is at 4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City.

On December 5, 2002, the DENR approved AMPI's application for MPSA No. 179-2002-VIII-SBMR covering 6,694 hectares in the municipalities of San Jose de Buan and Paranas Samar in Eastern Visayas (Region VIII) valid for 25 years and renewable for another 25 years.

On July 04, 2023, AMPI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, AMPI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

#### **BARI**

BARI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business.

BARI's registered office address is at 4th Floor BDO Towers Paseo, Paseo de Roxas, Makati City.

On December 5, 2002, the DENR approved BARI's application for MPSA No. 180-2002-VIII-SBMR covering 5,519 hectares in the Municipalities of Gandara, San Jose de Buan, Matuguinao, and San Jorge, Province of Samar in Eastern Visayas (Region VIII) , valid for 25 years and renewable for another 25 years.

On July 04, 2023, BARI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, BARI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

The summarized financial information of the subsidiaries are as follows:

	2024			
	MMDC	BGRC	AMPI	BARI
Current assets	P861,584,834	P4,246,834	P3,908,070	P494,190
Noncurrent assets	2,384,339,762	79,666,303	130,468,434	58,499,239
Current liabilities	447,772,431	160,165,941	220,496,523	64,680,347
Noncurrent liabilities	158,133,716	-	-	-
Equity (capital deficiency)	2,640,018,449	(76,252,804)	(86,120,019)	(5,689,168)
Revenue	1,716,215,974	-	-	-
Net income (loss)	195,917,487	(5,315,912)	(3,014,084)	(1,510,126)
Total comprehensive income (loss)	195,819,496	(5,315,912)	(3,014,084)	(1,510,126)

	2023			
	MMDC	BGRC	AMPI	BARI
Current assets	P646,051,891	P3,966,228	P3,680,922	P565,075
Noncurrent assets	2,520,610,757	78,810,485	130,600,994	58,535,239
Current liabilities	419,709,823	153,713,605	217,387,851	63,279,356
Noncurrent liabilities	205,253,867	-	-	-
Equity (capital deficiency)	2,541,698,958	(70,936,892)	(83,105,935)	(4,179,042)
Revenue	2,050,416,186	-	-	-
Net income (loss)	305,332,706	(5,012,484)	(3,018,631)	(1,072,742)
Total comprehensive income (loss)	300,676,935	(5,012,484)	(3,018,631)	(1,072,742)

## 8. Property and Equipment

The balances and movements in this account are as follows:

	2024			
	Building and Improvements	Office Furniture, Fixtures and Equipment	Computer Equipment	Total
<b>Cost</b>				
Balance at beginning of year	P100,665,001	P5,997,751	P1,053,102	P107,715,854
Acquisitions	-	75,000	74,249	149,249
Balance at end of the year	100,665,001	6,072,751	1,127,351	107,865,103
<b>Accumulated Depreciation</b>				
Balance at beginning of year	49,994,093	5,991,430	199,277	56,184,800
Depreciation and amortization	4,799,073	17,880	211,858	5,028,811
Balance at end of year	54,793,166	6,009,310	411,135	61,213,611
<b>Carrying Amount</b>	<b>P45,871,835</b>	<b>P63,441</b>	<b>P716,216</b>	<b>P46,651,492</b>

2023					
		Building and Improvements	Office Furniture, Fixtures and Equipment	Computer Equipment	Total
Cost	Note				
Balance at beginning of year		₱125,665,001	₱5,997,751	₱985,040	₱132,647,792
Acquisitions		—	—	68,062	68,062
Reclassification	9	(25,000,000)	—	—	(25,000,000)
Balance at end of the year		100,665,001	5,997,751	1,053,102	107,715,854
Accumulated Depreciation					
Balance at beginning of year		51,549,187	5,827,945	—	57,377,132
Depreciation and amortization		4,799,073	163,485	199,277	5,161,835
Reclassification	9	(6,354,167)	—	—	(6,354,167)
Balance at end of year		49,994,093	5,991,430	199,277	56,184,800
Carrying Amount		₱50,670,908	₱6,321	₱853,825	₱51,531,054

Fully depreciated property and equipment with cost of P10.7 million and P10.3 million as at December 31, 2024 and 2023, respectively, are still being used by the Company and retained in the accounts.

Depreciation and amortization pertains to the following (see Note 14):

	Note	2024	2023	2022
Property and equipment		P5,028,811	P5,161,835	P6,058,385
Investment property	9	1,250,000	1,250,000	—
		P6,278,811	P6,411,835	P6,058,385

## 9. Investment Property

The Company's investment property pertains to the portion of its office space which is under lease with a third party. The movements in the account follows:

	Note	2024	2023
<b>Cost</b>			
Balance at beginning of year		P25,000,000	P—
Reclassification	8	—	25,000,000
Balance at end of year		25,000,000	25,000,000
<b>Accumulated Depreciation</b>			
Balance at beginning of year		7,604,167	—
Reclassification	8	—	6,354,167
Depreciation	8	1,250,000	1,250,000
Balance at end of year		8,854,167	7,604,167
Carrying Amount		P16,145,833	P17,395,833

Rental income earned from investment property amounted to in P1.2 million and P1.4 million in 2024 and 2023, respectively (see Note 15).

Direct operating expenses arising from investment property which relates to depreciation and real property taxes amounted to P1.4 million in 2024 and 2023.

The Company assessed that the fair value of its investment property approximates its original cost. The estimate is based on level 3 in the fair value hierarchy.



## 10. Dividends and Other Current Liabilities

This account consists of:

	Note	2024	2023
Dividends payables	11	P14,909,883	P311,966,875
Statutory payables		11,327,478	11,373,017
Accrued expenses		3,737,373	3,609,505
Others		1,520,099	1,495,847
		<b>P31,494,833</b>	<b>P328,445,244</b>

Statutory payables include deferred output VAT, other taxes payable and mandatory contributions. These are normally settled within one month after the end of the reporting period.

Accrued expenses primarily pertain to utilities which are normally settled within thirty (30) days after the end of the reporting period.

Others include payable to suppliers and employees among others which are normally within 12 months or within the normal operating cycle.

## 11. Related Party Transactions

Transactions with related parties are summarized below:

	Note	Transactions during the Year		Outstanding Balances		Nature
		2024	2023	2024	2023	
<b>Dividends receivable</b>						
Subsidiary	5	P97,500,005	P301,482,029	P206,426,920	P162,334,441	Dividends
<b>Advances to related parties</b>						
Subsidiaries		P4,454,703	P4,318,326	P202,586,406	P198,131,703	Working fund
		-	-	85,000,000	85,000,000	Management fee
				<b>P287,586,406</b>	<b>P283,131,703</b>	
<b>Dividends payable*</b>						
Stockholders	10	P-	P301,482,029	P14,909,883	P311,966,876	Dividends

Outstanding balances are unsecured, noninterest bearing, and payable on demand in cash.

### Compensation of Key Management Personnel

Compensation of key management personnel which consists of salaries and other benefits, amounted to P17.8 million, P15.8 million, and P6.9 million in 2024, 2023, and 2022, respectively. Retirement benefit expense of key management personnel amounted to P1.0 million, P6.0 million, and P0.1 million and in 2024, 2023, and 2022, respectively.

## 12. Retirement Benefit Liability

The Company has an unfunded, noncontributory defined benefit plan covering all its permanent employees. Under this plan, the employees are entitled to retirement benefits ranging from 50% to 200% of the final monthly salary for each year of credited service. This plan is in accordance with Republic Act No. 7641, which mandates a minimum retirement benefit equivalent to one-half month salary per year of service.

An independent actuary conducted a valuation of the retirement benefit obligation using the projected unit credit method. The latest actuarial valuation is for the year ended December 31, 2024.

The components of retirement benefits expense presented under "Operating expenses" account in profit or loss are as follows (see Note 14):

	2024	2023	2022
Transferred defined benefits obligation	P—	P5,642,113	P—
Current service cost	844,408	445,150	288,019
Net interest cost	413,913	(1,862)	85,967
	<b>P1,258,321</b>	<b>P6,085,401</b>	<b>P373,986</b>

Transferred defined benefit obligation pertains to transferred employees from MMDC to MHI.

The components of net retirement benefits liability presented in the separate statements of financial position are as follows:

	2024	2023
Retirement benefits liability	<b>P13,042,280</b>	<b>P9,254,293</b>
Fair value of plan asset	<b>4,320,219</b>	<b>2,631,680</b>
	<b>P8,722,061</b>	<b>P6,622,613</b>

Movements in the present value of retirement benefits liability are as follows:

	2024	2023
Balance at beginning of year	<b>P9,254,293</b>	<b>P1,705,885</b>
Retirement benefit expense recognized in profit or loss:		
Current service cost	<b>844,408</b>	<b>445,150</b>
Interest cost	<b>578,393</b>	<b>129,818</b>
Transferred defined benefits obligation	<b>—</b>	<b>5,642,113</b>
Remeasurement loss recognized in OCI:		
Changes in financial assumptions	<b>62,665</b>	<b>617,927</b>
Deviations of experience from assumptions	<b>2,302,521</b>	<b>713,400</b>
Balance at end of year	<b>P13,042,280</b>	<b>P9,254,293</b>

Movements in the fair value of plan assets are as follows:

	2024	2023
Balance at beginning of year	<b>P2,631,680</b>	<b>P—</b>
Employer contribution	<b>1,371,000</b>	<b>2,500,000</b>
Interest income	<b>164,480</b>	<b>131,680</b>
Gain on plan asset	<b>153,059</b>	<b>—</b>
Balance at end of year	<b>P4,320,219</b>	<b>P2,631,680</b>

The components of the Company's plan assets as at December 31, 2024 and 2023 are as follows:

	2024	2023
Cash	1.49%	1.46%
Investment in debt securities	93.60%	93.15%
Investments in unit investment trust fund	4.91%	5.39%
	<b>100.00%</b>	<b>100.00%</b>

The principal actuarial assumptions used to determine retirement benefit liability are as follows:

	2024	2023
Discount rate	6.25%	7.61%
Salary increase rate	4.00%	4.00%

The plan exposes the Company to actuarial risks, such as interest rate risk and salary rate risk. Sensitivity analysis on retirement benefit liability as at December 31, 2024 is as follows:

	Change in basis points	Effect on defined benefit obligation
Discount rate	+1%	(P254,761)
	-1%	348,964
Salary increase rate	+1%	351,762
	-1%	(278,328)

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the defined benefit liability at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged.

The changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed more responsible.

The cumulative remeasurement gain recognized in other comprehensive loss follows:

	2024		
	Cumulative Remeasurement Loss	Deferred Tax Asset	Net Remeasurement Loss
Balance at beginning of year	(P43,559)	P-	(P43,559)
Remeasurement loss	(2,212,127)	-	(2,212,127)
Balance at end of year	(P2,255,686)	P-	(P2,255,686)

	2023		
	Cumulative Remeasurement Gain (Loss)	Deferred Tax Liability (Asset)	Net Remeasurement Gain (Loss)
Balance at beginning of year	P1,287,768	P321,942	P965,826
Remeasurement loss	(1,331,327)	(321,942)	(1,009,385)
Balance at end of year	(P43,559)	P-	(P43,559)

Based on the Company's actuarial valuation report, the amount expected contribution to the retirement plan in the next financial year is ₱14.9 million.

The maturity analysis of the undiscounted benefit payments as at December 31, 2024 follow:

Less than one (1) year	₱73,743
One (1) year to less than five (5) years	667,940
Five (5) years to less than 10 years	2,403,726
10 years and above	16,314,537
	<b>₱19,459,946</b>

The average duration of the expected benefit payments at the end of the reporting period is 18 years.

### 13. Equity

#### Capital Stock

As at December 31, 2024, 2023, and 2022, the Company's authorized capital stock is 4.0 million shares at ₱1.0 par value while the issued, subscribed and outstanding capital stock is 3.0 million shares at ₱1.0 par value or 3.0 million.

#### Retained Earnings

Cash dividends declared by the Company are as follows:

Date Approved	Per Share	Total Amount	Stockholders of Record Date	Payment Date
December 7, 2023	₱0.10	₱301,482,030	January 12, 2024	January 26, 2024
November 19, 2021	0.13	391,926,640	December 07, 2021	January 4, 2022

Dividends payable amounted to ₱14.9 million and ₱312.0 million as at December 31, 2024 and 2023, respectively (see Note 10).

The changes in liabilities arising from financing activities as at December 31, 2024 and 2023 are as follows:

2024				
	Balance at beginning of year	Net cash flows	Noncash change Dividend Declaration	Balance at end of year
Dividends paid	₱311,966,875	(₱297,056,992)	₱—	₱14,909,883
2023				
	Balance at beginning of year	Net cash flows	Noncash change Dividend Declaration	Balance at end of year
Dividends paid	₱10,484,845	₱—	₱301,482,030	₱311,966,875
Advances from related parties	317,422,318	(317,422,318)	—	—
	₱327,907,163	(₱317,422,318)	₱301,482,030	₱311,966,875

#### 14. Operating Expenses

This account consists of:

	Note	2024	2023	2022
Professional fees		<b>₱18,151,391</b>	<b>₱17,772,883</b>	<b>₱22,661,462</b>
Salaries and allowances		<b>21,702,298</b>	<b>15,882,273</b>	<b>19,712,637</b>
Depreciation and amortization	8	<b>6,278,811</b>	<b>6,411,835</b>	<b>6,058,385</b>
Insurance expense		<b>1,884,173</b>	<b>2,227,071</b>	<b>2,318,438</b>
Outside services		<b>1,462,104</b>	<b>1,868,538</b>	<b>2,436,981</b>
Retirement benefit expense	12	<b>1,258,321</b>	<b>6,085,401</b>	<b>373,986</b>
Dues and subscriptions		<b>409,146</b>	<b>1,031,581</b>	<b>3,023,017</b>
Taxes and licenses		<b>301,054</b>	<b>277,251</b>	<b>50,100</b>
Provision for ECL	5	<b>201,600</b>	<b>-</b>	<b>-</b>
Others		<b>2,271,857</b>	<b>1,411,932</b>	<b>2,578,656</b>
		<b>₱53,920,755</b>	<b>₱52,968,765</b>	<b>₱59,213,662</b>

#### 15. Lease Commitments

##### Operating Lease Agreements - Company as a Lessor

In 2022, the Company has entered into an operating lease agreement with a third party for the lease of office space. The lease agreement has a term of 10 years with a scheduled escalation over the ten-year period. Considering that there will be no transfer of ownership of the leased property to the lessee, the Company has determined that it retains all the significant risks and benefits of ownership of the property. Accordingly, the lease is accounted for as an operating lease.

Rental income amounted to ₱1.2 million, ₱1.4 million, and ₱0.3 million in 2024, 2023, and 2022, respectively (See Note 9).

Future minimum lease receivables under the non-cancellable operating lease as at December 31, 2024 are as follows:

Within one year	<b>₱1,440,000</b>
After one year but not more than five years	<b>8,473,042</b>
Five years and above	<b>3,943,325</b>
	<b>₱13,856,367</b>

#### 16. Income Taxes

The Company's current income tax expense amounting to ₱24,000, ₱20,700 and ₱3,000 in 2024, 2023, and 2022 respectively, pertains to MCIT.

Details of unrecognized deferred tax assets are as follows:

	2024	2023
NOLCO	<b>₱67,996,573</b>	<b>₱54,838,614</b>
Retirement benefits liability	<b>2,180,515</b>	<b>1,655,653</b>
Allowance for ECL	<b>50,400</b>	<b>-</b>
Excess MCIT over RCIT	<b>47,700</b>	<b>23,700</b>
	<b>₱70,275,188</b>	<b>₱56,517,967</b>

Management assessed that it may not be probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Details of NOLCO are as follows:

Year Incurred	Expiry Date	Amount	Incurred	Expired	Balance
2024	2027	P-	P52,631,834	P-	P52,631,834
2023	2026	48,003,364	-	-	48,003,364
2022	2025	58,309,537	-	-	58,309,537
2021	2026	47,971,353	-	-	47,971,353
2020	2025	65,070,203	-	-	65,070,203
		P219,354,457	P52,631,834	P-	P271,986,291

On September 30, 2020, BIR issued the RR No. 25-2020 to implement Section 4 of R.A. No. 11494, otherwise known as "Bayanihan to Recover as One Act". This RR provides that net operating loss of the business or enterprise for taxable years 2020 and 2021 are to be carried over as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Details of excess MCIT over RCIT of the Company are as follows:

Year Incurred	Expiry Date	Amount	Applied	Expired	Balance
2024	2027	P24,000	P-	P-	P24,000
2023	2026	20,700	-	-	20,700
2022	2025	3,000	-	-	3,000
		P47,700	P-	P-	P47,700

The reconciliation of income tax benefit computed at the applicable statutory tax rate to the income tax expense shown in the separate statements of comprehensive income is as follows:

	2024	2023	2022
Income tax at statutory rate	P11,727,388	P62,644,823	(P14,718,420)
Change in unrecognized deferred tax assets	13,204,189	12,917,892	(3,545,554)
Add (deduct) income tax effects of:			
Dividend income not subject to tax	(24,375,002)	(75,370,508)	-
Interest income subjected to final tax	(532,575)	(171,507)	(9,995)
Nondeductible expense	-	-	57,535
Expired NOLCO	-	-	18,219,434
	P24,000	P20,700	P3,000

## 17. Financial Risk Management Objectives and Policies

### General

The Company has financial risk management policies that systematically view the risks that could prevent the Company from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Company's objectives are achieved. The Company's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Company's established business objectives.

### **Financial Risk Management Objectives and Policies**

The Company's principal financial instruments consist of cash and cash equivalents, dividends receivable and other receivables (excluding advances to officers and employees), advances to related parties, dividends payable and other current liabilities (excluding statutory payables). The primary purpose of these financial instruments is to finance the Company's operations. The main risks arising from the use of these financial instruments are credit risk and liquidity risk. Management reviews and approves the policies for managing each of these risks which are summarized below.

*Credit Risk.* Credit risk arising from the inability of counterparty to meet the terms of the Company's financial instrument is generally limited to the amount, if any, by which the counterparty's obligations exceed the obligation of the Company. The Company established controls and procedures on its credit policy to determine and monitor the credit worthiness of counterparties.

As at December 31, 2024 and 2023, the Company's exposure to credit risk relates to its cash in banks and cash equivalents, dividends and other receivables.

Cash in banks and cash equivalents are classified as high grade since these are deposited in reputable banks having good credit rating and low probability of insolvency. While dividends receivable and advances to related parties is classified under high grade because these are from counterparties who pay their accounts and who have the financial capacity to pay. Standard grade receivables are other receivables for which settlement will be from the government agency or other third party.

*Liquidity Risk.* The Company manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements, including debt principal and interest payments. Management closely monitors the Company's future and contingent obligations and sets up required cash reserves and reserve borrowing facilities as necessary in accordance with internal policies.

As at December 31, 2024 and 2023, the Company's financial liabilities relates to dividends and other current liabilities (excluding statutory payables).

### **Fair Value of Financial Assets and Liabilities**

Due to the short-term nature of cash and cash equivalents, dividends and other receivables (excluding advances to officers and employees), advances to related parties, dividends and other current liabilities (excluding statutory payable) and advances from related party, their carrying values approximate fair values at year-end.

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## **18. Capital Management Objectives, Policies and Procedures**

The Company considers its capital stock and APIC aggregating ₱3,284.02 billion as at December 31, 2024 and 2023, as its core capital. The Company maintains its current capital structure and makes adjustments to it, if necessary, to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

There were no changes in the Company's objectives, policies or processes in 2024 and 2023.

# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1 2 9 4 2

## COMPANY NAME

M A R C V E N T U R E S   H O L D I N G S ,   I N C .   A N D   S U B S I D I  
A R I E S

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

4 t h   F l o o r ,   B D O   T o w e r s   P a s e o ,   8 7 4 1   P a s e o  
d e   R o x a s ,   M a k a t i ,   C i t y

Form Type

A A C F S

Department requiring the report

C R M D

Secondary License Type, If Applicable

N / A

## COMPANY INFORMATION

Company's Email Address

rommel.casipe@marcventures.com.ph

Company's Telephone Number/s

(02) 8831-4479

Mobile Number

0917-187-5742

No. of Stockholders

2,175

Annual Meeting (Month / Day)

May of each year

Fiscal Year (Month / Day)

December 31

## CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Mr. Rolando S. Santos

Email Address

rolly.santos@marcventures.com.ph

Telephone Number/s

(02) 8831-4479

Mobile Number

0998-985-0229

## CONTACT PERSON'S ADDRESS

4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City

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

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





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


The management of Marcventures Holdings, Inc. and Subsidiaries (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

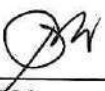
In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the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

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

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

Reyes Tacandong & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature:   
CESAR C. ZALAMEA  
Chairman of the Board

Signature:   
ROLANDO S. SANTOS  
Chief Operating Officer and Executive Vice-President

Signature:   
DALE A. TONGCO  
Treasurer

Signed this 30<sup>th</sup> day of April 2025

SUBSCRIBED AND SWORN TO BEFORE ME this day of APR 30 2025 at City of Makati, affiants to exhibiting to their evidence of the identity, as follows:

Names	Tax Identification Number
Cesar C. Zalamea	137-712-551
Rolando S. Santos	127-551-054
Dale A. Tongco	125-401-967

DOC NO. 71  
SERIES OF 725

ATTY. ROMEO M. MONFORT  
Notary Public City of Makati  
Until December 31, 2025  
Appointment No. M-032 (2024-2025)  
PTR No. 10486008 Jan. 2, 2025/Makati City  
IEP No. 488534 Dec. 27, 2024  
MC No. VII-0027570 Roll No. 27932  
10 Ave. Campos Rueda Bldg.  
Brgy. No Del Pilar, Makati City



## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Marcventures Holdings, Inc. and Subsidiaries  
4th Floor, BDO Towers Paseo  
8741 Paseo de Roxas, Makati City

### *Opinion*

We have audited the consolidated financial statements of Marcventures Holdings, Inc. and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2024, 2023, and 2022, and notes to consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2024, 2023, and 2022 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### *Basis for Opinion*

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

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Recoverability of Mining Rights and Deferred Exploration Costs

The Group's mining rights and deferred exploration costs pertaining to mining areas that are still under exploration phase amounted to ₱1.6 billion and ₱0.2 billion, respectively, as at December 31, 2024. The ability of the Group to recover its mining rights and deferred exploration costs would depend on the discovery of commercially viable quantities of mineral resources and of extracting the resulting ore reserves. This is a key audit matter because of the significance of the combined carrying amount of the mining rights and deferred exploration cost as it represents 30% of the total assets of the Group and the significant management judgment required in assessing whether there is any indication of impairment on these accounts.



We obtained the management's assessment that there are no impairment indicators that the mining rights and deferred exploration costs are impaired. We reviewed the Group's Mineral Production Sharing Agreement (MPSA), including permits and licenses for each exploration projects, to determine that the period to which the Group has rights to explore in the contract areas are not expired, a request for restitution has been applied with the Mines and Geosciences Bureau for the expired MPSA, and the Group has the right to renew the agreement and permits after its expiration. We reviewed the Group's budget for exploration and development costs. We also assessed the adequacy of the disclosures in Notes 3 and 10 of the consolidated financial statements.

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditors' report.

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

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

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

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

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

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

#### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

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



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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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



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

The engagement partner on the audit resulting in this independent auditors' report is Carolina P. Angeles.

**REYES TACANDONG & Co.**

  
CAROLINA P. ANGELES

Partner

CPA Certificate No. 86981

Tax Identification No. 205-067-976-000

BOA Accreditation No. 4782/P-007; Valid until June 6, 2026

BIR Accreditation No. 08-005144-007-2022

Valid until October 16, 2025

PTR No. 10467120

Issued January 2, 2025, Makati City

April 3, 2025

Makati City, Metro Manila

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		December 31	
	Note	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	P567,105,076	P603,877,818
Receivables	5	35,558,818	22,310,475
Advances to related parties	14	2,955,065	2,383,253
Inventories	6	119,834,699	169,124,694
Other current assets	7	88,055,766	100,487,705
Total Current Assets		813,509,424	898,183,945
<b>Noncurrent Assets</b>			
Property and equipment	8	134,538,564	140,927,905
Investment property	9	16,145,833	17,395,833
Mining rights and other mining assets	10	4,290,457,717	4,339,841,259
Net deferred tax assets	21	19,534,164	16,266,227
Other noncurrent assets	11	532,103,527	637,163,833
Total Noncurrent Assets		4,992,779,805	5,151,595,057
		<b>P5,806,289,229</b>	<b>P6,049,779,002</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	P190,603,580	P223,313,444
Current portion of loans payable	13	25,050,756	27,804,328
Advances from related parties	14	5,000,000	5,000,000
Dividends payable	17	14,909,583	311,966,875
Income tax payable		48,689,194	30,444,663
Total Current Liabilities		284,253,113	598,529,310
<b>Noncurrent Liabilities</b>			
Loans payable - net of current portion	13	51,828,569	104,800,529
Provision for mine rehabilitation and decommissioning	15	65,696,379	62,847,468
Retirement benefit liability	16	49,330,830	44,228,484
Deferred tax liability	21	441,999,621	441,999,621
Total Noncurrent Liabilities		608,855,399	653,876,102
Total Liabilities		893,108,512	1,252,405,412
<b>Equity</b>			
Capital stock	17	3,014,820,305	3,014,820,305
Additional paid-in capital	17	269,199,788	269,199,788
Retained earnings		1,596,542,698	1,478,425,453
Cumulative remeasurement gains on retirement benefit liability - net of deferred tax	16	32,617,926	34,928,044
Total Equity		4,913,180,717	4,797,373,590
		<b>P5,806,289,229</b>	<b>P6,049,779,002</b>

See accompanying Notes to Consolidated Financial Statements.

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Years Ended December 31		
		2024	2023	2022
<b>NET SALES</b>		<b>P1,716,215,975</b>	<b>P2,050,416,186</b>	<b>P3,067,485,008</b>
<b>COST OF SALES</b>	18	<b>1,085,339,161</b>	<b>1,203,096,120</b>	<b>2,043,607,876</b>
<b>GROSS INCOME</b>		<b>630,876,814</b>	<b>847,320,066</b>	<b>1,023,877,132</b>
<b>OPERATING EXPENSES</b>	19	<b>(429,175,241)</b>	<b>(507,165,400)</b>	<b>(692,669,901)</b>
<b>INTEREST EXPENSE</b>	13	<b>(12,834,248)</b>	<b>(15,055,521)</b>	<b>(26,859,047)</b>
<b>INTEREST INCOME</b>	4	<b>5,988,758</b>	<b>10,303,511</b>	<b>799,726</b>
<b>OTHER INCOME - Net</b>	20	<b>3,463,625</b>	<b>3,056,154</b>	<b>34,437,260</b>
<b>INCOME BEFORE INCOME TAX</b>		<b>198,319,708</b>	<b>338,458,810</b>	<b>339,585,170</b>
<b>INCOME TAX EXPENSE</b>	21	<b>80,202,463</b>	<b>106,322,304</b>	<b>137,004,390</b>
<b>NET INCOME</b>		<b>118,117,245</b>	<b>232,136,506</b>	<b>202,580,780</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	16			
<i>Not to be reclassified to profit or loss -</i>				
Remeasurement gain (loss) on retirement benefit				
liability - net of deferred				
income tax		<b>(2,310,118)</b>	<b>(5,665,156)</b>	<b>4,685,970</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>P115,807,127</b>	<b>P226,471,350</b>	<b>P207,266,750</b>
<b>Basic and diluted earnings per share</b>	23	<b>P0.039</b>	<b>P0.077</b>	<b>P0.067</b>

*See accompanying Notes to Consolidated Financial Statements.*



**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

		Years Ended December 31		
	Note	2024	2023	2022
<b>CAPITAL STOCK - ₱1 par value</b>	17			
Authorized - 4,000,000,000 shares				
Issued and outstanding - 3,014,820,305 shares		<b>₱3,014,820,305</b>	<b>₱3,014,820,305</b>	<b>₱3,014,820,305</b>
<b>ADDITIONAL PAID-IN CAPITAL</b>	17	<b>269,199,788</b>	<b>269,199,788</b>	<b>269,199,788</b>
<b>RETAINED EARNINGS</b>				
Balance at beginning of year		<b>1,478,425,453</b>	<b>1,547,770,977</b>	<b>1,345,190,197</b>
Net income		<b>118,117,245</b>	<b>232,136,506</b>	<b>202,580,780</b>
Dividends	17	<b>—</b>	<b>(301,482,030)</b>	<b>—</b>
Balance at end of year		<b>1,596,542,698</b>	<b>1,478,425,453</b>	<b>1,547,770,977</b>
<b>CUMULATIVE REMEASUREMENT GAIN ON RETIREMENT BENEFIT LIABILITY - NET OF DEFERRED TAX</b>	16			
Balance at beginning of year		<b>34,928,044</b>	<b>40,593,200</b>	<b>35,907,230</b>
Remeasurement gain (loss)		<b>(2,310,118)</b>	<b>(5,665,156)</b>	<b>4,685,970</b>
Balance at end of year		<b>32,617,926</b>	<b>34,928,044</b>	<b>40,593,200</b>
		<b>₱4,913,180,717</b>	<b>₱4,797,373,590</b>	<b>₱4,872,384,270</b>

*See accompanying Notes to Consolidated Financial Statements.*

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

		Years Ended December 31		
	Note	2024	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax		<b>₱198,319,708</b>	<b>₱338,458,810</b>	<b>₱339,585,170</b>
Adjustments for:				
Depletion	10	<b>60,181,395</b>	45,522,156	273,600,030
Depreciation and amortization	8	<b>28,675,211</b>	25,548,962	26,704,408
Interest expense	13	<b>12,834,248</b>	15,055,521	26,859,047
Retirement expense	16	<b>9,130,564</b>	8,214,000	8,474,663
Interest income	4	<b>(5,988,758)</b>	(10,303,511)	(799,726)
Provision for expected credit loss	5	<b>201,600</b>	–	75,516,127
Gain on disposal of property and equipment	8	<b>(134,166)</b>	–	–
Unrealized foreign exchange loss (gain)		<b>(575,069)</b>	84,244	(10,355,208)
Provision for (reversal of) mining supplies obsolescence	7	<b>(450,575)</b>	532,856	–
Operating income before working capital changes		<b>302,194,158</b>	423,113,038	739,584,511
Decrease (increase) in:				
Receivables		<b>(13,449,943)</b>	78,886,845	185,990,572
Inventories		<b>49,289,995</b>	(18,010,433)	46,194,875
Other current assets		<b>12,882,514</b>	(9,280,905)	32,089,480
Decrease in trade and other payables		<b>(32,709,864)</b>	(57,896,120)	(169,622,743)
Net cash generated from operations		<b>318,206,860</b>	416,812,425	834,236,695
Income tax paid		<b>(65,193,205)</b>	(76,525,726)	(119,243,889)
Retirement contributions	16	<b>(6,371,000)</b>	(12,000,000)	(907,210)
Interest received		<b>5,988,758</b>	10,303,511	799,726
Net cash provided by operating activities		<b>252,631,413</b>	338,590,210	714,885,322
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Additions to:				
Mining rights and other mining assets	10	<b>(10,797,853)</b>	(58,105,559)	(208,220,899)
Property and equipment	8	<b>(21,321,622)</b>	(4,225,667)	(29,588,863)
Decrease (increase) in advances to related parties		<b>(571,812)</b>	23,897,422	(15,513,634)
Proceeds from sale of property and equipment	8	<b>419,918</b>	–	–
Decrease (increase) in other noncurrent assets		<b>105,060,306</b>	(152,679,276)	(80,986,815)
Net cash provided by (used in) investing activities		<b>72,788,937</b>	(191,113,080)	(334,310,211)

(Forward)

		Years Ended December 31		
	Note	2024	2023	2022
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments of:				
Loans	13	(P57,682,032)	(P79,682,643)	(P239,281,882)
Interest	26	(9,985,337)	(12,330,153)	(26,543,903)
Dividends		(297,057,292)	—	(371,460,509)
Proceeds from availment of loans	13	1,956,500	1,540,800	9,660,396
Increase (decrease) in advances from related parties		—	63,285	(6,381,887)
Net cash used in financing activities		(362,768,161)	(90,408,711)	(634,007,785)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
		(37,347,811)	57,068,419	(253,432,674)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>				
		575,069	(84,244)	(725,527)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>				
		603,877,818	546,893,643	801,051,844
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>				
		P567,105,076	P603,877,818	P546,893,643
<b>NONCASH FINANCIAL INFORMATION</b>				
Dividend declaration	17	P—	P301,482,030	P—
Reclassification of property and equipment to investment property	9	—	25,000,000	—

See accompanying Notes to Consolidated Financial Statements.

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2024 and 2023**  
**AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023, and 2022**

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**1. Corporate Information**

**General Information**

Marcventures Holdings, Inc. (the Parent Company), singly and collectively with its subsidiaries, is referred herein as "the Group". The Parent Company was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 7, 1957. Its primary purpose is to deal with properties of every kind and description to the extent permitted by law without engaging in the business of an investment company as defined in the Investment Company Act (Republic Act (R.A.) No. 2629), or act as a securities broker or dealer.

The Parent Company's shares of stock were initially listed in the Philippine Stock Exchange, Inc. (PSE) on January 10, 1958. As at December 31, 2024 and 2023, 3,014,820,305 shares of the Parent Company's shares of stock are listed in the PSE.

**Registered Address**

The registered address of the Parent Company is 4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City.

**Approval of the Consolidated Financial Statements**

The consolidated financial statements as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022 were approved and authorized for issue by the Board of Directors (BOD) on April 3, 2025, as reviewed and recommended for approval by the Audit Committee on the same date.

**Information about the Subsidiaries**

All of the subsidiaries of the Parent Company are wholly-owned and are domiciled in the Philippines.

**Marcventures Mining and Development Corp. (MMDC)**

MMDC was incorporated and registered with the SEC on January 18, 1995 primarily to engage and/or carry on the business of extracting, mining, smelting, refining and converting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource.

MMDC was granted by the Department of Environment and Natural Resources (DENR) Mineral Production Sharing Agreement (MPSA) No. 016-93-X Surigao Mineral Reservation (SMR) covering an area of approximately 4,799 hectares located in the municipalities of Carrascal, Cantilan and Madrid, Surigao Del Sur.

Originally, the MPSA was granted to Ventura Timber Corporation (VTC). In January 1995, VTC executed a deed of assignment (the Deed) to transfer to the Group all its rights and interest in MPSA No. 016-93-XI. On March 11, 2008, the DENR issued an Order approving the Deed of MPSA No. 016-93-XI from VTC to MMDC.

On June 24, 2016, the DENR issued an Order approving the extension of MPSA for a period of 9 years starting from the expiration of the first 25-year term or from July 1, 2018 to June 30, 2027.

On March 17, 2022, Mines and Geosciences Bureau (MGB) issued a certification to MMDC attesting to the validity and existence of its MPSA and that MMDC has an approved Declaration of Mining Project Feasibility (DMPF) dated October 15, 2014 covering its entire contract mining area.

MMDC has been receiving annual certifications from MGB that it is compliant with the terms and conditions of the MPSA and pertinent provisions of the R.A. no. 7942 or the Philippine Mining Act of 1995 and its implementing Rules and Regulations. MMDC has continued mining operations in areas covered in the MPSA.

**BrightGreen Resources Corporation (BGRC)**

BGRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business. The Parent Company acquired BGRC from its merger with Brightgreen Resources Holdings, Inc. (BRHI) in 2017.

On July 1, 1993, the DENR approved BGRC's application for MPSA No. 015-93-XI (SMR) covering an area of approximately 4,860 hectares located in the municipalities of Carrascal and Cantilan, Surigao del Sur. On February 7, 2019, the MGB approved the extension of the MPSA for a period of six years starting from the expiration of its 25-year term until June 30, 2024.

On April 11, 2022, the MGB granted the extension of the 3rd Renewal of the exploration period of BGRC for another period of two years effective from July 2, 2022 to July 1, 2024 to recover its unused term due to force majeure.

On July 13, 2023, BGRC received from the MGB office a reply letter for intention to renew its MPSA agreement for another 25 years. The Group is now in the process and anticipative of obtaining the following permits, licenses, and approvals from the regulatory bodies:

- Free, Prior and Informed Consent and Certification Precondition from the National Commission on indigenous Peoples;
- Approval of the Declaration of Mining Project Feasibility from the MGB, including the required work programs: Environmental Protection and Enhancement Program, Social Development and Management Program, Safety and Health Program, Three (3)-Year Development/Utilization Work Program, Care and Maintenance Program and Project Feasibility Study; and
- Environmental Compliance Certificate from the Environmental Management Bureau.

BGRC's MPSA expired last July 1, 2024. On May 6, 2024, BGRC applied for restitution of the MPSA for 14 years due to force majeure events. To date, the application is under the evaluation of the MGB.

**Alumina Mining Philippines, Inc. (AMPI)**

AMPI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business. The Parent Company acquired AMPI from its merger with Asia Pilot Mining Phils. Corp. (APMPC) in 2017.

On December 5, 2002, the DENR approved AMPI's application for MPSA No. 179-2002-VIII-SBMR covering 6,694 hectares in the municipalities of Paranas, Motiong and San Jose de Buan, Samar in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On July 4, 2023, AMPI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, AMPI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

**Bauxite Resources, Inc. (BARI)**

BARI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business. The Parent Company acquired BARI from its merger with APMPC in 2017.

On December 5, 2002, the DENR approved BARI's application for MPSA No. 180-2002-VIII-SBMR covering 5,519 hectares in the Municipalities of Gandara, San Jose de Buan, Matuguinao, and San Jorge, Province of Samar (formerly known as Western Samar) in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On July 4, 2023, BARI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, BARI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

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## **2. Summary of Material Accounting Policy Information**

### **Basis of Preparation and Statement of Compliance**

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretation from International Financial Reporting Interpretations Committee issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

### **Measurement Bases**

The consolidated financial statements are presented in Philippine Peso, which is the Group's functional currency. All values are in absolute amounts, unless otherwise indicated.

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for retirement benefit liability which is measured at the present value of the defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability.

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 Group uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- 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.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further disclosures are included in Note 24, *Financial Risk Management Objectives and Policies and Fair Value Measurement*.

#### **Adoption of Amended PFRS Accounting Standards**

The accounting policies adopted are consistent with those of the previous financial year. Relevant amendments to PFRS Accounting Standards effective beginning January 1, 2024 did not have any material effect on the consolidated financial statements of the Group.

#### **Amended to PFRS Accounting Standards in Issue but Not Yet Effective**

Relevant new and amended PFRS Accounting Standards, which are not yet effective as at December 31, 2024, is not expected to have any material effect on the consolidated financial statements of the Group. Additional disclosures will be included in the consolidated financial statements, as applicable.

#### **Basis of Consolidation**

The consolidated financial statements include the accounts of the Parent Company and its wholly owned subsidiaries as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022.

A subsidiary is an entity that is controlled by the Parent Company and is consolidated from the date on which control is transferred to the Parent Company directly or through the holding companies. Control is achieved when the Group is exposed or has rights to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee. A subsidiary is deconsolidated from the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as that of the Group using uniform accounting policies. Significant intercompany transactions and balances, including intercompany profits and unrealized profits and losses, are eliminated in full.

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

If the Parent Company loses control over a subsidiary, the Group: (a) derecognizes the assets and liabilities of the subsidiary; (b) derecognizes the carrying amounts of any non-controlling interest; (c) derecognizes the cumulative translation differences recorded in equity; (d) recognizes the fair value of consideration received; (e) recognizes the fair value of any investment retained; (f) recognizes any surplus or deficit in profit or loss; and (g) reclassifies the Group's share of components previously recognized in other comprehensive income (OCI) to profit or loss.

#### **Financial Assets and Liabilities**

The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability).

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is 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 solely payments of principal and interest on the principal amount outstanding.

As at December 31, 2024 and 2023, the Group's cash and cash equivalents, receivables (excluding advances to officers and employees), advances to related parties, and final mine rehabilitation fund (FMRF), rehabilitation cash fund (RCF), rental deposit and monitoring trust fund (MTF) (included under "Other noncurrent assets") account are classified under this category (see Notes 4, 5, 11 and 14). Cash and cash equivalents in the consolidated statements of financial position comprise cash on hand and in banks and cash equivalents, excluding any restricted cash. Restricted cash, which includes FMRF, RCF and MTF, is not available for use by the Group and therefore is not considered highly liquid.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL), if any. Financial assets are derecognized when the right to receive cash flows from the asset has expired.

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Group's having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

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

As at December 31, 2024 and 2023, the Group's trade and other payables (excluding excise tax and other statutory payables), loans payable, advances from related parties and dividends payable are classified under this category (see Notes 12, 13, 14 and 17).



### **Inventories**

Inventories, which consist of ore stockpiles, are physically measured or estimated and valued at the lower of cost and net realizable value (NRV). Cost consists of contractual services, personnel costs, depletion, depreciation and other costs that are directly attributable in bringing the ore in its saleable conditions. Cost is determined using the moving average method. NRV is the estimated selling price in the ordinary course of business, less the estimated cost necessary to make the sale.

### **Other Current Assets**

Other current assets include prepaid income tax, advances to contractors and suppliers, mining and office supplies, and prepaid expenses.

*Prepaid Income Tax.* Prepaid income tax represents overpayments of income taxes over the periods and amounts withheld by the Group's customers in relation to its income. Prepaid income tax can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source.

*Advances to Contractors and Suppliers.* Advances to contractors and suppliers represent advance payments on goods or services to be purchased in connection with the mining operations. The advances are reclassified to proper asset account in the consolidated statements of financial position or charged to expense in profit or loss upon actual receipt of goods or services, which is normally within 12 months or within the normal operating cycle.

*Mining and Office Supplies.* Mining and office supplies are stated at lower of cost or NRV. The NRV of mining and office supplies represents their current replacement cost. In determining NRV, the Group considers any adjustments necessary for obsolescence. The costs of mining and office supplies comprise all costs of purchase and other costs incurred in bringing the mining and office supplies to their present location and condition. The purchase cost is determined on a moving average method. These are charged to expense in profit or loss upon use.

*Prepaid Expenses.* Prepaid expenses represent expenses not yet incurred but paid in advance and are apportioned over the period covered by the payment and charged to profit or loss when incurred. Prepaid expenses that are expected to be realized for no more than 12 months after the financial reporting period are classified as current assets.

### **Property and Equipment**

Property and equipment, except land, are initially measured at cost less accumulated depreciation and amortization and any impairment in value. Land is stated at cost less any impairment in value. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Cost also includes any asset retirement obligation and capitalized interest on borrowed funds used in the case of a qualifying asset.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditures are recognized as expense in the period in which these are incurred.

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

Depreciation and amortization are calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	Number of Years
Building and improvements	5-20
Office furniture, fixtures and equipment	2-5
Heavy and transportation equipment	4-10

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation are credited or charged to current operations.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

#### **Investment Property**

Investment property is stated at cost less accumulated depreciation and amortization and any impairment in value.

Depreciation is calculated on a straight-line basis over 20 years as the estimated useful life of the investment property.

Transfers are made to investment properties when there are changes in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment properties when there are changes in use, evidenced by commencement of owner-occupation, ending of operating lease or commencement of development with a view to sale.

Transfers between investment property, owner-occupied property and inventories do not change the carrying value of the property transferred and they do not change the cost of that property for measurement or disclosure purposes on the date of reclassification.

#### **Mining Rights and Other Mining Assets**

*Mining Rights.* Mining rights include costs incurred in connection with the acquisition of rights over mineral reserves. Rights over mineral reserves, which are measured, indicated or inferred, are capitalized as part of mining rights on explored resources if the reserves are commercially producible and that geological data demonstrate with a specified degree of certainty that recovery in future years is probable.

Mining rights are subject to amortization or depletion from the commencement of production on a unit-of-production method, based on proven and probable reserves. Costs used in the unit of production calculation comprise the net book value of capitalized costs plus the estimated future development costs. Changes in the estimates of mineral reserves or future development costs are accounted for prospectively.

*Deferred Exploration Costs.* Deferred exploration costs include costs incurred in connection with exploration activities. Deferred exploration costs are carried at cost less any impairment in value.

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of the mineral resource.

Exploration and evaluation activities include:

- Gathering exploration data through geological studies;
- Exploratory drilling and sampling; and
- Evaluating the technical feasibility and commercial viability of extracting the mineral resource.

Once the reserves are established and development is sanctioned, deferred exploration costs are tested for impairment and reclassified to mine development costs.

*Mine and Mining Properties.* Upon start of commercial operations, mine development costs are reclassified as part of mine and mining properties. These costs are subject to depletion, which is computed using the units-of-production method based on proven and probable reserves, which is reviewed periodically to ensure that the estimated depletion is consistent with the expected pattern of economic benefits from the mine and mining properties.

Deferred exploration costs and construction-in-progress related to an already operating mine are reclassified to mine and mining properties and stated at cost. Such costs pertain to expenses incurred in sourcing new resources and converting these into reserves, which are not depleted or amortized until the development has been completed and become available for use.

#### **Other Noncurrent Assets**

Other noncurrent assets include input value-added tax (VAT), deferred input VAT and other financial assets (FMRF, RCF, rental deposit and MTF).

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of input VAT recoverable from the taxation authority is presented as "Input VAT". Input VAT claimed for refund are presented separately as "Input VAT for refund".

*Deferred Input VAT.* Represents amount of input VAT on trade payables arising from purchase of services.

#### **Impairment of Nonfinancial Assets**

The Group assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, the asset or cash-generating unit (CGU) is written down to its recoverable amount, which is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction.

In assessing value in use, the estimated future cash flows are discounted to present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of any depreciation and depletion, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation and depletion charges are adjusted in future years to allocate the asset's revised carrying amount, on a systematic basis over its remaining useful life.

#### **Employee Benefits**

*Short-term Benefits.* The Group provides short-term benefits to its employees in the form of basic and 13th month pay, bonuses, employer's share on government contribution and other short-term benefits.

*Retirement Benefits.* The Group has an unfunded, non-contributory defined benefit plan covering all qualified employees. The retirement benefits expense is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Group recognizes service costs, comprising of current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and interest cost in profit or loss. Interest cost is calculated by applying the discount rate to the retirement benefit liability.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service and are recognized in profit or loss.

Past service cost is recognized in profit or loss on the earlier of the date of the plan amendment or curtailment; and the date that the Group recognizes restructuring related costs.

Remeasurements comprising actuarial gains and losses are recognized immediately in OCI in the period in which they arise. Remeasurements are directly recognized in equity or in OCI and are not reclassified to profit or loss in subsequent periods.

The retirement benefit liability is the present value of the defined benefit obligation which is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement benefit liability.

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

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting date.

### **Equity**

*Capital Stock.* Capital stock is measured at par value for all shares issued and outstanding.

*Additional Paid-In Capital (APIC).* APIC is the excess over par value of consideration received for the subscription and issuance of shares of stock.

*Retained Earnings.* Retained earnings represent the cumulative balance of the Group's operating results, dividend distributions and effect of change in accounting policy. Cash dividends are deducted from retained earnings and recognized as liability when these are approved by the BOD.

OCI comprises of items of income and expenses that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. OCI pertains to cumulative remeasurement gains or losses on retirement benefit liability.

### **Revenue Recognition**

*Sale of Ore.* Sale of ore is recognized at a point in time upon delivery of goods to and acceptance by the customers, net of any sales adjustments based on the contracts with the customers.

The following specific recognition criteria must also be met before other revenue items are recognized:

*Interest Income.* Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

*Rental Income.* Rental income is recognized on a straight-line basis over the lease term.

*Other Income.* Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Group through an increase in asset or reduction in liability that can be measured reliably.

### **Cost and Expense Recognition**

*Cost of Sales.* Cost of sales is recognized when the related goods are sold.

*Operating Expenses.* Operating expenses constitute costs of administering the business and costs incurred to sell and market goods and services. These are expensed as incurred.

*Interest Expense.* Interest expense is recognized in profit or loss using the effective interest method.

### **Leases**

A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, the customer has both of the following:

- The right to obtain substantially all of the economic benefits from use of the identified asset; and
- The right to direct the use of the identified asset.

If the Group has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Group also assesses whether a contract contains a lease for each potential separate lease component.

### **Group as Lessee**

The Group has elected to apply the recognition exemption on its short-term lease. The Group recognized the lease payments associated with this lease as an expense on a straight-line basis over the lease term.

### **Group as Lessor**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Leases where the Group retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease income is recognized in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income.

### **Foreign Currency-Denominated Transactions**

Transactions in foreign currencies are recorded using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate at reporting date.

Exchange rate differences arising from the translation or settlement of monetary items at rates different from those at which these were initially recorded during the period are recognized in the profit or loss in the period these arise.

### **Income Taxes**

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate used to compute the amount is the one that has been enacted or substantively enacted at the reporting date.

*Deferred Tax.* Deferred tax is provided 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 tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of any unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and any unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and unused NOLCO can be utilized.

The carrying amount of deferred 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 tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items directly recognized in equity as OCI.

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

#### **Related Party Transactions and Related Parties**

Related party transactions consist of transfers of resources, services or obligations between the Group and its related parties. Related party transactions are considered material and/or significant if i) these transactions amount to 10% or higher of the Group's total assets, or ii) there are several transactions or a series of transactions over a 12-month period with the same related party amounting to 10% or higher of the Group's total assets. Details of transactions entered into by the Group with related parties are reviewed in accordance with the Group's related party transactions policy.

Parties are considered to be related if one party has the ability to directly or indirectly, control or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled, or under common control with the Group; (b) associates; and (c) individuals owning directly or indirectly, an interest in the voting power of the Group that give them significant influence over the Group and close members of the family of any such individual; and (d) members of the key management personnel of the Group.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

#### **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.

*Provision for Mine Rehabilitation and Decommissioning.* The Group recognizes provision when there is partial fulfillment of obligation to restore operating locations at the end of the reporting period. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste site and restoration, reclamation and revegetation of affected areas. The obligation generally arises when the asset is installed or the ground/environment is disturbed at the production location.

Where applicable, the Group recognizes a mine rehabilitation asset under the mine and mining properties related to the obligation arising from the mine rehabilitation and decommissioning. The cost of such asset corresponds to the present value of future cost of rehabilitation and decommissioning and amortized over expected settlement of the obligation using units of production method. The estimated future costs of rehabilitation and decommissioning are reviewed annually and adjusted prospectively. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Any amount deducted from the cost of asset shall not exceed its carrying amount. In case the decrease in the obligation exceeds the carrying amount of the asset, the excess shall be recognized immediately in profit or loss.

#### **Contingencies**

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

#### **Earnings Per Share**

*Basic.* Basic earnings per share is calculated by dividing the net income by the weighted average number of common shares outstanding during the year, excluding common shares purchased by the Group and held as treasury shares, if any.

*Diluted.* Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potential dilutive common shares during the period.

#### **Events After the Reporting Date**

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

#### **Segment Reporting**

The Group has one operating segment which consists of mining exploration, development and production. The Group's asset producing revenues are located in the Philippines.

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

The judgments and accounting estimates used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.



### **Judgments**

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effects on the amounts recognized in the consolidated financial statements.

*Determining Functional Currency.* Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Group has been determined to be the Philippine Peso, which is the currency of the primary economic environment in which the Group operates.

*Classification of a Property.* The Group determines whether a property is classified as investment property or property and equipment as follows:

- Property and equipment comprise properties that are held for use in the ordinary course of business.
- Investment property is property not occupied and not used in the operations, nor for sale in the ordinary course of business, but are held primarily for earning rental income.

The carrying amounts of property and equipment and investment property are disclosed in Notes 8 and 9.

*Evaluation of Lease Commitments - Group as Lessee.* The Group's lease agreement for its office space qualifies as a short-term lease with a lease term of less than 12 months. The Group has elected to apply the recognition exemption on its short term leases.

Rental expense recognized by the Group is disclosed in Note 22.

*Evaluation of Lease Commitments - Group as Lessor.* The Group has entered into operating lease agreements with a third party for the lease of office space. Considering that there will be no transfer of ownership of the leased properties to the lessees, the Group has determined that it retains all the significant risks and benefits of ownership of these properties. Accordingly, the leases are accounted for as operating leases.

Rental income is disclosed in Note 22.

### **Accounting Estimates and Assumptions**

The key estimates concerning the future and other key sources of estimation uncertainties 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 described below.

*Estimating the Allowance for ECL on Other Financial Assets at Amortized Cost.* The Group determines the allowance for ECL based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL are provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL are provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions;
- actual or expected significant adverse changes in the operating results of the borrower; and
- significant changes in credit spread, rates or terms such as more stringent covenants and increased amount of collateral or guarantees.

For cash in banks, cash equivalents and advances to related parties, the Group assessed that these financial assets have low credit risk because the counterparties are reputable banks and related parties which possess good credit standings. Thus, the ECL on these financial assets in 2024, 2023, and 2022 are not significant and not recognized.

The carrying amounts of the Group's other financial assets at amortized cost subjected to impairment testing are disclosed in Note 24.

*Estimating the NRV of Inventories.* The Group recognizes loss on inventories whenever NRV becomes lower than costs due to damage, physical deterioration, obsolescence, changes in price levels or other causes. NRV is reviewed on a monthly basis to reflect the accurate valuation in the financial records.

No provision for inventory obsolescence was recognized in 2024, 2023, and 2022. The carrying amount of inventories, which is measured at the lower of cost and NRV, are disclosed in Note 6.

*Estimating the Realizability of Input VAT.* The Group assesses the realizability of input VAT based on its ability to utilize the asset. The assessment is made on a continuing basis year on year.

No provision for impairment loss was recognized in 2024, 2023, and 2022. The carrying amount of input VAT is disclosed in Note 11.

*Estimating the Useful Lives of a Property and Equipment.* The Group estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The Group reviews annually the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental changes and anticipated use of the assets.

There were no changes in estimated useful lives of property and equipment in 2024, 2023, and 2022. The carrying amount of property and equipment are disclosed in Note 8.

*Estimating the Depletion Rate and Recoverable Reserves.* Depletion rates used to amortize mine and mining properties and mining rights under "Mining rights and other mining assets" account presented in the consolidated statements of financial position are assessed on an annual basis based on the results of latest estimate of recoverable reserves, which is subject to future revisions. Recoverable reserves and resource estimates for development project are, 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 cost 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. Proven reserve estimates are attributed to future development projects only where there is a significant commitment to project funding and execution and for which applicable governmental and regulatory approvals have been

secured or are reasonably certain to be secured. The Group's reserves are estimated based on local regulatory guidelines provided under the Philippine Mineral Reporting Code and duly reviewed and verified by a competent person.

The carrying amounts of mining rights and other mining assets are disclosed in Note 10.

*Estimating the Provision for Mine Rehabilitation and Decommissioning.* The Group recognizes provision for its obligation to decommission and rehabilitate mine sites at the end of term of its MPSA. The provision represents the best estimate of the expenditures required to settle the present obligation at the current reporting date. The amount of provision depends on the completeness of rehabilitation and decommissioning activities performed by the Group during and immediately after every mining operation. Changes in rehabilitation and decommissioning costs are recognized as additions or charges to the corresponding provision when these occur.

While the Group has made its best estimate in establishing the decommissioning and rehabilitation provision, because of potential changes in technology as well as safety and environmental requirements, plus the actual time scale to complete decommissioning and rehabilitation activities, the ultimate provision requirements could either increase or decrease significantly from the Group's current estimates. The obligation to rehabilitate and decommission a mine generally arises when the ground/environment is disturbed at the production location.

The carrying amount of mine rehabilitation asset, recognized under the mine and mining properties is disclosed in Note 10.

Provision for mine site rehabilitation and decommissioning is disclosed in Note 15.

*Assessing the Impairment of Mining Rights and Deferred Exploration Costs.* The Group assesses mining rights and deferred exploration costs for impairment only when there are indicators that impairment exists. Indicators of impairment include, but are not limited to:

- Rights to explore in an area have expired or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted;
- A decision to discontinue exploration and evaluation in an area because of the absence of commercial reserves; and
- Sufficient data exists to indicate that the carrying value will not be fully recovered from future development and production.

Based on management assessment, there are no impairment indicators on the Group's mining rights and deferred exploration costs. Management has determined that (a) the Group's rights to explore in the contract areas are not expired, (b) a request for restitution has been applied with the MGB for the expired MPSA, (c) the Group continuous to conduct exploration and evaluation activities based on its approved Exploration Work Programs and Environmental Work Programs, and (d) based on the Mineral Resource Validation Report by the MGB, the Group has measured and indicated resource of nickel laterite and alumina bauxite resources. Accordingly, no impairment loss was recognized in 2024, 2023, and 2022.

The carrying amounts of mining rights and deferred exploration costs are disclosed in Note 10.

*Assessing the Impairment of Other Nonfinancial Assets.* The Group assesses impairment on other nonfinancial assets 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; or
- significant negative industry or economic trends.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

Recoverable amount of an asset is the higher of its fair value less costs to sell or value in use. Value in use is determined as the present value of estimated future cash flows expected to be generated from the Group's expected mining operations. The estimated cash flows are discounted using pre-tax discount rates that reflect the current assessment of the time value of money and the risks specific to the asset.

Based on management assessment, there are no impairment indicators on the Group's other nonfinancial assets. Accordingly, no impairment loss was recognized in 2024, 2023, and 2022.

The carrying amounts of the Group's advances to officers and employees, other current assets, property and equipment, investment property, mine and mining properties, other noncurrent assets (excluding financial assets) are disclosed in Notes 5, 7, 8, 9, 10 and 11.

*Estimating the Retirement Benefit Liability.* The determination of the Group's retirement benefit liability and costs is dependent on the selection by management of assumptions used by the actuary in calculating such amounts. Those assumptions include, among others, discount rate and salary increase rate.

Actual results that differ from the Group's assumptions are recorded as addition to or deduction from retirement benefit liability and recognized in profit or loss or OCI. One or more of the actuarial assumptions may differ significantly and as a result, the actuarial present value of the retirement benefit obligation estimated as at reporting date may differ significantly from the amount reported.

The carrying amount of retirement benefit liability is disclosed in Note 16.

*Recognizing Deferred Tax Assets.* The Group reviews the carrying amount of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized.

The Group's recognized and unrecognized deferred tax assets are disclosed in Note 21.

#### 4. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand	<b>₱101,255</b>	₱138,034
Cash equivalents	<b>272,759,488</b>	332,665,301
Cash in banks	<b>294,244,333</b>	271,074,483
	<b>₱567,105,076</b>	<b>₱603,877,818</b>

Cash in banks earn interest at the prevailing bank deposit rates.

Cash equivalents pertain to special savings and time deposits with terms of varying periods of up to three (3) months depending on the immediate cash requirements of the Group. Cash equivalents earn interest at the prevailing special savings and time deposit rates.

Interest income pertains to the following sources:

	Note	2024	2023	2022
Cash in banks and cash equivalents		<b>₱5,942,481</b>	₱10,098,015	₱777,012
Other noncurrent assets	11	<b>46,277</b>	205,496	22,714
		<b>₱5,988,758</b>	<b>₱10,303,511</b>	<b>₱799,726</b>

#### 5. Receivables

This account consists of:

	2024	2023
Advances to officers and employees	<b>₱34,722,589</b>	₱18,673,150
Others	<b>1,037,829</b>	3,637,325
	<b>35,760,418</b>	22,310,475
Allowance for ECL	<b>(201,600)</b>	—
	<b>₱35,558,818</b>	<b>₱22,310,475</b>

Advances to officers and employees are unsecured and noninterest-bearing cash advances for business-related expenditures subject to liquidation within the following year.

Movements in allowance for ECL are as follows:

	Note	2024	2023
Balance at beginning of year		<b>₱—</b>	₱75,516,127
Provision	19	<b>201,600</b>	—
Write-off		<b>—</b>	(75,516,127)
Balance at end of year		<b>₱201,600</b>	<b>₱—</b>

## 6. Inventories

This account consists of beneficiated nickel ore amounting to ₱119.8 million and ₱169.1 million as at December 31, 2024 and 2023, respectively, which is stated at lower of cost and NRV.

Cost of inventories charged to "Cost of sales" account in the consolidated statements of comprehensive income amounted to ₱1,085.3 million, ₱1,203.1 million and ₱2,043.6 million in 2024, 2023, and 2022, respectively (see Note 18).

## 7. Other Current Assets

This account consists of:

	2024	2023
Prepaid income tax	<b>₱49,986,362</b>	₱49,529,033
Advances to contractors and suppliers	<b>23,883,848</b>	33,048,108
Mining and office supplies - net of allowance for obsolescence	<b>4,913,745</b>	6,505,007
Prepaid expenses	<b>1,639,703</b>	3,071,476
Others	<b>7,632,108</b>	8,334,081
	<b>₱88,055,766</b>	₱100,487,705

Prepaid income tax represents creditable withholding tax and other tax credits.

Advances to contractors and suppliers include materials and fuel and oil to be supplied for the use of the heavy equipment and are deductible against contractors' future billings.

Mining and office supplies include mechanical, electrical and other materials that will be used in the Group's mining operations. The movements of the allowance for obsolescence follows:

	2024	2023
Balance at beginning of year	<b>₱16,090,948</b>	₱15,558,092
Provision (reversal)	<b>(450,575)</b>	532,856
Balance at end of year	<b>₱15,640,373</b>	₱16,090,948

The provision for obsolescence is presented as part of "Others" in the "Operating expenses" account in the consolidated statements of comprehensive income (see Note 19).

Prepaid expenses pertain to insurance, excise tax and rent.

Others include advances made to National Commission on Indigenous Peoples (NCIP).

## 8. Property and Equipment

The balances and movements of this account are as follows:

	2024				Total
	Land	Building and Improvements	Office Furniture, Fixtures and Equipment	Heavy and Transportation Equipment	
<b>Cost</b>					
Balances at beginning of year	₱58,597,484	₱149,313,770	₱140,377,210	₱394,315,753	₱742,604,217
Additions	—	—	14,874,047	6,447,575	21,321,622
Disposals	—	—	(376,761)	(5,503,198)	(5,879,959)
<b>Balances at end of year</b>	<b>58,597,484</b>	<b>149,313,770</b>	<b>154,874,496</b>	<b>395,260,130</b>	<b>758,045,880</b>
<b>Accumulated Depreciation and Amortization</b>					
Balances at beginning of year	—	97,660,884	124,673,180	379,342,248	601,676,312
Depreciation and amortization	—	5,706,729	15,027,808	6,690,674	27,425,211
Disposals	—	—	(376,761)	(5,217,446)	(5,594,207)
<b>Balances at end of year</b>	<b>—</b>	<b>103,367,613</b>	<b>139,324,227</b>	<b>380,815,476</b>	<b>623,507,316</b>
<b>Carrying Amount</b>	<b>₱58,597,484</b>	<b>₱45,946,157</b>	<b>₱15,550,269</b>	<b>₱14,444,654</b>	<b>₱134,538,564</b>

	Note	2023				Total
		Land	Building and Improvements	Office Furniture, Fixtures and Equipment	Heavy and Transportation Equipment	
<b>Cost</b>						
Balances at beginning of year		₱58,597,484	₱174,313,770	₱137,672,753	₱392,794,543	₱763,378,550
Additions		—	—	2,704,457	1,521,210	4,225,667
Reclassification	9	—	(25,000,000)	—	—	(25,000,000)
<b>Balances at end of year</b>		<b>58,597,484</b>	<b>149,313,770</b>	<b>140,377,210</b>	<b>394,315,753</b>	<b>742,604,217</b>
<b>Accumulated Depreciation and Amortization</b>						
Balances at beginning of year		—	98,265,189	113,851,585	371,614,743	583,731,517
Depreciation and amortization		—	5,749,862	10,821,595	7,727,505	24,298,962
Reclassification	9	—	(6,354,167)	—	—	(6,354,167)
<b>Balances at end of year</b>		<b>—</b>	<b>97,660,884</b>	<b>124,673,180</b>	<b>379,342,248</b>	<b>601,676,312</b>
<b>Carrying Amount</b>		<b>₱58,597,484</b>	<b>₱51,652,886</b>	<b>₱15,704,030</b>	<b>₱14,973,505</b>	<b>₱140,927,905</b>

Depreciation and amortization are allocated to profit or loss as follows:

	Note	2024	2023	2022
<b>Charged to:</b>				
Cost of sales	18	₱20,842,780	₱17,047,551	₱12,285,185
Operating expenses	19	7,832,431	8,501,411	14,419,223
		<b>₱28,675,211</b>	<b>₱25,548,962</b>	<b>₱26,704,408</b>

Depreciation and amortization of property and equipment is broken down as follows:

	Note	2024	2023	2022
Property and equipment		₱27,425,211	₱24,298,962	₱26,704,408
Investment property	9	1,250,000	1,250,000	—
		<b>₱28,675,211</b>	<b>₱25,548,962</b>	<b>₱26,704,408</b>

The portion of the Group's property and equipment with carrying amounts of ₱45.9 million and ₱50.7 million as at December 31, 2024 and 2023, respectively, is pledged as security under a real estate mortgage on its loans payable (see Note 13).

In 2024, the Group disposed certain items of property and equipment with carrying amount of ₱0.3 million for aggregate proceeds of ₱0.4 million, resulting to gain on sale of ₱0.1 million.

Fully depreciated property and equipment with cost of ₱523.0 million as at December 31, 2024 and 2023 are still being used by the Group.

## 9. Investment Property

The Group's investment property pertains to the portion of its office space which is under lease with a third party. The movements in the account follows:

	Note	2024	2023
<b>Cost</b>			
Balance at beginning of year		₱25,000,000	₱-
Reclassification	8	-	25,000,000
Balance at end of year		25,000,000	25,000,000
<b>Accumulated Depreciation</b>			
Balance at beginning of year		7,604,167	-
Reclassification	8	-	6,354,167
Depreciation		1,250,000	1,250,000
Balance at end of year		8,854,167	7,604,167
<b>Carrying Amount</b>		<b>₱16,145,833</b>	<b>₱17,395,833</b>

The Group's investment property is pledged as security under a real estate mortgage on its loans payable (see Note 13). Rental income earned from investment property amounted to ₱1.2 million, ₱1.4 million, and ₱0.3 million in 2024, 2023, and 2022, respectively (see Note 20).

The Group assessed that the fair value of its investment property approximates its original cost. The estimate is based on Level 3 in the fair value hierarchy using the latest zonal valuation.

## 10. Mining Rights and Other Mining Assets

The balances and movements of this account are as follows:

	Note	2024					Total
		Mining Rights	Deferred Exploration Costs	Mine Development Costs	Mine Rehabilitation Asset	Total Mine and Mining Properties	
<b>Cost</b>							
Balances at beginning of year		₱2,935,579,522	₱176,228,529	₱2,566,488,843	₱44,167,841	₱2,610,656,684	₱5,722,464,735
Additions		-	1,496,470	9,301,383	-	9,301,383	10,797,853
Balances at end of year		2,935,579,522	177,724,999	2,575,790,226	44,167,841	2,619,958,067	5,733,262,588
<b>Accumulated Depletion</b>							
Balances at beginning of year		564,956,355	-	799,778,032	17,889,089	817,667,121	1,382,623,476
Depletion	18	17,345,665	-	42,668,508	167,222	42,835,730	60,181,395
Balances at end of year		582,302,020	-	842,446,540	18,056,311	860,502,851	1,442,804,871
<b>Net Carrying Amount</b>		<b>₱2,353,277,502</b>	<b>₱177,724,999</b>	<b>₱1,733,343,686</b>	<b>₱26,111,530</b>	<b>₱1,759,455,216</b>	<b>₱4,290,457,717</b>



		2023					
		Mine and Mining Properties					
	Note	Mining Rights	Deferred Exploration Costs	Mine Development Costs	Mine Rehabilitation Asset	Total Mine and Mining Properties	Total
Cost							
Balances at beginning of year		₹2,935,579,522	₹174,541,506	₹2,510,070,307	₹44,167,841	₹2,554,238,148	₹5,664,359,176
Additions		—	1,687,023	56,418,536	—	56,418,536	58,105,559
Balances at end of year		2,935,579,522	176,228,529	2,566,488,843	44,167,841	2,610,656,684	5,722,464,735
Accumulated Depletion							
Balances at beginning of year		551,787,446	—	767,811,340	17,502,534	785,313,874	1,337,101,320
Depletion	18	13,168,909	—	31,966,692	386,555	32,353,247	45,522,156
Balances at end of year		564,956,355	—	799,778,032	17,889,089	817,667,121	1,382,623,476
Net Carrying Amount		₹2,370,623,167	₹176,228,529	₹1,766,710,811	₹26,278,752	₹1,792,989,563	₹4,339,841,259

### **Mining Rights**

Mining rights of the Group consist of:

	2024	2023
Mining rights on explored resources of MMDC	<b>₹712,464,137</b>	₹729,809,802
Mining rights of BGRC, AMPI and BARI	<b>1,640,813,365</b>	1,640,813,365
	<b>₹2,353,277,502</b>	₹2,370,623,167

*Mining Rights on Explored Resources of MMDC.* This represents the excess of the fair value of the shares issued by the Parent Company over the book value of the net assets of MMDC when the Parent Company acquired 100% ownership in MMDC.

*Mining rights of BGRC, AMPI and BARI.* This represents the mining rights resulting from the merger of the Parent Company with BHI and APMP in 2017 (see Note 1).

### **Deferred Exploration Costs**

Deferred exploration costs pertain to the capitalized expenditures associated with finding specific mineral resources such as acquisition of rights to explore, geological and geophysical studies and exploration drilling and sampling.

### **Mine and Mining Properties**

*Mine Development Costs.* Mine development costs include the costs incurred on an already operating mine area. Such costs pertain to expenses incurred in sourcing new resources and converting these into reserves, road developments and developing additional mine yards.

*Mine Rehabilitation Asset.* Mine rehabilitation asset is the estimated rehabilitation cost of MMDC's mine site upon termination of its ore extraction activities, as required in its MPSA (see Note 15).

## 11. Other Noncurrent Assets

This account consists of:

	Note	2024	2023
Input VAT		<b>P340,927,381</b>	P374,373,978
Final mine rehabilitation fund (FMRF)		<b>89,916,041</b>	87,262,429
Input VAT for refund		<b>88,389,809</b>	163,015,056
Rehabilitation cash fund (RCF)	22	<b>5,677,795</b>	5,632,371
Rental deposit	22	<b>1,133,050</b>	1,133,050
Monitoring trust fund (MTF)		<b>168,289</b>	167,435
Others		<b>5,891,162</b>	5,579,514
		<b>P532,103,527</b>	P637,163,833

Input VAT for refund pertains to input VAT incurred on the purchase of goods or services and subsequently reported to the Bureau of Internal Revenue (BIR) for refund. This will be collected through cash or tax credit, with the final amount to be determined upon review and inspection of the BIR.

FMRF pertains to deposits to a government depository bank in compliance with the requirements of regulatory agencies.

RCF is reserved as part of the Group's compliance with the approved rehabilitation activities and schedules for specific mining project phase, including research programs as defined in the Environmental Protection and Enhancement Program (see Note 22).

MTF is exclusively used in activities approved by the Mine Rehabilitation Fund Committee.

Interest income earned from FMRF, RCF and MTF is disclosed in Note 4.

## 12. Trade and Other Payables

This account consists of:

	Note	2024	2023
Trade payables		<b>P125,997,983</b>	P139,250,478
Accrued expenses:			
Compliance		<b>11,747,307</b>	17,348,898
Interest	13	<b>972,009</b>	972,009
Salaries and rent		<b>319,347</b>	561,609
Excise tax and other statutory payables		<b>45,050,036</b>	56,264,353
Others		<b>6,516,898</b>	8,916,097
		<b>P190,603,580</b>	P223,313,444

Trade payables primarily consist of liabilities arising from transactions with contractors and suppliers related to the normal course of business and are generally noninterest bearing. Trade payables are generally on a 90-day credit term.

Accruals for compliance pertain to accrual of expenditures for Social Development Management Program, Community Development Program and other regulatory fees as required by the MGB, among others which are settled within the normal operating cycle.

Other statutory payables include other taxes payable and mandatory contributions. These are normally settled within one (1) month after the reporting period.

### 13. Loans Payable

This account consists of:

	2024	2023
Long-term loans	<b>₱76,879,325</b>	₱132,604,857
Less: Current portion	<b>25,050,756</b>	27,804,328
Noncurrent portion	<b>₱51,828,569</b>	₱104,800,529

In 2021, the Group entered into a six (6)-year ₱208.0 million term loan facility agreement with a local bank secured partly by a real estate mortgage on items of its property and equipment with carrying amounts of ₱45.9 million and ₱50.7 million as at December 31, 2024 and 2023, respectively (see Note 8), and its investment property with carrying amount of ₱16.1 million and ₱17.4 million, respectively, as at December 31, 2024 and 2023 (see Note 9). The loan is subject to an interest floor rate of 6% or prevailing interest rate at loan drawdown, whichever is higher.

Movements in the loans payable follows:

	2024	2023
Balance at beginning of year	<b>₱132,604,857</b>	₱210,746,700
Payments	<b>(57,682,032)</b>	(79,682,643)
Availments	<b>1,956,500</b>	1,540,800
Balance at end of year	<b>₱76,879,325</b>	₱132,604,857

Interest expense of the Group was incurred from the following sources:

	Note	2024	2023	2022
Loans payable		<b>₱9,985,337</b>	₱12,330,153	₱24,251,864
Provision for mine rehabilitation and decommissioning	15	<b>2,848,911</b>	2,725,368	2,607,183
		<b>₱12,834,248</b>	₱15,055,521	₱26,859,047

Accrued interest payable amounted to ₱1.0 million as at December 31, 2024 and 2023 (see Note 12).

The maturity of the long-term loans are as follows:

	2024	2023
Not later than one (1) year	<b>₱25,050,756</b>	₱27,804,328
Later than one year but not more than five (5) years	<b>51,828,569</b>	104,800,529
	<b>₱76,879,325</b>	₱132,604,857

#### 14. Related Party Transactions

Significant transactions with related parties include the following:

##### Related Parties under Common Management

	Transaction Amounts		Outstanding Balances		Nature and Terms
	2024	2023	2024	2023	
Advances to related parties	<b>₱571,812</b>	<b>₱—</b>	<b>₱2,955,065</b>	<b>₱2,383,253</b>	Working fund; unsecured; noninterest-bearing; Collectible on demand
Advances from related parties	<b>₱—</b>	<b>₱—</b>	<b>₱5,000,000</b>	<b>₱5,000,000</b>	Working fund; unsecured; noninterest-bearing; payable on demand

As at December 31, 2024 and 2023, the Group has not provided any allowance for ECL for amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.

##### Compensation of Key Management Personnel

Compensation of key management personnel, which consists of salaries and other benefits, amounted to ₱53.7 million, ₱48.6 million, and ₱46.0 million in 2024, 2023, and 2022, respectively. Retirement benefit expense of key management personnel amounted to ₱2.6 million, ₱8.9 million, and ₱1.5 million in 2024, 2023, and 2022, respectively.

#### 15. Provision for Mine Rehabilitation and Decommissioning

Movements in this account are as follows:

	Note	2024	2023
Balance at beginning of year		<b>₱62,847,468</b>	<b>₱60,122,100</b>
Accretion of interest	13	<b>2,848,911</b>	<b>2,725,368</b>
Balance at end of year		<b>₱65,696,379</b>	<b>₱62,847,468</b>

A provision is recognized for the estimated rehabilitation costs of the Group's mine site upon termination of the Group's ore extraction activities, which is about 13 years. There has been no change in material estimates, operations and requirements to warrant a change in previously estimated provision for mine rehabilitation and decommissioning.

The provision is calculated by the Group's engineers based on an estimate of the expected cost to be incurred to rehabilitate the mine site. The provision is presented at discounted value using the Philippine bond yield of 4.53% as the effective interest rate.

## 16. Retirement Benefit Liability

The Group has a funded, noncontributory defined benefit plan covering all its qualified employees. Under this plan, the employees are entitled to retirement benefits ranging from 50% to 200% of the final monthly salary for each year of credited service. This plan is in accordance with R.A. No. 7641, which mandates a minimum retirement benefit equivalent to one-half month salary per year of service.

An independent actuary conducted a valuation of the retirement benefit obligation using the projected unit credit method. The latest actuarial valuation is for the year ended December 31, 2024.

The principal actuarial assumptions used to determine retirement benefit liability as at December 31, 2024 and 2023 are as follows:

Discount rates	6.25% - 6.26%
Salary increase rates	4.00% - 5.00%

The plan exposes the Group to actuarial risks, such as interest rate risk and salary risk.

The components of retirement benefit expense presented under "Operating expenses" account in profit or loss are as follows (see Note 19):

	2024	2023	2022
Current service cost	<b>P6,362,524</b>	P5,591,927	P6,518,619
Net interest cost	<b>2,768,040</b>	2,622,073	1,956,044
	<b>P9,130,564</b>	P8,214,000	P8,474,663

The components of net retirement benefit liability presented in the statements of financial position are as follows:

	2024	2023
Retirement benefit liability	<b>P64,288,966</b>	P51,901,439
Fair value of plan asset	<b>14,958,136</b>	7,672,955
	<b>P49,330,830</b>	P44,228,484

The retirement benefit liability recognized in the consolidated statements of financial position and changes in the present value of defined benefit obligation are as follows:

	2024	2023
Balance at beginning of year	<b>P51,901,439</b>	P40,475,462
Retirement benefits expense recognized in profit or loss:		
Current service cost	<b>6,362,524</b>	5,591,927
Interest cost	<b>3,248,104</b>	3,099,568
Remeasurement losses (gains) recognized in OCI:		
Deviations of experience from assumptions	<b>2,198,264</b>	(1,661,951)
Changes in financial assumptions	<b>787,291</b>	9,200,973
Benefits paid	<b>(208,656)</b>	(4,804,540)
Balance at end of year	<b>P64,288,966</b>	P51,901,439

Movements in the fair value of plan assets are as follows:

	2024	2023
Balance at beginning of year	<b>₱7,672,955</b>	<b>₱—</b>
Contributions	<b>6,371,000</b>	<b>12,000,000</b>
Remeasurement gain	<b>642,773</b>	<b>—</b>
Interest income	<b>480,064</b>	<b>477,495</b>
Benefits paid	<b>(208,656)</b>	<b>(4,804,540)</b>
Balance at end of year	<b>₱14,958,136</b>	<b>₱7,672,955</b>

The components of the Group's plan assets as at December 31, 2024 and 2023 are as follows:

	2024	2023
Cash	<b>1.49%</b>	<b>1.46%</b>
Investment in debt securities	<b>93.60%</b>	<b>93.15%</b>
Investments in unit investment trust fund	<b>4.91%</b>	<b>5.39%</b>
	<b>100.00%</b>	<b>100.00%</b>

Sensitivity analysis on defined benefit obligation as at December 31, 2024 and 2023 are as follows:

	Change in basis points	Effect on defined benefit obligation	
		2024	2023
Salary increase rate	+1%	<b>₱5,685,597</b>	<b>₱3,842,586</b>
	-1%	<b>(4,968,362)</b>	<b>(3,377,812)</b>
Discount rate	+1%	<b>(4,785,804)</b>	<b>(3,130,815)</b>
	-1%	<b>5,672,744</b>	<b>3,689,476</b>

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the defined benefit obligation at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged.

The changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed more responsive.

The cumulative remeasurement gains recognized in OCI are as follows:

	2024		
	Cumulative Remeasurement Gains	Deferred Tax Liability (see Note 21)	Net Remeasurement Gain
Balance at beginning of year	<b>₱46,585,245</b>	<b>(₱11,657,201)</b>	<b>₱34,928,044</b>
Remeasurement loss	<b>(2,342,782)</b>	<b>32,664</b>	<b>(2,310,118)</b>
Balance at end of year	<b>₱44,242,463</b>	<b>(₱11,624,537)</b>	<b>₱32,617,926</b>

	2023		
	Cumulative Remeasurement Gains	Deferred Tax Liability (see Note 21)	Net Remeasurement Gain
Balance at beginning of year	₱54,124,267	(₱13,531,067)	₱40,593,200
Remeasurement loss	(7,539,022)	1,873,866	(5,665,156)
Balance at end of year	₱46,585,245	(₱11,657,201)	₱34,928,044

The average duration of the expected benefit payments at the end of the reporting period is 15 years.

## 17. Equity

Details of the Group's capital stock with ₱1 par value as at and for the years ended December 31, 2024, 2023, and 2022 follows:

	Shares	Amount
<b>Authorized</b>	4,000,000,000	₱4,000,000,000
<b>Issued and Outstanding</b>		
Balance at beginning and end of year	3,014,820,305	₱3,014,820,305
<b>Additional Paid-in Capital</b>		
Balance at beginning and end of year		₱269,199,788

## Cash Dividends

Date of Declaration	Date of Record	Date of Payment	Dividend per share	Amount
December 7, 2023	January 12, 2024	January 26, 2024	₱0.10	₱301,482,030

Dividends payable amounted to ₱14.9 million and ₱312.0 million as at December 31, 2024 and 2023, respectively.

## 18. Cost of Sales

This account consists of:

	Note	2024	2023	2022
Contractual services		₱600,455,077	₱683,239,017	₱1,073,358,838
Production overhead		155,956,763	252,582,330	344,035,909
Salaries and allowances	19	131,441,774	142,405,268	173,838,071
Excise tax		67,171,377	80,310,231	120,294,968
Depletion	10	60,181,395	45,522,156	273,600,030
Depreciation	8	20,842,780	17,047,551	12,285,185
		1,036,049,166	1,221,106,553	1,997,413,001
Net movements in inventories		49,289,995	(18,010,433)	46,194,875
		₱1,085,339,161	₱1,203,096,120	₱2,043,607,876

Contractual services pertain to activities directly related to mining. The services include, among others, mine extraction, loading, hauling, barging and stevedoring.

Production overhead consists of repairs and maintenance of heavy equipment, utilities, mining supplies used, among others.

Excise tax pertains to the Government's share in an MPSA which is equivalent to 4.0% of gross output on mineral products.

## 19. Operating Expenses

This account consists of:

	Note	2024	2023	2022
Taxes and licenses		<b>P87,327,557</b>	<b>P71,320,235</b>	<b>P90,717,164</b>
Salaries and allowances		<b>71,198,250</b>	<b>76,214,379</b>	<b>83,358,913</b>
Professional fees		<b>61,682,800</b>	<b>57,686,868</b>	<b>62,428,090</b>
Environmental expenses	22	<b>47,499,472</b>	<b>64,549,954</b>	<b>113,317,128</b>
Fines and penalties		<b>32,225,974</b>	<b>14,819,074</b>	<b>28,864,772</b>
Representation		<b>27,158,581</b>	<b>22,890,225</b>	<b>62,475,322</b>
Social development programs	22	<b>19,052,076</b>	<b>26,831,606</b>	<b>34,919,120</b>
Royalties	22	<b>17,632,486</b>	<b>21,054,988</b>	<b>31,577,429</b>
Outside services		<b>11,166,526</b>	<b>20,837,443</b>	<b>21,026,776</b>
Community relations		<b>9,177,665</b>	<b>16,466,498</b>	<b>19,602,502</b>
Retirement benefit expense	16	<b>9,130,564</b>	<b>8,214,000</b>	<b>8,474,663</b>
Repairs and maintenance		<b>8,074,166</b>	<b>41,179,908</b>	<b>8,503,444</b>
Depreciation and amortization	8	<b>7,832,431</b>	<b>8,501,411</b>	<b>14,419,223</b>
Communication, light and water		<b>3,054,121</b>	<b>3,840,888</b>	<b>3,528,353</b>
Transportation and travel		<b>2,053,290</b>	<b>1,669,864</b>	<b>1,875,284</b>
Rent expense	22	<b>1,995,927</b>	<b>7,048,675</b>	<b>4,728,914</b>
Provision for ECL	5	<b>201,600</b>	<b>—</b>	<b>75,516,127</b>
Others		<b>12,711,755</b>	<b>44,039,384</b>	<b>27,336,677</b>
		<b>P429,175,241</b>	<b>P507,165,400</b>	<b>P692,669,901</b>

Others include dues and subscriptions, regulatory fees, and office supplies expense.

The Group's salaries and employee benefits consists of:

	Note	2024	2023	2022
Included in "Cost of sales" -				
Salaries and allowances	18	<b>P131,441,774</b>	<b>P142,405,268</b>	<b>P173,838,071</b>
Included in "Operating expenses":				
Salaries and allowances		<b>71,198,250</b>	<b>76,214,379</b>	<b>83,358,913</b>
Retirement expense	16	<b>9,130,564</b>	<b>8,214,000</b>	<b>8,474,663</b>
		<b>P211,770,588</b>	<b>P226,833,647</b>	<b>P265,671,647</b>



## 20. Other Income

This account consists of:

	Note	2024	2023	2022
Rental income	22	<b>₱1,200,000</b>	₱1,380,000	₱300,000
Net foreign exchange gain		<b>10,726</b>	1,117,682	10,355,208
Others		<b>2,252,899</b>	558,472	23,782,052
		<b>₱3,463,625</b>	₱3,056,154	₱34,437,260

Others pertain to penalties charged to contractors for certain delays and gain on disposal of asset.

## 21. Income Taxes

The components of income tax expense (benefit) are shown below:

	2024	2023	2022
Current:			
RCIT	<b>₱83,413,736</b>	₱88,703,659	₱118,398,340
MCIT	<b>24,000</b>	20,700	3,000
Deferred	<b>(3,235,273)</b>	17,597,945	18,603,050
	<b>₱80,202,463</b>	₱106,322,304	₱137,004,390

The Group's net deferred tax assets arising from temporary differences are summarized as follows:

	2024	2023
Deferred tax assets:		
Retirement benefit liability	<b>₱10,152,192</b>	₱9,401,467
Provision for mine rehabilitation	<b>5,474,562</b>	4,762,334
Allowance for obsolescence on mining supplies	<b>3,910,092</b>	4,022,737
	<b>19,536,846</b>	18,186,538
Deferred tax liability -		
Unrealized foreign exchange gain	<b>(2,682)</b>	(1,920,311)
	<b>₱19,534,164</b>	₱16,266,227

The presentation of net deferred tax assets are as follows:

	Note	2024	2023
Through profit or loss		<b>₱31,158,701</b>	₱27,923,428
Through other comprehensive income	16	<b>(11,624,537)</b>	(11,657,201)
		<b>₱19,534,164</b>	₱16,266,227

The Group's deferred tax liability amounting to ₱442.0 million as at December 31, 2024 and 2023, is attributable to the mining rights of BGRC, AMPI and BARI, as a result of business combination.

Management believes that it may not be probable for future taxable profit to be available in the future against which the benefits of the following deferred tax assets can be utilized.

	2024	2023
NOLCO	<b>₱84,026,932</b>	₱69,012,562
Retirement benefit liability	<b>2,147,432</b>	2,302,684
Provision for ECL	<b>50,400</b>	—
Excess MCIT over RCIT	<b>47,700</b>	26,171
	<b>₱86,272,464</b>	<b>₱71,341,417</b>

Details of NOLCO of the Group are as follows:

Year Incurred	Expiry Date	Amount	Applied	Expired	Balance
2024	2027	₱60,551,154	₱—	₱—	₱60,551,154
2023	2026	55,501,652	—	—	55,501,652
2022	2025	66,025,714	—	—	66,025,714
2021	2026	69,189,004	—	—	69,189,004
2020	2025	89,254,499	—	—	89,254,499
		<b>₱340,522,023</b>	<b>₱—</b>	<b>₱—</b>	<b>₱340,522,023</b>

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 25-2020 to implement Section 4 of R.A. No. 11494, otherwise known as “Bayanihan to Recover as One Act”. This RR provides that net operating loss of a business or enterprise for taxable years 2020 and 2021 are to be carried over as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Details of excess MCIT over RCIT of the Group are as follows:

Year Incurred	Expiry Date	Amount	Applied	Expired	Balance
2024	2027	₱24,000	₱—	₱—	₱24,000
2023	2026	20,700	—	—	20,700
2022	2025	3,000	—	—	3,000
2021	2024	2,471	—	(2,471)	—
		<b>₱50,171</b>	<b>₱—</b>	<b>(₱2,471)</b>	<b>₱47,700</b>

The reconciliation of income before tax computed at the statutory income tax rate to the income tax expense are as follows:

	2024	2023	2022
Income tax at statutory rate	<b>₱49,579,927</b>	₱84,614,702	₱84,896,293
Changes in unrecognized deferred tax assets	<b>14,931,047</b>	14,825,384	(8,497,143)
Add (deduct) income tax effects of:			
Nondeductible expenses	<b>17,186,166</b>	9,491,016	36,060,259
Interest income subjected to final tax	<b>(1,497,148)</b>	(2,608,798)	(199,931)
Expired MCIT	<b>2,471</b>	—	14,800
Expired NOLCO	<b>—</b>	—	24,730,112
	<b>₱80,202,463</b>	<b>₱106,322,304</b>	<b>₱137,004,390</b>

The income tax rates used in preparing the separate financial statements are as follows:

Years ended	RCIT	MCIT
2024	25%	2.0%
2023	25%	1.5%
2022	25%	1.0%

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## 22. Commitments and Contingencies

### Social and Environmental Responsibilities

#### **Social Development and Management Programs (SDMP)**

SDMP are five (5)-year projects identified and approved for implementation in the communities covered by the MPSA. The Group provides an annual budget for SDMP projects that focus on health, education, livelihood, public utilities and socio-cultural preservation. The implementation of the program is monitored by the MGB.

The Group's implemented social development programs to host communities amounted to ₱19.1 million, ₱26.8 million and ₱34.9 million in 2024, 2023, and 2022, respectively (see Note 19).

#### **Environmental Protection and Enhancement Program (EPEP)**

EPEP refers to the comprehensive and strategic environmental management plan to achieve the environmental management objectives, criteria and commitments including protection and rehabilitation of the affected environment within the Group's mining areas. This program is monitored by the Multipartite Monitoring Team, a group headed by a representative from the Regional MGB and representatives of Local Government Units (LGU), other government agencies, non-government organizations, the church sector and the representatives of the Group.

The Group is required to set up a fund to ensure compliance with the program. The balance of the fund, presented as RCF under "Other noncurrent assets" account, amounted to ₱5.7 million as at December 31, 2024 and 2023 (see Note 11).

The Group implemented projects amounting to ₱47.5 million, ₱64.5 million and ₱113.3 million in 2024, 2023, and 2022, respectively (see Note 19).

#### **Royalty Agreement**

In July 2008, the Group entered into a memorandum of agreement with Indigenous Cultural Communities/Indigenous People (ICC/IP) and NCIP pursuant to the requirements of its MPSA. The Group pays royalties equivalent to a certain percentage of gross revenue to the ICC/IP.

Royalty expense amounted to ₱17.6 million, ₱21.1 million, ₱31.6 million in 2024, 2023, and 2022, respectively (see Note 19).

#### **Operating Lease Agreements - Group as a Lessee**

The Group leases an office space with a third party for its operations with a lease term of less than twelve (12) months. Prepaid rent amounted to ₱0.6 million as at December 31, 2024 and 2023. Rental deposit amounted to ₱1.1 million as at December 31, 2024 and 2023 (see Note 11).

Rental expense arising from short-term leases amounted to ₱2.0 million, ₱7.0 million and ₱4.7 million in 2024, 2023, and 2022, respectively (see Note 19).

Future minimum lease payments on short term lease amounted to ₱2.0 million.

**Operating Lease Agreements - Group as a Lessor**

In 2022, the Group has entered into operating lease agreements with a third party for the lease of its office space with a lease term of ten (10) years with a schedule escalation over the ten-year period. Considering that there will be no transfer of ownership of the leased property to the lessee, the Group has determined that it retains all the significant risks and benefits of ownership of these properties. Accordingly, the leases are accounted for as operating leases.

Rental income earned from investment property amounted to ₱1.2 million, ₱1.4 million, and ₱0.3 million in 2024, 2023, and 2022 respectively (see Note 20).

Future minimum lease receivables under the non-cancellable operating lease as at December 31, 2024 are as follows:

Within one year	₱1,440,000
After one year but not more than five years	8,473,042
Five years and above	3,943,325
	<u>₱13,856,367</u>

**Other Claims**

The Group is either a defendant or plaintiff in other claims and disputes which are normal to its business. The management believes that the ultimate liability, if any, with respect to such claims, and disputes will not materially affect the financial position of the Group.

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**23. Earnings Per Share**

Earnings per share are computed as follows:

	2024	2023	2022
Net income shown in the consolidated statements of comprehensive income (a)	₱118,117,245	₱232,136,506	₱202,580,780
Weighted average number of common shares (b)	3,014,820,305	3,014,820,305	3,014,820,305
Basic earnings per share (a/b)	<u>₱0.039</u>	<u>₱0.077</u>	<u>₱0.067</u>

The Group does not have potentially dilutive common shares.

## 24. Financial Risk Management Objectives and Policies and Fair Value Measurement

### General

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

### Financial Risk Management Objectives and Policies

The Group's principal financial instruments consist of cash and cash equivalents, and loans payable. The primary purpose of these financial instruments is to finance the Group's operations. The Group has other financial instruments such as receivables (excluding advances to officers and employees), FMRF, RCF, rental deposit, MTF, trade and other payables (excluding excise tax and other statutory payables), dividends payable and advances to and from related parties, which arise directly from operations. The main risks arising from the use of these financial instruments are foreign currency risk, credit risk, and liquidity risk. Management reviews and approves the policies for managing each of these risks which are summarized below.

*Foreign Currency Risk.* The Group's foreign exchange risk results primarily from movements of the Philippine peso against the US dollar with respect to US dollar-denominated financial assets. The Group's transactional currency exposures arise from its cash in banks and trade receivables which are denominated in US dollar. The Group periodically reviews the trend of the foreign exchange rates to address its exposure in foreign currency risk.

The following table shows the Group's US dollar-denominated financial assets and their Philippine Peso equivalent as at December 31, 2024 and 2023:

	2024		2023	
	Philippine Peso	US Dollar	Philippine Peso	US Dollar
Cash in banks	<b>₱17,768,477</b>	<b>\$254,568</b>	₱24,899,961	\$448,107

For purposes of restating the outstanding balances of the Group's US dollar-denominated financial assets as at December 31, 2024 and 2023, the exchange rates applied were ₱58.01 per US\$1 and ₱55.57 per US\$1, respectively.

The table below demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group's income before tax for the years ended December 31, 2024, 2023, and 2022 (due to changes in the fair value of financial assets). There is no other impact on the Group's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate	Effect on Income before Tax
<b>December 31, 2024</b>	<b>+1.11%</b>	<b>₱169,930</b>
	<b>-1.11%</b>	<b>(169,930)</b>
December 31, 2023	1.23	307,391
	-1.23	(307,391)
December 31, 2022	+2.15	4,262,002
	-2.15	(4,262,002)

**Credit Risk.** Credit risk arising from the inability of a counterparty to meet the terms of the Group's financial instrument is generally limited to the amount, if any, by which the counterparty's obligations exceed the obligation of the Group. With respect to credit risk arising from the other financial assets of the Group, which comprise cash in banks and cash equivalents, receivables (excluding advances to officers and employees) and advances to related parties, RCF, MTF and rental deposit, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The tables below show the credit quality per class of financial assets as at December 31.

2024							
	High Grade	Standard Grade	Past Due but not Impaired			Impaired	Total
			1 – 30 Days	31 – 90 Days	More than 90 Days		
Lifetime ECL - Receivables*	P=	P=	P=	P836,229	P=	P201,600	P1,037,829
12-month ECL:							
Cash in banks and cash equivalents	567,003,821	-	-	-	-	-	567,003,821
Advances to related parties	-	2,955,065	-	-	-	-	2,955,065
FMRF, RCF, and MTF	95,762,125	-	-	-	-	-	95,762,125
Rental deposit	-	1,133,050	-	-	-	-	1,133,050
	662,765,946	4,088,115	-	-	-	-	666,854,061
	P662,765,946	P4,088,115	P=	P836,229	P=	P201,600	P667,891,890

\*Excluding advances to officers and employees amounting to P34.7 million as at December 31, 2024.

2023							
	High Grade	Standard Grade	Past Due but not Impaired			Impaired	Total
			1 – 30 Days	31 – 90 Days	More than 90 Days		
Lifetime ECL - Receivables*	P=	P=	P=	P3,637,325	P=	P=	P3,637,325
12-month ECL:							
Cash in banks and cash equivalents	603,739,784	-	-	-	-	-	603,739,784
Advances to related parties	-	2,383,253	-	-	-	-	2,383,253
FMRF, RCF, and MTF	93,062,235	-	-	-	-	-	93,062,235
Rental deposit	-	1,133,050	-	-	-	-	1,133,050
	696,802,019	3,516,303	-	-	-	-	700,318,322
	P696,802,019	P3,516,303	P=	P3,637,325	P=	P=	P703,955,647

\*Excluding advances to officers and employees amounting to P18.7 million as at December 31, 2023.

Customer credit risk from receivables is managed by the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The calculation of provision rates reflects the information that is available at the reporting date about past events, current conditions and forecast of future economic conditions. Generally, trade receivables are written-off if the Group has actually ascertained that these are worthless and uncollectible as of the end of the year.

The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

For other financial assets consisting of cash in banks and cash equivalents, advances to related parties, RCF, MTF and rental deposit, the Group established controls and procedures on its credit policy to determine and monitor the credit worthiness of counterparties.

The credit quality of the financial assets is managed by the Group using internal credit quality ratings. High grade accounts consist of receivable from debtors with good financial condition and with relatively low defaults. Financial assets having risks of default but are still collectible are considered standard grade accounts. Past due but not impaired accounts are still collectible but require persistent effort from the Group to collect.

Cash in banks, FMRF, RCF, and MTF are classified as high grade since these are deposited in reputable banks having good credit rating and low probability of insolvency. While the advances to related parties and rental deposit are classified under standard grade since the counterparties are reputable related parties with low credit risk.

**Liquidity Risk.** The Group manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements, including debt principal and interest payments. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves and reserve borrowing facilities as necessary in accordance with internal policies.

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, 2024 and 2023, based on contractual undiscounted payments. Loans payable consist of principal and estimated future interest payments.

2024						
	On Demand	Less than three months	Three to six months	More than six months to one year	More than one year	Total
Trade and other payables*	P18,583,552	P972,009	P125,997,983	P-	P-	P145,553,544
Dividends payable	14,909,583	-	-	-	-	14,909,583
Loans payable**	-	7,590,313	7,410,051	14,540,519	47,338,442	76,879,325
Advances from related parties	5,000,000	-	-	-	-	5,000,000
	<b>P38,493,435</b>	<b>P8,562,322</b>	<b>P133,408,034</b>	<b>P14,540,519</b>	<b>P47,338,442</b>	<b>P242,342,752</b>

\*Excluding excise tax and other statutory payables aggregating to P45.0 million as at December 31, 2024.

\*\*Including interest payable up to maturity amounting to P1.0 million as at December 31, 2024.

2023						
	On Demand	Less than three months	Three to six months	More than six months to one year	More than one year	Total
Trade and other payables*	P26,826,604	P972,009	P139,250,478	P-	P-	P167,049,091
Dividends payable	311,966,875	-	-	-	-	311,966,875
Loans payable**	-	8,829,932	8,699,350	16,789,554	116,841,340	151,160,176
Advances from related parties	5,000,000	-	-	-	-	5,000,000
	<b>P343,793,479</b>	<b>P9,801,941</b>	<b>P147,949,828</b>	<b>P16,789,554</b>	<b>P116,841,340</b>	<b>P635,176,142</b>

\*Excluding excise tax and other statutory payables aggregating to P56.3 million as at December 31, 2023.

\*\*Including interest payable up to maturity amounting to P18.6 million as at December 31, 2023.

### **Fair Value of Financial Assets and Financial Liabilities**

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments that are carried in the consolidated financial statements:

	2024		2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	P567,105,076	P567,105,076	P603,877,818	P603,877,818
Receivables*	836,229	836,229	3,637,325	3,637,325
Advances to related parties	2,955,065	2,955,065	2,383,253	2,383,253
FMRF, RCF, and MTF	95,762,125	95,762,125	93,062,235	93,062,235
Rental deposit	1,133,050	1,133,050	1,133,050	1,133,050
	<b>P667,791,545</b>	<b>P667,791,545</b>	<b>P704,093,681</b>	<b>P704,093,681</b>
<b>Financial Liabilities</b>				
Trade and other payables**	P14,909,583	14,909,583	167,049,091	167,049,091
Dividends payable	145,553,544	145,553,544	311,966,875	311,966,875
Loans payable	76,879,325	76,879,325	132,604,857	132,262,442
Advances from related parties	5,000,000	5,000,000	5,000,000	5,000,000
	<b>P242,342,452</b>	<b>P242,342,452</b>	<b>P616,620,823</b>	<b>P616,278,408</b>

\*Excluding advances to officers and employees amounting to P34.7 million and P18.7 million as at December 31, 2024 and 2023, respectively.

\*\*Excluding excise tax and other statutory payables amounting to P45.0 million and P56.3 million as at December 31, 2024 and 2023, respectively.

*Cash and cash equivalents, Receivables (excluding advances to officers and employees), Advances to Related Parties, RCF, MTF, Trade and Other Payables (excluding excise tax and other statutory payable), Dividends Payable and Advances from Related Parties.* Due to the short-term nature of transactions, the fair values approximate the amount of consideration at reporting period.

*Rental Deposit.* The fair value of rental deposit has not been determined using observable market data because management believes that the difference between fair value and carrying amount is not significant.

*Loans Payable.* Estimated fair values have been calculated on the instruments' expected cash flows using the prevailing PDST-R2 rates ranging from 1.79% to 4.37% that are specific to the tenor of the instruments' cash flows at reporting dates (Level 2).

## **25. Capital Management Objectives, Policies and Procedures**

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk. The Group manages its capital structure and makes adjustments to it, whenever there are changes in economic conditions. The Group monitors its capital using debt to equity ratio. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or by conversion of related party advances to an equity component item.



## 26. Notes to Consolidated Statements of Cash Flows

The table below details changes in the liabilities and equity of the Group arising from financing activities, including both cash and non-cash changes.

2024				
	Loans Payable (see Note 13)	Dividends Payable	Accrued (Prepaid) Interest (see Note 12)	Total
Balance at beginning of year	<b>₱132,604,857</b>	<b>₱ 311,966,875</b>	<b>₱972,009</b>	<b>₱133,576,866</b>
Cash flows from financing activities:				
Availments	1,956,500	—	—	1,956,500
Payments of:				
Loans payable	(57,682,032)	—	—	(57,682,032)
Interest	—	—	(9,985,337)	(9,985,337)
Dividends	—	(297,057,292)	—	(297,057,292)
Noncash changes:				
Interest expense	—	—	9,985,337	9,985,337
Balance at end of year	<b>₱76,879,325</b>	<b>(₱14,909,583)</b>	<b>₱972,009</b>	<b>₱77,851,334</b>

2023				
	Loans Payable (see Note 13)		Accrued (Prepaid) Interest (see Note 12)	Total
Balance at beginning of year	<b>₱210,746,700</b>		<b>₱972,009</b>	<b>₱211,718,709</b>
Cash flows from financing activities:				
Availments	1,540,800		—	1,540,800
Payments of:				
Loans payable	(79,682,643)		—	(79,682,643)
Interest	—		(12,330,153)	(12,330,153)
Noncash changes:				
Interest expense	—		12,330,153	12,330,153
Balance at end of year	<b>₱132,604,857</b>		<b>₱972,009</b>	<b>₱133,576,866</b>



**REPORT OF INDEPENDENT AUDITORS  
ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Marcventures Holdings, Inc. and Subsidiaries  
4th Floor, BDO Towers Paseo  
8741 Paseo de Roxas, Makati City

We have audited in accordance with the Philippine Standards on Auditing, the consolidated financial statements of Marcventures Holdings, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022 included in this Form 17-A and have issued our report thereon dated April 3, 2025. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplementary schedules are the responsibility of the Group's management. These supplementary schedules include the following:

- Schedule of Parent Company's Retained Earnings Available for Dividend Declaration for the year ended December 31, 2024
- Schedules Required under Annex 68-J of the Revised Securities Regulation Code (SRC) Rule 68 as at December 31, 2024
- Conglomerate Map as at December 31, 2024

These schedules are presented for purposes of complying with the Revised SRC Rule 68, and are not part of the consolidated financial statements. This information have been subjected to the auditing procedures applied in the audit of the consolidated financial statements, including comparing such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves. In our opinion, the information are fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

**REYES TACANDONG & Co.**

  
CAROLINA P. ANGELES  
Partner

CPA Certificate No. 86981  
Tax Identification No. 205-067-976-000  
BOA Accreditation No. 4782/P-007; Valid until June 6, 2026  
BIR Accreditation No. 08-005144-007-2022  
Valid until October 16, 2025  
PTR No. 10467120  
Issued January 2, 2025, Makati City

April 3, 2025  
Makati City, Metro Manila

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**PARENT COMPANY'S RECONCILIATION OF  
RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION  
FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2024**

**MARCVENTURES HOLDINGS, INC.**  
4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City

	Amount
<b>Unappropriated retained earnings, beginning of reporting period available for dividend declaration</b>	<b>P37,781,100</b>
<b>Add: Net income for the current year</b>	<b>46,885,551</b>
<b>Adjusted net income</b>	<b>84,666,651</b>
<b>Total retained earnings, end of the reporting period available for dividend declaration</b>	<b>P84,666,651</b>

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**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**SCHEDULES REQUIRED UNDER ANNEX 68-J OF THE REVISED**  
**SECURITIES REGULATION CODE RULE 68**  
**DECEMBER 31, 2024**

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<u>Schedule</u>	<u>Description</u>	<u>Page</u>
A	Financial Assets	<u>N/A</u>
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	<u>N/A</u>
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<u>1</u>
D	Long-Term Debt	<u>2</u>
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)	<u>N/A</u>
F	Guarantees of Securities of Other Issuers	<u>N/A</u>
G	Capital Stock	<u>3</u>

**Schedule C. Amounts Receivable from Related Parties Eliminated during the Consolidation of Financial Statements**  
**December 31, 2024**

Name of debtor	Balance of beginning of period	Additions	Amounts collected	Amounts written-off	Current	Noncurrent	Balance at the end of the period
Marcventures Mining and Development Corp.	P206,426,920	P—	P206,426,920	P—	P—	P—	P—
BrightGreen Resources Corporation	—	—	—	—	—	—	—
Alumina Mining Philippines Inc.	—	—	—	—	—	—	—
Bauxite Resources Inc.	—	—	—	—	—	—	—
	P206,426,920	P—	P206,426,920	P—	P—	P—	P—

*Schedule D. Long - term Debt*  
December 31, 2024

Title of issue and type of obligation	Amount shown under caption "Current portion of Loans payable"	Amount shown under caption "Loans payable - net of current"
<i>Notes Payable</i>		
China Banking Corporation	₱24,941,228	₱50,669,330
Orix Metro Leasing and Finance Corp.	109,528	1,159,239
	₱25,050,756	₱51,828,569

Schedule G. Capital Stock

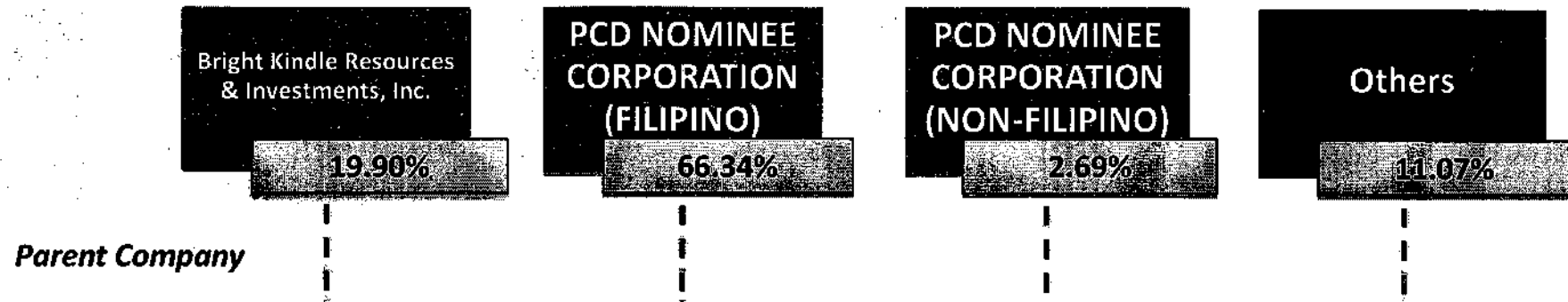
Title of issue	Number of shares authorized	Number of shares issued and outstanding shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	No. of shares held by related parties	Directors officers and employees	Others
Common Stock	4,000,000,000	3,014,820,305	—	—	195,630,020	2,819,190,285

**MARVENTURES HOLDINGS, INC. AND SUBSIDIARIES**

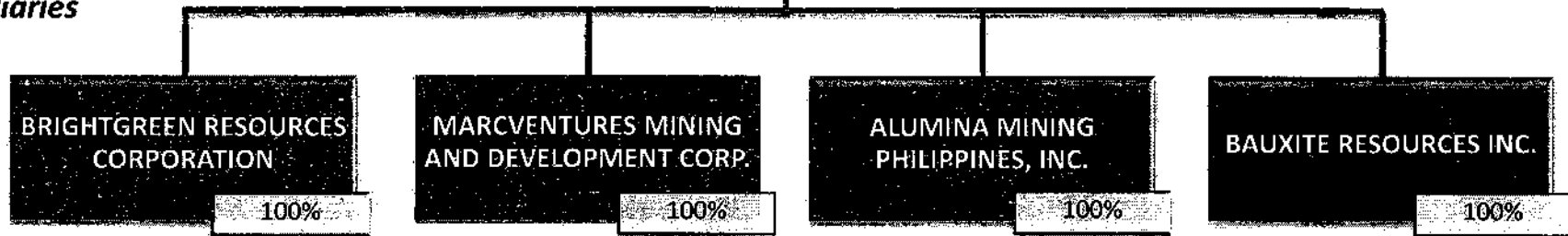
**CONGLOMERATE MAP**

**DECEMBER 31, 2024**

**Stockholders**



**Subsidiaries**







**REPORT OF INDEPENDENT AUDITORS  
ON SUPPLEMENTARY SCHEDULE  
OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors  
Marcventures Holdings, Inc. and Subsidiaries  
4th Floor, BDO Towers Paseo  
8741 Paseo de Roxas, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Marcventures Holdings, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023, and for the years ended December 31, 2024, 2023, and 2022, and have issued our report thereon dated April 3, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023, and for the years ended December 31, 2024, 2023, and 2022 and no material exceptions were noted.

**REYES TACANDONG & Co.**

  
CAROLINA P. ANGELES

Partner

CPA Certificate No. 86981

Tax Identification No. 205-067-976-000

BOA Accreditation No. 4782/P-007; Valid until June 6, 2026

BIR Accreditation No. 08-005144-007-2022

Valid until October 16, 2025

PTR No. 10467120

Issued January 2, 2025, Makati City

April 3, 2025  
Makati City, Metro Manila

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023**

<b>Ratio</b>	<b>Formula</b>	<b>2024</b>	<b>2023</b>
Current ratio	Total Current Assets	<b>₱813,509,424</b>	<b>₱898,183,945</b>
	Divided by: Total Current Liabilities	<b>284,253,113</b>	<b>598,529,310</b>
	Current ratio	<b>2.86:1</b>	<b>1.50:1</b>
Acid test ratio	Total Current Assets less Inventory	<b>₱693,674,725</b>	<b>₱729,059,251</b>
	Divided by: Total Current Liabilities	<b>284,253,113</b>	<b>598,529,310</b>
	Current ratio	<b>2.44:1</b>	<b>1.22:1</b>
Solvency ratio	Net Income Before Depreciation and Amortization, and Depletion	<b>₱206,973,851</b>	<b>₱303,207,624</b>
	Divide by: Total liabilities	<b>893,108,512</b>	<b>1,252,405,412</b>
	Solvency ratio	<b>0.23:1</b>	<b>0.24:1</b>
Debt-to-equity ratio	Total Liabilities	<b>₱893,108,512</b>	<b>₱1,252,405,412</b>
	Divide by: Total equity	<b>4,913,180,717</b>	<b>4,797,373,590</b>
	Debt-to-equity ratio	<b>0.18:1</b>	<b>0.26:1</b>
Asset-to-equity ratio	Total Assets	<b>₱5,806,289,229</b>	<b>₱6,049,779,002</b>
	Divide by: Total equity	<b>4,913,180,717</b>	<b>4,797,373,590</b>
	Asset-to-equity ratio	<b>1.18:1</b>	<b>1.26:1</b>
Interest rate coverage ratio	Pretax income before interest	<b>₱211,153,956</b>	<b>₱353,514,331</b>
	Divided by: Interest expense	<b>12,834,248</b>	<b>15,055,521</b>
	Interest rate coverage ratio	<b>16.45:1</b>	<b>23.48:1</b>
Return on asset	Net income	<b>₱118,117,245</b>	<b>₱232,136,506</b>
	Divide by: Total average assets	<b>5,928,034,116</b>	<b>5,995,192,155</b>
	Return on asset ratio	<b>0.02:1</b>	<b>0.04:1</b>
Return on equity	Net income	<b>₱118,117,245</b>	<b>₱232,136,506</b>
	Divide by: Total average equity	<b>4,855,277,154</b>	<b>4,834,878,930</b>
	Return on equity ratio	<b>0.02:1</b>	<b>0.05:1</b>
Net profit margin ratio	Net income	<b>₱118,117,245</b>	<b>₱232,136,506</b>
	Divide by: Total revenue	<b>1,679,284,418</b>	<b>2,050,416,186</b>
	Net profit margin ratio	<b>0.07:1</b>	<b>0.11:1</b>

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES****Supplementary Schedules of External Auditor Fee Related Information  
DECEMBER 31, 2024 AND 2023**

	2024	2023
Total Audit Fees	<b>₱2,290,000</b>	<b>₱2,060,000</b>
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-Audit Fees	—	—
Total Audit and Non-audit Fees	<b>₱2,290,000</b>	<b>₱2,060,000</b>

**Audit and Non-audit Fees of Other Related Entities**

	2024	2023
Audit Fees	<b>₱—</b>	<b>₱—</b>
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Audit and Non-audit Fees of Other Related Entities	<b>₱—</b>	<b>₱—</b>

# STRENGTH AND SUSTAINABILITY

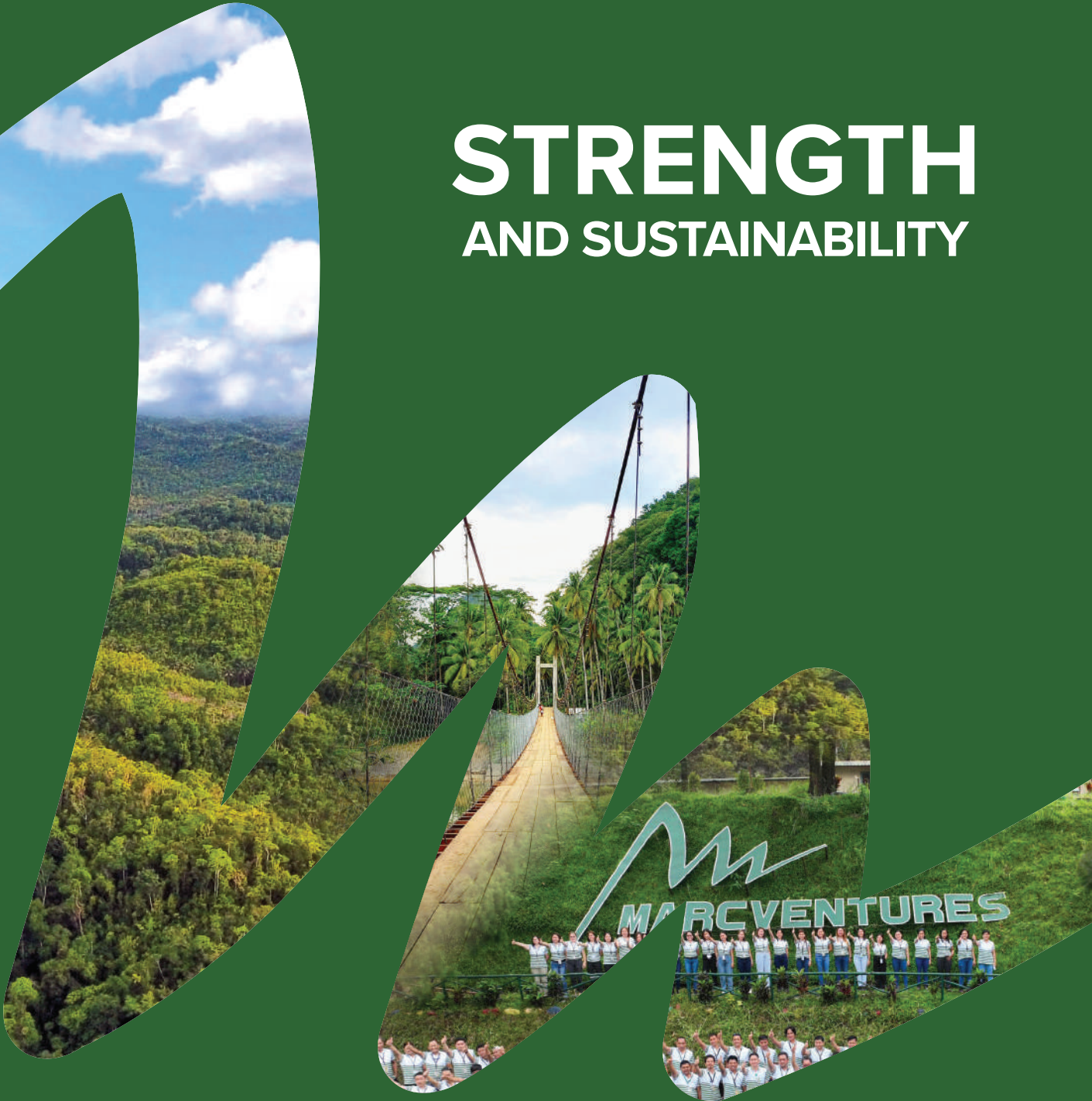


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20	Good Corporate Governance
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BOARD STATEMENT

*Sustainability delivers long-term value.*

**W**e, at MHI, believe in a business model that delivers long-term value to our stakeholders and promotes sustainable mining practices. We believe sustainability is integral as we move forward and therefore:

- We honor our stewardship of the environment as we work on implementing responsible mining methods, provide a sustainable solution to mine rehabilitation, and institute livelihood opportunities for future generations. Our rehabilitation programs are a testament to this stewardship mindset.
- We also put utmost emphasis on the health, security, and safety of our employees as well as partnering with our host communities to facilitate economic and social growth and development.
- Lastly, but equally as important, MHI remains committed to complying with national and local government laws and regulations bearing in mind that good governance is at the heart of our future as an organization.

Based on such factors, the scope of this Sustainability Report encompasses the MHI Group’s performance (including its subsidiaries) – its actions, challenges, results, and achievements.

Although some measures apply across the board to other industries, the scope and manner of presentation of this Sustainability Report is unique to MHI’s industry-specific risks, concerns, and sustainable development goals. Our Sustainability Framework guides our overall approach to sustainability, and our business is guided by our Code of Conduct and Corporate Governance policies.

This approach establishes our sustainability vision, topics deemed material to the company, and our future commitments which we strive to align with the United Nations Sustainable Development Goals. Mindful that there is a need to increase focus on non-financial and sustainability reporting, this Report was prepared following Principle 10 of the Code of Corporate Governance for Publicly Listed Companies (PLCs) stating that companies should ensure that material and reportable non-financial and sustainability issues are disclosed.

With the foregoing considerations in mind, the Board of MARCVENTURES HOLDINGS, INC. (“MHI” or the “Group” or the “Company”) releases its fifth Sustainability Report under the Securities and Exchange Commission (SEC) Memorandum Circular (MC) No. 4, Series of 2019) for the period 1 January to 31 December 2024. This Report is prepared for all stakeholders with an interest in the mining industry and/or sustainability performance of the Company and is recommended to be read in conjunction with its Annual Report.



# OUR SUSTAINABLE PATHWAY

## Empowering Host Communities

Responsible mining has always been at the core of our operations. As stewards of our mineral resources, we are guided by our commitment to conserve the environment and ensure the welfare of our host communities.

Our sustainable practices continue to evolve through the years, prioritizing environmental initiatives, quality education, good health and well-being, economic growth, preservation of biodiversity, and climate action. We nurture communities by supporting local livelihood and empowering development with college scholarships and various forms of research and educational assistance.

This year, the Department of Environment and Natural Resources released a new policy mandating all mining contractors, permit holders, and patent holders to align the UN Sustainable Development Goals with the implementation of the Social Development and Management Program (SDMP), the five-year strategy of mining companies to enhance the living conditions of communities covered by their operational areas.

And while the industry welcomed the directive, we are proud to say that mining companies including Marcventures have been very proactive in adopting sustainability principles long before the policy implementation. We published our first sustainability report in 2019 and every year thereafter.

Our mining operations continue to prioritize activities that support the education of students from low-income families and members of indigenous communities and, at the same time provide resources for our host communities so they can start their enterprise.

Sustainability is embedded in our values and day-to-day operations. And we believe in giving back to the communities that helped us grow.

We thank God almighty for blessing us with resources that make all these possible.



Augusto C. Serafica Jr.,  
President



# OUR GROUP STRUCTURE

**MARCVENTURES HOLDINGS, INC** (“MHI”) formerly AJO.net Holdings, Inc. was incorporated on August 7, 1957, and became a publicly listed company in 1958. On March 30, 2010, the Securities and Exchange Commission (SEC) approved the change to the present one and further approved the change in its primary purpose to include land ownership.

On December 29, 2017, the Securities and Exchange Commission approved MHI’s merger with Asia Pilot Mining Philippines Corp. (APMPC) and BrightGreen Resources Holdings, Inc. (BRC) with MHI as the surviving entity. The merger resulted in MHI’s acquisition of APMPC’s subsidiaries, namely Alumina Mining Philippines, Inc. (AMPI) and Bauxite Resources, Inc. (BARI), the only two (2) bauxite mines in the Philippines, as well as MHI’s subsidiary, BrightGreen Resources Corporation (BRC). Through its subsidiaries, MHI conducts business by investing in mining and associated activities.

Currently, it has investments in four (4) wholly owned subsidiaries: Marcventures Mining and Development Corporation (MMDC), BrightGreen Resources Holdings, Inc. (BHI), Alumina Mining Philippines, Inc. (AMPI), and Bauxite Resources, Inc. (BARI). Marcventures Mining and Development Corporation (MMDC), BrightGreen Resources Holdings, Inc. (BHI), Alumina Mining Philippines, (AMPI), and Bauxite Resources, Inc. (BARI).

## MARCVENTURES MINING & DEVELOPMENT CORPORATION

**Location:** Surigao Del Sur (Cantilan, Carrascal, and Madrid)  
**Ownership:** 100% MHI  
**MPSA No.:** 016-93- XIII (approved on July 01, 1993)  
**Area:** 4,799 hectares  
**Mining Method:** Contour Mining  
**Ore Type:** Nickel (Saprolite and Limonite)  
**Market/ Buyers:** Direct shipment to China (Primarily); Japan and Asia (prospective)

### Mineral Resource Report as of December 31, 2023:

- Total Measured and Indicated Saprolite Mineral Resource: 8.66 Million Wet Metric Tonnes (WMT) with an average grade of 1.32% Ni and 12.89% Fe
- Total Measured and Indicated Limonite Mineral Resource: 57.76 Million Wet Metric Tonnes (WMT) with an average grade of 0.89% Ni and 43.75% Fe





# SUBSIDIARIES

## BrightGreen Resources Corporation

**Location:** Surigao del Sur (Carrascal, Cantilan, and Madrid)  
**Ownership:** 100% MHI  
**MPSA No.:** 015-93-XIII was approved on July 01, 1993, with MPSA extension valid up to June 30, 2024  
**Area:** 4,860 hectares  
**Mining Method:** Contour Mining  
**Ore Type:** Nickel (Sapolite and Limonite) Mineral Resource Report signed by a Competent Person in March 2016:

- Total Measured and Indicated Mineral Resources are 16.03M WMT with an average grade of 1.17% Ni and 34.98% Fe.
- This is further broken down to 3.06M WMT sapolite with an average grade of 1.59% Ni and 14.85% Fe, and 12.97M WMT limonite with an average grade of 1.07% Ni and 39.73% Fe.

Mineral Resources have been validated by the MGB and are deemed acceptable and compliant with the Philippine Mineral Reporting Code (PMRC) 2007 guidelines which set out minimum standards and guidelines for public reporting of exploration results, mineral resources, ore reserves, and metallurgical assessments, and DENR DAO No. 2010-09 which provides for the classification and reporting standards of exploration results, mineral resources, and ore reserves.

On March 25, 2024, MGB approved the exclusive operating agreement between BRC and MMDC. BRC submitted the Declaration of Mine Project Feasibility Application (DMPF) to DENR and MGB Region XIII on April 22, 2024. It also secured the Certification Precondition (CP) from the National Commission on Indigenous Peoples (NCIP) on August 30, 2024.



## Bauxite Resources Inc.

**Location:** Samar (Matuguinao, Gandara, San Jose de Buan, San Jorge)  
**MPSA No.:** 180-2002 VIII (SBMR) was issued on December 5, 2002.  
**Area:** 5,519.01 hectares.  
**Ownership of AMPI & BARI:** 100% MHI through a merger and acquisition deal with Asia Pilot Mining Philippines Corporation (APMPC)  
**Ore Type:** Bauxite, the raw material of Aluminum Mineral Resource Report signed by a Competent Person in March 2016 reviewed and certified by a Philippine Mineral Reporting Code (PMRC) Competent Person (CP) For geology in June 2017: 73.18 Million Wet Metric Tonnes (WMT) with an average grade of 41.66% Al<sub>2</sub>O<sub>3</sub>

## Alumina Mining Philippines, Inc.

**Location:** Samar (Paranas, Motiong)  
**MPSA No.:** 179-2002 VIII (SBMR) (issued on December 5, 2002)  
**Area:** 6,694 hectares

Both AMPI and BARI are in the process of securing an Environmental Compliance Certificate (ECC) for the planned development and mine operation of the Samar Bauxite Project. Notwithstanding the imposed countrywide lockdown due to the COVID-19 pandemic, AMPI and BARI were able to complete the public scoping and technical scoping stages of the Environmental Impact Assessment (EIA) process in January 2021.

# MATERIALITY PROCESS



The 2024 MHI Sustainability Report is an account of MHI's economic, environmental, and social contributions as guided by the United Nations Sustainable Development Goals. The material topics were based on Global Reporting Initiative (GRI) Standards. These indicators reflect the company's impact that could substantially influence the assessments and decisions of stakeholders. The material topics were identified during the Sustainability Reporting workshop in 2019. The topics are reviewed every year and regularly assessed and evaluated by the members of the technical working group.

## Sustainability Context

MHI is committed to contributing to the socioeconomic development of the communities surrounding its mining tenements. As it pursues its corporate goals, the Company aims to be a catalyst for the upliftment of the lives of its host communities and aspires to be a responsible steward of mineral resources.

Sustainability is one of the main drivers of MHI's businesses. As a responsible miner, process efficiency is geared towards protecting the environment while generating value for stakeholders. The day-to-day operations, community concerns, and stakeholders' relationships were instrumental in directing the Company's efforts in identifying and evaluating material topics for this year's report.

## Group-wide Reporting Process

In preparing the very first MHI Sustainability Report in 2019, key officers and staff attended a Sustainability Reporting workshop, facilitated by Atty. Teodoro Y. Kalaw IV, a certified sustainability trainer by the Global

Reporting Initiative and a sustainability report assurer by the Institute of Certified Sustainable Practitioners.

Atty. Kalaw led the extensive sustainability orientation and materiality assessment process, which the Technical Working Group adapts every year, in preparing the report.

## Defining Materiality

The report covers significant material topics on current issues as well as business aspects deemed important to stakeholders. These were identified during the Sustainability Reporting workshop and analyzed based on the current business model and strategic plans. The process consists of the assessment, topic identification and categorization, focus prioritization, validation, and reporting.

## Topics Deemed Non-Material

Upon review and appropriate deliberation, there were some topics deemed non-material for the report. Discussions on Customer Management, Product Health and Safety, and Product Marketing and Labeling were not material to the business model from a sustainability perspective.

The Company exports nickel ore, which is commonly used for nickel-based alloys for high-quality stainless steel and batteries and is exported in raw form. While relationships with customers are vital to any organization, Customer Management and Marketing were deemed not material topics from a sustainability perspective. The increasing demand for nickel products worldwide outweighs supply availability. Prices are based primarily on market rates. Moreover, nickel products are extracted and shipped in raw form with pre-agreed characteristics subject to independent third parties testing.

## Strengthening Our Process

As with this year's material topic assessment, the Company institutes a regular review to strengthen the materiality matrix and encourage participation and collaborative validation from its stakeholders. This comes with a vision to improve the process behind the preparation of the Sustainability Report as stakeholders track its development in the coming years.

# HIGHLIGHTS OF 2024 MATERIALITY PROCESS

As a publicly listed company, MHI ensures continuous adherence to corporate governance rules, regulations, and requirements imposed by the Philippine Securities and Exchange Commission (SEC) and the Philippine Stock Exchange. (PSE).



## Good Corporate Governance

### Structural Transparency and Accountability



The Board of Directors exercises its oversight functions through the Executive Committee which meets regularly. It provides an independent check on management corollary to setting the policies for the accomplishment of the corporate objectives.

### Economic Performance



By achieving its financial goals, MHI can create and generate value for its employees, suppliers, stockholders, community, and government.

### Climate-related Risks and Opportunities



Disruption in the supply chain is largely affected by changes in rainfall rate and extreme weather events which are the top climate-related risk

that causes delays, suspension of operations, prevention of shipments, or loading process.

### Environmental Management



MHI continues to review its historical data to determine steps to reduce its operations' environmental impact. Regular inspections and monitoring of the Company's tenement areas are conducted to identify existing and potential environmental hazards for early detection and remediation.

### Procurement Procedure



MHI, through MMDC, supports local suppliers and directly contributes to the growth of the local economy. It follows a systematic procurement process through competitive bidding to promote fair, economic, efficient, and effective competition and determine the market price of materials and services.



## Environmental Impact

### Resource Management



The environmental team has established a system for managing energy, water, and material consumption. We recognize the critical importance of water as a shared resource with our local stakeholders and view water management as one of our most material sustainable issues.

### Ecosystem and Biodiversity



MMDC continues to rehabilitate mined-out areas. Mine planning considers optimal land use and mitigation measures for the impact on land, flora, and fauna.

### Environmental Assessment



Emissions, wastes, and effluents are regularly monitored and regulated to manage environmental threats, risks, and hazards and to ensure that environmental impacts are within prescribed standards.

### Environmental Compliance



The Company has a Legal and Compliance team that monitors relevant laws, rules, and regulations enforced by the Mines and Geosciences Bureau (MGB) and the Department of Environment and Natural Resources (DENR) to ensure the Company's compliance with environmental laws and the protection of the country's natural resources.



## Community Engagement

### Employee Management



MHI firmly believes that its people are its primary asset in attaining its business objectives. As partners in providing value to its stakeholders, MHI ensures that their well-being is well cared for; and that in the conduct of its business, its employees are respected, rewarded, and secured. This viewpoint extends to members of Indigenous Peoples (IP) and members of host communities whom the Company also employs. The Company understands that recruiting and hiring from the communities where it operates is foundational to local economic and social development.

### Workplace Conditions, Labor Standards, and Human Rights



MMDC is committed to the safety, health, security, and welfare of all the people involved in the mining

operation. Apart from ensuring compliance with government-mandated benefits, MHI also offers extra compensation that fulfills its employees' medical, livelihood, and educational needs. These extend to their family members in the form of food subsidies, educational assistance, and health insurance.

### Supply Chain Management



The Company has a Supplier Accreditation Policy which evaluates an organization's business integrity and compliance with labor laws, particularly Department Order No. 174 Series of 2017 of the Department of Labor and Employment (DOLE).

### Relationship with Community



The Company believes in working closely with the host community to identify and address issues that affect their well-being. The Company has several initiatives under its Social Development and Management Program (SDMP) that are geared towards the upliftment of host and neighboring communities. The objective is to create responsible, self-reliant, and resource-based communities that can independently implement livelihood activities for their sustained development.

### Data Privacy and Security



The entire organization complies with Republic Act No. 10173 or the "Data Privacy Act of 2012." This is a vital material topic as the Company continues to search for other investment opportunities to diversify its sources of revenue and add to shareholder value. All assets are secure and kept confidential, with data security measures properly enforced.



## RESPONSIBLE MINING



# E

### ENVIRONMENT

- Land Resources Management
- Water Conservation
- Sustainable production
- Material Management Capability
- Air Quality
- Energy Conservation

# S

### SOCIAL

- Health & Medical Program
- Scholarships & Educational Assistance
- Economic Value
- Host Community Procurement Practices
- Nurturing Labor Relations
- Diversity & Equal Opportunities

# G

### GOVERNANCE

- Climate-Related Risks
- Employee Management
- Supply Chain Management
- Anti -Corruption
- Data Privacy

The United Nations (UN) Sustainable Development Goals (SDG) stand, alongside the Company's corporate goals, ensuring the welfare of host communities and protecting the environment. Several initiatives are in place to build, nurture, and empower communities, promote social development and management, improve health and safety practices, and minimize environmental impact.

The Company joins the rest of the global stakeholders in pushing for sustainable initiatives that end extreme poverty, and fight justice and inequality while protecting the environment. All these stem from implementing responsible business processes that support mining methods that prioritize community welfare and environmental impact.

## ENVIRONMENTAL INITIATIVES



The planted area covering 10 hectares continues to be maintained through ring weeding, fertilization, and enrichment planting. Carabao grass, wedelia, and vetiver were also to be planted for regreening and to stabilize the bench slopes.

### Nursery operations

A total of 171, 051 seedlings of various species are actively maintained at the nurseries in Sipangpang and Banban. The planting activities in 2024, resulted in 65, 876 seedlings of agohos, magkono, and malatambis.



### LAND RESOURCES MANAGEMENT

The Company promotes sustainable land management and the preservation of biodiversity. Growing plants help restore and stabilize land area, improve wildlife habitats, and mitigate climate change. In preparation for mining operations at Cabangahan, 8.01 hectares of land were revegetated with assorted grass, and creeping vines like wedelia, sugarcane and napier, centrosema, and kalupo. This also serves as a soil erosion control measure and a nitrogen fixation process for the topsoil. The latter is used for the engineered slopes of Cabangahan and Sipangpang during mine rehabilitation.

Under the Mining Forest Program, mined-out areas measuring 23.15 hectares were restored to a stable, sustainable state. A total of 29,907 seedlings of various species like agocho, narra, bani, magkono, malatambis, white lauan, ylang-ylang, and coffee were planted for permanent rehabilitation.

### Plantation maintenance

Maintenance of planted seedlings is essential to ensure optimal growth performance. Regular fertilization, cultivation, weeding, and watering help keep the seedlings healthy. Enrichment planting was also done to enhance the survival and growth of the seedlings. For 2024, a total of 42.57 hectares were maintained and 4,430 seedlings of agohos, white lauan, and malatambis were replanted for enrichment.

### Slope stabilization

To stabilize river embankments, and as part of the company's erosion control measure, bamboo seedlings were planted along the Carac-an River and Alamio River.

### Terrestrial wildlife vertebrates

Our Environmental Performance Report and Management Plan (EPRMP) cited the 2011 assessment of the terrestrial wildlife vertebrates within the MPSA area. It recorded a total of eighty-two (82) wildlife species representing five (5) species of amphibians, six (6) species of reptiles, sixty (60) species of birds, and eleven (11) species of mammals.

According to the assessment, based on the composition of the species, the area was considered relatively good for terrestrial wildlife. This indicates that the area has ample forest cover and the species are not disturbed by the operations.

The Company practices due diligence and regular monitoring to ensure minimal environmental impact. It has an active mine rehabilitation plan that transforms mined-out areas into arable lands that can provide a livelihood for the communities.

MHI works closely with the Mine Environmental Protection and Enhancement Office (MEPEO) in rehabilitating disturbed lands through soil amelioration, a process of improving soil consistency by adding amendments. Organic substances are mixed with the soil to aid healthy plant growth.



### WATER MANAGEMENT

"Water is the door-key to unlock SDGs attainment, to enable peace and prosperity" this is according to Retno Marsudi, the UN Secretary-General's Special Envoy for Water at the 40th UN-Water Meeting in New York (4/11) in November of 2024.

"Therefore, we need to ensure strengthened means of implementation, including financing for water and sanitation," she further called the UN-Water members and partners to multiply efforts in achieving water and sanitation targets.

# ENVIRONMENTAL INITIATIVES

Water is crucial in mining operations as it is used extensively in the mineral processing stage, including crushing, grinding, flotation, and transportation of ore, acting as a medium to facilitate the separation and extraction of desired minerals. Additionally, water is vital for dust control, cooling machinery, and managing waste products, making it a key element for efficient and safe mining operations, although its significant usage can pose environmental concerns if not managed properly.

### Silt Control

To mitigate potential water discoloration brought by run-off waters coming from the mine site, settling ponds were constructed to allow the settling of sediments before discharge and ensure effluents are compliant with DENR standards.

For the year, 8 new settling ponds were constructed in the Sipangpang mine area. A total of 94,629 cu.m of silt materials were desilted as part of the maintenance and improvement of settling ponds. Manual desilting of the 350-m NIA irrigation canal was also conducted as support to NIA and local farmers.

In 2024, the Company's total water consumption was 93,701.58 cubic meters. Water conservation has been in place since the company began operations.

### Addressing Effluents

The water quality of MMDC's causeway bay, creeks, and rivers including the discharge points of settling ponds are being monitored regularly. In-house water sampling for these locations is done monthly using the HORIBA U-50 water monitoring device and HACH colorimeter. MMDC also tapped Ostrea Minerals Laboratory Incorporated-CDO to conduct a quarterly 3rd party analysis of the water samples.

Test parameters cover temperature, pH, DO, BOD, TSS, and heavy metals such as arsenic, cadmium, lead, manganese, and nickel. For TSS, the water samples are analyzed by MMDC's assay laboratory chemists. Bacteriological analysis of domestic water sources at the facility is done at the Department of Health (DOH) regional office in Caraga.

The total volume of water withdrawals, abstractions taken from ground surface water sources, is 69,838.6 cubic meters.

According to the DENR classification, the Company's usage is under Class C for industrial water supply.

The quality is measured according to TSS or Total Suspended Solids (TSS). These are solid materials in water that are captured when filtered.

For 2024, according to MMDC's in-house Water Quality Analysis, TSS for effluent/wastewater ranged from 0.6 to 44 mg/L which is within the DENR Standard of 100 mg/L; TSS for ambient/open water ranged from 0.6 to 18 mg/L which is also within the DENR Standard of 80 mg. Potable Water Analysis also shows that all required parameters are within the Philippine National Standards for Drinking Water (PNSDW 2017).

Mine operation impact three water catchment systems: Carrac-an, Alamio, and Panikian catchments. To control possible water contamination and sedimentation, catch drainages and road canals are to be constructed and maintained whole year round. Catch drainages and road canals direct runoff waters to ponds.



### Proactive Watershed Protection

The operating mine sites have protected areas in the form of the following watersheds:

- Panikian, Alamio, and Carac-an. Declared "critical forest reserves" subject to prior existing rights (such as MMDC's MPSA) by Presidential Proclamation No. 1747 dated March 29, 2009.
- Bacolod-Tibabakod Panikian (Carrascal). Adjacent to MMDC's haulage road with a minor overlap at the northeastern section.
- Bon-ot-Gamuton (Carrascal). Located north of Bacolod-Tibabakod Panikian and west of MMDC haulage road. The site also covers sensitive areas like the community water sources of Barangay Bonot, Gamuton, and Panikian (Carrascal) situated west of the MMDC haulage road. All water sources are enclosed in concrete.
- Community water of Sitio Pili, in Barangay Panikian (Carrascal)

- Community water wells of Barangay Cabangahan (Cantillan). Mining area downslope to Panikian, Alamio, and Carac-an Rivers.
- Cabas-an Community Irrigation System (CIS) with Alamio River as a water source and servicing an agricultural area measuring 150 ha. Cantillan Irrigation System with Carac-an River as a water source.
- Habitation sites of Barangay Bon-ot, Gamuton, and Panikian in Carrascal, and Barangay Cabangahan in Cantilan.
- Within Lanuza bay, where the Carac-an River discharges about 18.7 downslope of Area 2 mine, are the San Pedro Marine Protected Area in Cantillan and the Lanuza Marine Park and Sanctuary in Lanuza.



### SUSTAINABLE PRODUCTION PRACTICES

The Company ensures that consumption and production patterns are sustainable so that the needs of current and future generations can be met. It values doing more and doing better with the least possible impairment to resources.

Overproduction is a waste of resources and causes harmful consequences to the environment. The Company's nickel stockpile is kept commensurate to the quantity requirements of its foreign buyers. Residual materials are utilized for mine rehabilitation and mine operations preparation. Mined-out areas are transformed into healthy planting grounds which can provide food and livelihood to residents from nearby communities. Through these measures, lasting positive contributions to MHI's host and the neighboring communities are ensured.

### Responsible waste disposal

Improper handling of solid and hazardous wastes brings harmful consequences. Environmental management begins with proper disposal and the Company has a waste management system to protect its employees and the communities.

Solid wastes are separated at the source before recycling. Regular collection and proper segregation are always observed. Food scraps and other biodegradable wastes are brought to the onsite vermicomposting facility while materials for recycling like metals, plastics, and glass are sorted and stored at an onsite materials recovery facility. The Company has also been utilizing recycled materials for landscaping

purposes. Residuals are disposed of at the Carrascal Eco Park, an LGU-designated waste disposal area. For everyone's safety, the wastes collected from the mine site are not reused or incinerated. It is disposed of by a DENR-accredited waste collector and treatment plant.

A total of 9,591.26 kilograms of segregated waste was collected and disposed in 2024. Total recyclable waste sent to the Materials Recovery Facility (MRF) was 3,579.01 kg, Biodegradable waste disposed at the compost pit was 1,697.35 kg and the residual waste sent to Carrascal Eco Park was 4,303.9 kg. Hazardous waste is transported by Genetron International Marketing from Bulacan, a DENR Accredited Transporter and Treater for the disposal, transportation, and treatment of hazardous waste.

### Reinforcing Materials Management Capabilities

Nickel production involves the use of heavy equipment, process chemicals, fuel, and utility vehicles. The Company's operating model requires the efficiency of large-scale infrastructure. Apart from its in-house team, the Company works closely with general contractors for extraction, hustling, and hauling services. MHI, through MMDC, actively engages its contractors by holding regular planning sessions to effectively plan the mine operations and efficiently use existing resources.

For now recycled materials are not used in mining operations, however the team recognizes its responsibility to reduce the environmental impact for future generations. The Company takes into account the condition of materials, the expiration date of process chemicals the proper maintenance of equipment, and the condition of vehicles to minimize environmental impact.

The utilization of recycled and renewable materials to maximize resource efficiency has been suggested on several occasions. The Company is looking into the possibility of utilizing renewable materials and their benefits in the current operational setup.



### SAFE AIR QUALITY

The Company supports the urgent action to combat climate change. Rising sea levels, changing weather patterns, and extreme weather events climate change can disrupt the economy and harm people and communities. Through education and adherence to climate commitments, changes can be made to lessen the impact and protect the planet.



# ENVIRONMENTAL INITIATIVES

Air pollution can result in changes in the climate. It is a threat to human health and can impact water bodies and agricultural land. Prioritizing sustainable industrialization and resilient infrastructure can help improve indoor air quality, making cities sustainable, safe, and resilient.

Mining activities like exploration and production activities cause air emissions like GHG emissions and hazardous air pollutants as those activities can send laterite particles up in the air. The dust material is so fine that it stays in the air during hot weather, and turns into mud during the rainy season. Dust generation is a primary concern in every operation, especially during dry weather conditions.

Mitigation and control of dust must be given utmost consideration. The main haulage road is well-maintained to minimize excessive dust during ore transport from the mine pit to the port. Before operations, the team makes sure that roads are paved and in good condition. Regular road watering is done during the dry season. The Company deploys water trucks to control the dust from haulage roads.

Dust generation is a primary concern in every operation especially during dry weather conditions. Mitigation and control of dust must be given with utmost consideration. The main haulage road is maintained regularly to minimize excessive dust production during the hauling of ore from the mine pit to the port. The Company sees to it that roads are paved and in good condition whole year round. In addition, regular road watering is implemented during the dry season, especially on the haulage road from the mine site to the causeway.

The spread of dust particles are controlled by regularly spraying water on haulage roads. This ensures that the pollution level is within the limits set by the DENR, as stipulated in the National Ambient Air Quality Standards (NAAQS).

Dust and other suspended particulate matter are one of the main causes of air quality degradation during the mining operation. Measures to suppress fugitive dust generation and propagation include:

- Minimizing the area of disturbed land as much as possible and re-vegetating disturbed areas as soon as possible to minimize the generation of windblown dust.
- Management of vehicle speeds and application of dust suppression measures such as regular watering of unpaved roads and mine areas i.e., mine pit, mine yards, port, and stockyard.

For 2024, MMDC has deployed seven (7) water trucks for the 17-km haulage road for watering from Sipangpang to Causeway.

## Air Quality Monitoring

In-house air quality monitoring is done monthly, and a 3rd party DENR-accredited laboratory (OMLI) sampling for air monitoring is done quarterly and the monitoring parameters include TSP, PM10, and PM 2.5.

Suspended particles are measured with the gravimetric method using high-volumetric samplers. The monitoring parameters are defined by Total Suspended Particulates (TSP). PM10 are particulate matters that are less than 10 micrometers while PM 2.5 are particulate matters that are less than 2.5 micrometers.

The Total Suspended Particulates (TSP) are the solid matter in the atmosphere and the primary contributors to air pollution, smog formation, and environmental contamination. PM10 refers to particulate matter that is 10 micrometers and below. PM10 can reach the upper regions of the lungs. PM2.5 measures 2.5 micrometers and below. It can cause lung problems because it reaches the deeper parts of the lungs. The standard for TSP is below 300 micrograms (ug) / Nanocentimeter (Ncm).

In 2024, the maximum TSP reached 223 ug/Ncm, which is within the specified National Ambient Air Quality Standards (NAAQS) for Source-Specific Air Pollutants from Industrial Sources/ Operations. These monitoring results are submitted to the Environmental Management Bureau (EMB) through the Self-Monitoring Report (SMR) and Compliance Monitoring Report (CMR).



## ENERGY CONSERVATION

The Environmental Team follows a process to ensure that energy data is reviewed regularly. This is supplemented by an energy conservation campaign that would motivate employees. Informational materials on energy-saving tips are posted in strategic locations around the office to encourage everyone to help the Company achieve its energy management goals.

Fuel and electricity consumption, as well as carbon emissions, are periodically monitored. A Quarterly Energy Consumption Report is regularly submitted to the Mines And Geosciences Bureau and carbon emissions are monitored and analyzed by an independent third party. This is on top of the regular monitoring conducted by the Environmental Management Bureau of the DENR.

In 2024, MMDC consumed 378,052 liters of diesel fuel, 2,101 liters of gasoline and 49 units of LPG tanks, measuring 11kg. each.

The Company continues to explore other conservation and energy efficiency measures to cut operating and product costs. Apart from the major improvement in revenue for customers and shareholders, it will be a significant contribution to the environment and for the generations to come.

For now, the Company is not using energy from renewable sources, but it continues to study the possibility of shifting to a more earth-friendly energy source to reduce potential GHG emissions.



## ENHANCING COMPLIANCE

After a successful audit conducted by NQA Philippines Inc., MMDC successfully received certification for ISO 9002:2015 (Quality Management System); ISO 14001: 2015 (Environmental Management System) & ISO 45001:2018, (Occupational Health & Safety).

The Company passed the surveillance audit in 2023 and received the certification in January 2024.

NQA Philippines is a leading assessment, verification, and certification body that works and evaluates an organization's performance in quality, environment, and health and safety management.

MMDC was certified for ISO 9002:2015, also known as the Quality Management System. The standard signifies improved performance, the ability to address customer expectations, and commitment to quality. It calls for the establishment, implementation, maintenance, and continuous improvement of a quality management system (QMS).



## ENVIRONMENTAL MANAGEMENT

Another certification was earned for ISO 14001:2015 or the Environmental Management System. The standard defines the organization's improved environmental performance through efficient use of resources and reduction of waste, gaining a competitive advantage and the trust of stakeholders. It also calls for the management of environmental aspects and ensures conformity to compliance obligations while addressing risks associated with threats and opportunities.

Lastly the ISO 14001:2015 certification or the Occupational Health & Safety Management System. This is mandated to all mining contractors as per Department of

Environment and Natural Resources (DENR) Administrative Order No. 2015-07 and is also known as Mandating Mining Contractors to Secure ISO 14001 Certification. MMDC was initially certified in 2017 and was subsequently recommended for recertification in 2020 and 2023.

Operational efficiency proactively reduces wasted resources, time, and money. It also enhances the commitment to its host and neighboring communities.

The Company extends support in the form of educational assistance to members of indigenous communities along with health and livelihood programs to help meet the basic needs of mining communities. These initiatives aim to optimize empowerment, provide opportunities for sustainable livelihood, and protect socio-cultural values and local customs while improving economic conditions and human advancement.



## HEALTH AND MEDICAL PROGRAMS

The sustainable goal for health and well-being for all includes a bold commitment to end the epidemics of communicable diseases by 2030. It also aims to achieve universal health coverage and provide access to safe and effective medicines and vaccines for all.

Promoting healthy lives and well-being is essential to sustainable development. The Company continues to strictly follow health and safety measures side by side with health-related projects under its Social Development Management Program (SDMP). For 2024 MMDC spent a total of Php 18,975.976.84 million on social projects.

Health and emergency assistance were given to beneficiaries in Cabangahan, Cabas-an, and Bon-ot. Financial assistance was also extended to the Brangay health workers in Panikian and Gamutan. Medical and health equipment were given to the barangay health

# STRENGTHENING COMMUNITY ENGAGEMENT

center in Parang and medical missions were organized for the residents of Cabangahan, Panikian, and Bayogo. A total of Php 1,320,806.25 million was utilized for health and medical assistance.



## SCHOLARSHIPS AND EDUCATIONAL ASSISTANCE

Quality education is fundamental to a stable and prosperous future. Education gives people the knowledge and skills needed to stay healthy, get jobs, and foster mental strength for coping with challenges. A good education increases the likelihood of securing higher-paying jobs, leading to improved financial stability.

Financial assistance was given to college students in barangays Cabangahan, Cabas-an, Bon-ot, Babuyan and Gamutan. A total of 109 students were given financial assistance throughout the school year.

The Company also supported the college education of 25 students under the Development of Mining and Geoscience Technology program. The students are taking up Mining and other courses related to the environment.

The Company subsidized the monthly fees of 20 volunteer teachers in Cabangahan, Bon-ot, Babuyan, Bacolod, Cabas-an, and Parang and also provided resources for the renovation of the Antonio Yu Carcel Elementary school in Bon-ot. Most public schools do not have the means to provide additional educators for the growing number of students every year. The volunteers help the teachers with their day-to-day work to ensure quality education for all.

Under the SDMP a total of Php 3,812,897 million was utilized for education and educational support programs and Php 1,719,486 million was utilized for the Development of Mining and Geosciences program. Aside from

scholars the DMTG also provided books for the mining technology and Geoscience library in the CARAGA region and supported the Environmental Research on using “Guardian P for Road Dust Suppression,” which focuses on preventing the spread of dust particles in the air.



## ECONOMIC VALUE GENERATED

Strengthening partnerships for sustainable development calls for collaboration between the government and private sector. The Company's performance directly impacts the resource flows in the local and national economy.

The Company works directly with local government units and regulatory bodies for seamless operations and the proper implementation of its livelihood programs. Sustainable goals can only be achieved with strong commitment and cooperation by all parties.

The expenditures for suppliers and other operating costs in 2024 amounted to Php 155.96 million. Based on the results for the year in review, the Company paid interest to loan providers totaling Php 10.77 million. Profitability from enhanced business models in 2024 translated to over Php 239.04 million in government payments in the form of royalties and taxes. This includes excise and withholding taxes, income taxes, as well as permits and licenses. The generated profit allowed optimal returns for shareholders, with enough resources for future investments. The Company's expenditure on host and neighboring communities in 2024 totaled Php 18.98 million (SDMP).

MHI's consolidated income for 2024 was down by Php 114.2 million or 49.2% from Php 232.1 million in 2023 to Php 117.9 million in 2024. The significant change was due to lower nickel ore price in world market. MMDC's revenues dropped by Php 334.2 million or 16.3% from Php 2.05 billion in 2023 to Php 1.72 billion in 2024. MMDC completed a total of 28 shipments in 2024.

Operationally, MMDC had a positive year generating a direct economic value of Php 214.7 million in net income in 2024, despite the unstable weather conditions, weakening ore market and the rise in fuel cost. Operating Costs and Expenses were at Php 1.42 billion in 2024. The drop was primarily due to lower cost of contracting services and overhead. The Company also spent over Php 179.65 million on employee wages and benefits in 2024.

## HOST COMMUNITY PROCUREMENT PRACTICES

The Company's procurement practices significantly benefit the businesses in the region. MHI believes in shared sustainable prosperity. From construction, automotive, and electrical supplies, a big percentage of the materials used for mining operations are purchased from local entrepreneurs in Surigao del Sur.

Living quarters for male and female employees are maintained on-site, relying heavily on local produce and other suppliers for its board and lodging requirements. Given the remote location of its mining operations and its significant role in economic growth, the Company continues to support local entrepreneurs.

In 2024, the Company procured approximately Php 861,836,255.43 million worth of goods and services from local suppliers. Davao City topped list with a total of Php 282,367.362 million or 32.76 % worth of purchased goods and services, next is Carrascal with Php 220,236,463 million or 25.55 %.

Goods were also purchased from suppliers in Surigao City, Socorro, Tagum Butuan, Tandag, Tago, Bislig, Cortes, Lanuza, Cabangahan, San Francisco Agusan del Sur, Panikian, Carmen, Bayugan and Cabadbaran.

The growth in the business sector opens more opportunities for employment and local enterprise.



## CLIMATE-RELATED RISKS

Mining companies operate amid unfriendly conditions and the frequent warnings of excessive heat, drought, and heavy rains increase the physical challenges at the site. Large diesel trucks and loaders used during operations emit carbon dioxide, the main contributor to anthropogenic climate change. To reduce emissions, trucks, and loaders must be always kept in perfect running condition.

Operations also involve cutting down trees which reduces carbon dioxide absorption. The Company is obligated to replant trees in line with its mine rehabilitation program.

The biggest climate-related risk is rainfall. The amount and frequency remain unknown and the risk impacts production and shipment operations.

When rainfall frequency is low, mining and shipment operations can be efficient. However, high precipitation impacts the working conditions on the ground.

This causes a delay in operations and makes it unsafe for haul trucks to freely traverse themining area.

The additional water also increases ore moisture which affects shipment specification. Rainfall increases mining and production costs. The work schedule gets distorted and deviates from the strategic plan for the year causing the additional cost of maintenance for the mine, roads, and stockyards.

Prolonged dry weather with less precipitation is ideal for efficient operations. This reduces moisture content thereby befitting ore sales revenue. The Company's unconsolidated deposit can add resilience to operations during lower temperatures, however, precipitation and foggy conditions would still impact road conditions. It remains unsafe for haul trucks, considering the terrain and gradient of the haulage road from the pit down to the stockyard.

To identify and assess climate-related risks, MMDC uses historical rainfall data. This is gathered daily from strategic locations of the site operations. The combination of statistical projections and long-term weather forecasts allows the Company to identify and project rainy days for operational use.

The process of managing climate-related risks is integrated into the organization's overall risk management. Forecasting and projecting operational working days for strategic planning results in the probability of attaining production and shipment targets for the budgeted year. To assess and manage risks, the number of working days, the intensity, and the frequency of rainfall in a week are used as metrics for operations. The metrics of monthly working days determine the tonnage that can be produced per budget. An actual comparison of the metric and the rainfall intensity necessitates adjustment for forecasting and determining revised production and shipment tonnages.

The Company can manage the risk with weekly stewardship of the intensity and frequency of precipitation. The task is very challenging because of the localized rainfall, and this includes implementing a drainage plan in the mine area, the haul roads, mine yards, and the stockyards. Climactic conditions also impact infrastructure stability and environmental protection practices.

Warm temperatures will increase water scarcity, and this inhibits water-dependent operations and mine rehabilitation, and can even result in problems with communities for water resources.



# STRENGTHENING COMMUNITY ENGAGEMENT

The Company also strives to reduce mining disturbance, energy and water consumption, and waste generation. More importantly, it continues to plant more trees, revegetate, and rehabilitate mined-out areas to reduce the Company's carbon footprint. Other initiatives that help manage climate-related risk are pre-deployment inspections of mining equipment to confirm that it is in good running condition, reduction of energy consumption in offices and campsites, reduction of water consumption, and reusing and recycling of materials to reduce solid wastes.



## EMPLOYEE MANAGEMENT

The Company promotes productive employment, safe working conditions, and inclusive economic growth. These factors significantly drive progress, create decent jobs, and improve living standards.

Management closely works with employees to achieve their corporate goals. It entails finding and hiring the right candidates to fill positions so that operations run smoothly. Once onboard, employee performance is measured and evaluated regularly. Regular interaction is also encouraged to effectively communicate expectations, job culture, and feedback.

In 2024, MHI, through MMDC, had a total of two hundred ninety seven (297) regular employees: 88 female and 209 male employees all with SSS, PhilHealth, Pag- IBIG, and HMO benefits. During the mining season (March- November 2022), the Company hired an additional 453 project-based employees. Most of them are assigned to work at the stockyard, barge, and cargo areas.

When assessing the capability of current and prospective employees, the Company considers not just their technical skills and knowledge acquired through experience, equal value is given to their mental and social skills, commitment, and drive to succeed. MHI aligns workforce aspirations with the organization's mission and vision. Workforce planning and overall management are measured by the attrition rate. The average rate for workers in the mining and quarrying industry, according to Philippine Statistics Authority (PSA) is 10.6%.

For 2023, MMDC's attrition rate is 7% This is attributed to several organizational changes that were implemented to improve operational efficiency.



## EMPLOYEE DEVELOPMENT

For 2023, the Company's Legal Department organized its yearly Corporate Governance Seminar for the Company's Board of Directors (BOD) and key officers in compliance with SEC MC Nos. 20-2013 and 2-2015.

The workshop covered discussions on Risk Assessment, Risk Management, BOD's Duties, Responsibilities, and Liabilities, and Safeguard Against Fraud. The training was conducted by the Center for Training and Development, Inc., an accredited training provider on Corporate Governance.

The Legal Department organized the yearly Corporate Governance Seminar on Aug. 16, 2024 for directors and key officers in compliance with SEC MC Nos. 20-2013 and 2-2015.

The seminar covered discussions on Corporate Sustainability, 2024 Global and Regional Trends in Corporate Governance, RP Economic Statistics, Global and Local Economic, Political and Other Challenges and the Impact of Artificial Intelligence on Business and Society. The seminar was conducted by Risks, Opportunities, Assessment and Management (ROAM) Inc.

Employees also attended seminars and industry conferences to improve performance, and foster a culture of continuous learning, ultimately benefiting both the individual and the organization. This year took part in the ISO Training on IMS Awareness and Internal Audit, GEOCON, 13th Philippine Professional Summit Management Training Program- Communications Seminar. Philippine Chemistry Congress and the. Philippine Institute of Certified Public Accountants (PICPA) - 79th

Annual National Convention. For the year 2024, a total of 656 hours were spent on training and development, with an average of 3 hours for every employee.



## NURTURING LABOR-MANAGEMENT RELATIONS

The Company continues to nurture good relations with its senior officers, employees, organized labor groups, and the host communities within its Mineral Production Sharing Agreement (MPSA) area.

MHI, through MMDC, maintains a cooperative and healthy relationship with the Associated Professional Supervisory Office and Technical Employee Union (APSOTEU) and the Samahan ng Responsableng Manggagawa ng Marcventures Mining and Development Corporation-Associated Labor Unions- Trade Union Congress of the Philippines (SRMMMDICALU-TUCP). The latter is the exclusive bargaining agent of MMDC's rank-and-file employees.

For 2024, a total of 136 employees are members of SRMMMDICALU-TUCP, and 32 employees are members of APSOTEU. MMDC's existing rate of employees covered by the Collective Bargaining Agreement is 67%.

The HR team successfully finalized the terms of the Collective Bargaining Agreement (CBA) for rank and file union in May 2023. The CBA for Supervisory Union followed in July of the same year. The next CBA discussions will be held within 2025.

## PROMOTING DIVERSITY AND EQUAL OPPORTUNITY

MHI provides equal opportunity in recruitment and career development regardless of gender.

In 2024, female workers represented about twenty-six percent (26%) of the workforce. This is very significant considering that mining is still a male-dominated industry, and across the globe, women make up only 5% to 15% of workers.

The Company upholds its legal obligation to prioritize the talents in the community. Before the start of operations, the Free, Prior, and Informed Consent (FPIC) Memorandum of Agreement was signed together with the members of IP communities. One of the conditions is priority hiring for IP members.

MHI works closely with its host and neighboring communities, including Indigenous Cultural Communities (ICC) / Indigenous Peoples (IP). A total

of two hundred ninety-nine (299) employees from indigenous communities are currently working in MMDC. There are 148 (one hundred forty-eight) employees from the IP community of Cabangahan, 107 (one hundred seven) from Panikian, 20 (twenty) from Lubo, and 1 (one) from Agusan, 3 (three) from Babuyan, 6 (six) from Banban, 13 from Bayogo, and 1 from Madrid.

The terms and conditions of the Company's Mineral Product Sharing Agreement (MPSA) are duly respected. This includes guarding against gender discrimination and recognizing the rights of women workers to participate in policy and decision-making processes affecting their rights and benefits.



## HEALTH & SAFETY

The Company's business strategy reinforces safe and responsible operations. The Central Safety Meeting is conducted every month

by the Resident Mine Manager together with the Mine Safety and Health Manager. A vital component of regulatory compliance, it also encourages interaction between contractors and the company's operations team. Issues and concerns are addressed during the meeting which contributes to the improvement of the company's safety performance. The Safety and Health plan covers training on Basic Occupational Safety and Health, Fire Fighting, Defensive Driving, Basic First Aid and Life Support, Food Handling and Sanitation, and Safety Orientation for employees and visitors. Under the Annual Safety and Health Program, the Company conducts annual training sessions on Occupational Safety and Health, First Aid and Basic Life Support, and Fire Safety. Earthquake drills every quarter, while the annual Fire Brigade training focuses on mine rescue and firefighting.

## Safe man-hours

In 2024, the Company achieved a total of 610,926,515 safe man-hours. There were 7 reported no-lost-time accidents with zero fatalities. The Company remains unwavering in its commitment to achieve its vision of zero harm.

# GOOD CORPORATE GOVERNANCE



The commitment to Good Corporate Governance is aligned with its vision to pursue its corporate goals while ensuring the welfare of its host communities and protecting the environment. The commitment supports the principles of transparency, honesty, integrity, fairness, and accountability. The Company acknowledges that to enhance shareholder value, operations must abide by corporate governance principles and practices as well as regulatory reporting to provide investors with an accurate and balanced overview of the Group's performance.

During business operations and in dealing with local government, local suppliers, and partners, the Company is exposed to various risks including corruption. Policies and internal processes are in place to manage such risks. The Company maintains standards of procurement that undergo rigorous scrutiny and a zero-tolerance policy for all forms of unethical practices.

### WHISTLEBLOWING POLICY

As part of the Whistle Blowing Policy, employees are encouraged to report unethical behaviors to Management without fear of repercussions. Management does not hesitate to pursue disciplinary actions which may even result in the replacement of key executives for actions detrimental to and in contravention of the Company's corporate governance practices.

### TRANSPARENCY IN SUPPLY CHAIN MANAGEMENT

MHI's subsidiary, MMDC, has a Supplier Accreditation Policy which lists documentary requirements from both contractors and suppliers who wish to do business with the Company. It evaluates an organization's business integrity and compliance with labor laws, particularly Department Order No. 174 Series of 2017 of the Department of Labor and Employment.

Contractors and suppliers are required to submit to an accreditation process and MMDC retains the right to audit and verify practices. An accredited credit investigation agency will also check for derogatory records such as collection cases against the Company, its major stockholders, and key officers.

The accreditation is renewed every year and suppliers are expected to submit updated records upon renewal. MHI values its relationships with contractors and suppliers who adhere to the policy. As the Company

optimizes the approach to responsible procurement, it is also looking into expanding our contractual remedies to include environmental performance, social commitments, and even the investments of contractors and suppliers.

### ANTI-CORRUPTION MEASURE

The Company also practices a zero-tolerance policy on misappropriation of assets and properties, fraudulent acts and reporting, corruption, and bribery in any form, and unethical practices. It supports the emphasis on integrity, transparency, and accountability in the conduct of its operations by providing a mechanism for individuals to raise concerns that they perceive as wrong, irregular, and illegal within the organization.

The Company has a policy that encourages and allows any individual to promptly report any observed risk, danger, malpractice, wrong-doing, or any questionable business practice that may affect others, the Company, or the public without fear of discrimination, harassment, and or retaliation, provided it is made in good faith and without malice.

### DATA PRIVACY AND SECURITY PROTECTION

The Company strictly complies with the national data privacy law. A data privacy officer is assigned to strictly implement confidentiality measures at all levels. The Company along with its external stakeholders abides by the rules and regulations of the Data Privacy Act of 2012 which "protects the fundamental human right of privacy, of communication while ensuring free flow of information to promote innovation and growth." Risks related to the collection, retention, and use of information are managed by the Company's policy on the Protection of Confidential Information (MC-002-19).

Upon hiring, employees are asked to sign a Deal of Undertaking to certify that all information is solely for performing functions. No information will be disclosed to anyone outside the Company unless cleared by the data privacy officer and the Company's legal team.

### DATA INTEGRITY AND REPORTING TRANSPARENCY

Hand in hand with securing data privacy is the need to increase the comprehensiveness and accuracy of our data-gathering processes to improve our capability to effectively monitor our progress and timely reporting.

The Company is committed to improving systems and procedures to better address operational needs.

Pursuant to Annexes A (Reporting Template) and B (Topic Guide) of the SEC Memorandum Circular No. 4, Series of 2019 (Sustainability Reporting Guidelines for publicly-listed Companies), the following are the topics MHI has identified as material for the reporting period and which were addressed in this Report:

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## CORPORATE INFORMATION

### Name of Organization:

Marcventures Holdings, Inc. (MHI)

### Principal Office:

4th Floor BDO Towers Paseo (formerly Citibank Center)  
8741 Paseo de Roxas, Makati City

### Report Boundary:

#### Subsidiaries:

- a. Marcventures Mining and Development Corporation
- b. BrightGreen Resources Corporation
- c. Alumina Mining Philippines, Inc.
- d. Bauxite Resources, Inc.

### Business Model:

Holding company listed in the Philippine Stock Exchange (PSE) and whose shares are actively traded on the PSE under the stock symbol "MARC" Mineral Production Service Agreements (MPSA) with the Government for mining and export of mineral products.

### Activities:

Primary: To engage in the purchase, exchange, assignment, and hold investments and all properties. Secondary: To embark in the discovery, exploration, and development of mineral oils, petroleum in its natural state, rock or carbon oils, natural gas, other volatile mineral substances and salt, as well as other minerals of whatever nature; to mine, dig, refine, prepare for market, buy, sell, and transport the same, their products compounds, and derivatives.

### Reporting Period:

January 1 to December 31, 2024







**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: **March 31, 2025**
2. Commission identification number **12942**
3. BIR Tax Identification No. **000-104-320-000**
4. Exact name of registrant as specified in its charter: **MARCVENTURES HOLDINGS INC.**
5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
6. Industry Classification Code:  (SEC Use Only)
7. Address of registrant's principal office:  
**Unit 4-3 4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City**
8. Registrant's telephone number, including area code: **(63 2) 831-4479**
9. Former name, former address and former fiscal year, if changed since last report. **N A.**
10. Securities registered pursuant to Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of Shares of Common Stock</u> <u>Outstanding and Amount of Debt</u> <u>Outstanding</u>
Common Stock (₱1.00 par value)	3,014,820,305 shares

11. Are any or all of the securities listed on the Philippine Stock Exchange?  
**Yes. The common shares are listed on the Philippine Stock Exchange.**
12. Indicate by check mark whether the registrant:
  - (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule (11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)  
  
Yes
  - (b) has been subject to such filing requirements for the past 90 days.  
  
Yes

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## PART I - FINANCIAL INFORMATION

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

The following discussion is based on the unaudited interim consolidated financial statements for the 1st quarter period ended March 31, 2025, with comparative figures for the corresponding periods in 2024 and audited consolidated financial statements as of December 31, 2024, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

#### Financial Condition as of March 31, 2025 and December 31, 2024 and Results of Operation for the Three months ended March 31, 2025 and March 31, 2024

#### STATEMENT OF COMPREHENSIVE INCOME

Amounts in thousands ('000)	For the Three-months Ended March 31			Variance	
	2025 (Unaudited)	2024 (Unaudited)		Increase (Decrease)	%Change
REVENUE	₱ -	₱ -	₱ -	-	-
COST OF SALES	-	-		-	-
GROSS INCOME	₱ -	₱ -	₱ -	-	-
OPERATING EXPENSES	(79,118)	(113,291)		(34,173)	(30.2%)
LOSS FROM OPERATIONS	₱ (79,118)	₱ (113,291)	₱ (34,173)	(34,173)	(30.2%)
INTEREST EXPENSE	(1,336)	(3,939)		(2,603)	(66.1%)
INTEREST INCOME	2,519	1,400		1,119	79.9%
OTHER INCOME	162	1,021		(859)	(84.1%)
LOSS BEFORE INCOME TAX	₱ (77,773)	₱ (114,809)	₱ (37,036)	(37,036)	(32.3%)
INCOME TAX BENEFIT	24,080	23,308		771	3.3%
NET LOSS	₱ (53,693)	₱ (91,501)	₱ (37,808)	(37,808)	(41.3%)

#### Revenues

For the three-month period ended March 31, 2024 and 2025, Marcventures Holdings, Inc.'s (MHI) subsidiary, Marcventures Mining and Development Corporation (MMDC), has no shipment during the period. The subsidiary has been doing the preparatory activities consisting primarily of restoration of mine pit, waste dump site, and settling pond, road widening, repair of haul roads and causeway improvement.

#### Cost of Sales

No cost of sales was incurred during the three (3)-month period ended March 31, 2024 and 2025.

#### Operating expenses

Operating expenses decreased by 30.0% or ₱34.17 million from ₱113.29 million for the 1st quarter period last year to ₱79.12 million this year. The net decrease was mainly accounted for as follows:

- **Decrease in Taxes and Licenses** by ₱16.94 million or 61% from ₱27.54 million to ₱10.60 million due to reduction of payment of various local and national taxes that varies on the Company's revenue.



- **Decrease in Salaries and Wages** by ₱1.81 million or 10.0% from ₱18.03 million to ₱16.22 million due to lower cost of manpower.
- **Decrease in Other Expenses** such as supplies, utilities, repairs and other operating expenses by ₱30.83 million or equivalent to 92% from ₱33.66 million to ₱2.83million.
- **Decrease in Depreciation** by ₱2.25 million or equivalent to 71.0% from ₱3.16 million to ₱0.91 million due to full depreciation of some property and equipment.
- **Decrease in Environmental Expenses** amounting to ₱0.09 million or equivalent to 2.0% from ₱5.20 million to ₱5.11 million. This pertains to the implementation of projects on the Environmental Protection and Enhancement Program (EPEP), including the protection and rehabilitation of the affected mined environment.
- **Increase in Social Development and Management Program (SDMP)** by ₱0.06 million or equivalent to 4.0% from ₱1.41 million to ₱1.47 million, to comply with the directives and regulations issued by the Department of Environment and Natural Resources (DENR) which require 1.5% of prior year operating cost to be allocated for the development of host and neighboring mining communities.

## STATEMENT OF FINANCIAL POSITION

### Assets

The consolidated total assets of the Company increased by ₱124.0 million from ₱5.81 billion as of December 31, 2024 to ₱5.93 billion as of March 31, 2025. The 2.0% net increase was mainly due to the following:

- **Trade and other receivables** increased by ₱31.74 million or 89.3% from ₱35.56 million in 2024 to ₱67.3 million in 2025. This includes cash advances to suppliers and contractors.
- **Advances to related parties** increased by ₱0.71 million or 23.9% from ₱2.96 million in 2024 to ₱3.66 million in 2025.
- **Ore inventories** increased by ₱70.3 million or 58.7% from ₱119.83 million in 2024 to ₱190.14 million in 2025, these are mainly production costs for ores available for sale.
- **Other current assets** increased by ₱42.07 million or 47.8% from ₱88.06 million in 2024 to ₱130.13 million in 2025. These are mainly additional input vat, renewal of insurance and subscriptions and tax credits.
- **Net deferred tax assets** increased by ₱24.08 million or 123.3% upon recognition of Net-operating Loss Carry-Over (NOLCO) of the non-operating subsidiaries.
- **Other noncurrent assets** increased by ₱0.92 million or 0.2% from ₱532.1 million in 2024 to ₱533.03 million in 2025.

The above decreases were partly offset by the following:

- **Cash** decreased by ₱42.44 million or 7.5% from ₱567.11 million in 2024 to ₱524.67 million in 2025 upon settlement of outstanding payables.
- **Property and equipment** decreased by ₱3.36 million or 2.5% from ₱134.54 million in 2024 to ₱131.18 million in 2025 due to additional depreciation during the period.

### **Liabilities**

The total consolidated liabilities of the Company increased by ₱177.66 million or 19.9% from ₱893.11 million in 2024 to ₱1.07 billion in 2025. The increase was primarily due to the net effect of the following:

- **Loans payable** decreased by ₱6.55 million or 8.5% from ₱76.88 million in 2024 to ₱70.33 million in 2025.
- **Retirement benefit** liability increased by ₱5.34 million or 10.8% from ₱49.33 million in 2024 to ₱54.67 million in 2025 due to additional accrual of retirement benefits.
- **Trade and other payables** increased by ₱176.27 million or 92.5% due to advance deposit from customers.

### **Equity**

The stockholders' equity of the Company decreased by ₱53.69 million or 1.1% from ₱4.91 billion in 2024 to ₱4.86 billion as of March 31, 2025. This was due to the net loss incurred during the period.

### **STATEMENT OF CASH FLOWS**

As of March 31, 2025, the net cash used from operating activities amounting to ₱35.11 million was mainly due to the increase in inventories and net loss for the period.

Net cash provided by investing activities amounting to ₱0.55 million was mainly due to decrease in input VAT due to claims for refund.

Net cash used for financing activities amounting to ₱7.88 million was primarily for payment of loan obligations.

The net effect of the foregoing operating, investing, and financing activities is a decrease of ₱42.44 million in cash, leaving a balance of ₱524.67 million in cash during the period.

### **Item 2 - Financial Statements**

The unaudited Consolidated Financial Statement of Marcventures Holdings, Inc. and Subsidiaries as of March 31, 2025, and for the three-month period ended March 31, 2025 with comparative audited figure as of December 31, 2024 is in compliance with generally accepted accounting principles and there were no changes made in accounting policies and methods of computation in the preparation of the interim financial statements.

## Horizontal and Vertical Analysis:

Amounts in thousands ('000)				Horizontal Analysis		Vertical Analysis		
	Mar. 31, 2025 (Unaudited)		2024 (Audited)		Change	% Change	2025	2024
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash	₱	524,668	₱	567,105	₱ (42,437)	(7.5%)	8.8%	10.0%
Trade and other receivables		67,304		35,559	31,745	89.3%	1.1%	1.0%
Advances to related parties		3,662		2,955	707	23.9%	0.1%	0.0%
Inventories		190,138		119,835	70,303	58.7%	3.2%	2.0%
Other current assets		130,126		88,056	42,070	47.8%	2.2%	2.0%
Total Current Assets	₱	915,897	₱	813,509	₱ 102,388	12.6%	15.4%	14.0%
<b>Non-current Assets</b>								
Property and equipment	₱	131,180	₱	134,539	₱ (3,359)	(2.5%)	2.2%	2.0%
Investment Property		16,146		16,146	-	0.0%	0.3%	0.0%
Mining rights & other mining assets		4,290,392		4,290,458	(65)	0.0%	72.3%	74.0%
Net deferred tax assets		43,614		19,534	24,080	123.3%	0.7%	0.0%
Other noncurrent assets		533,027		532,104	924	0.2%	9.0%	9.0%
Total Noncurrent Assets	₱	5,014,359	₱	4,992,780	₱ 21,579	0.4%	84.6%	86.0%
	₱	5,930,256	₱	5,806,289	₱ 123,967	2.1%	100.0%	100.0%
<b>LIABILITIES &amp; EQUITY</b>								
<b>Current Liabilities</b>								
Trade & other payables	₱	366,869	₱	190,604	₱ 176,265	92.5%	6.2%	3.0%
Loans payable		18,503		25,051	(6,548)	(26.1%)	0.3%	0.0%
Advances from related parties		5,000		5,000	-	0.0%	0.1%	0.0%
Dividends payable		14,906		14,910	(4)	0.0%	0.3%	0.0%
Income tax payable		48,689		48,689	-	0.0%	0.8%	1.0%
Total Current Liabilities	₱	453,966	₱	284,253	₱ 169,713	59.7%	7.7%	5.0%
<b>Non-current Liabilities</b>								
Long-term debt	₱	51,829	₱	51,829	₱ -	0.0%	0.9%	1.0%
Provision for mine rehabilitation and decommissioning		65,696		65,696	-	0.0%	1.1%	1.0%
Retirement benefit liability		54,667		49,331	5,336	10.8%	0.9%	1.0%
Deferred tax liability		444,610		442,000	2,611	0.6%	7.5%	8.0%
Total Noncurrent Liabilities	₱	616,802	₱	608,855	₱ 7,947	1.3%	10.4%	10.0%
Total Liabilities	₱	1,070,769	₱	893,109	₱ 177,660	19.9%	18.1%	15.0%
<b>Equity</b>								
Capital stock	₱	3,014,820	₱	3,014,820	₱ -	0.0%	50.8%	52.0%
Additional paid-in capital (APIC)		269,200		269,200	-	0.0%	4.5%	5.0%
Retained earnings		1,542,850		1,596,543	(53,693)	(3.4%)	26.0%	27.0%
Remeasurement gain on retirement benefit liability		32,618		32,618	-	0.0%	0.6%	1.0%
Total Equity	₱	4,859,488	₱	4,913,181	₱ (53,693)	(1.1%)	81.9%	85.0%
	₱	5,930,256	₱	5,806,289	₱ 123,967	2.1%	100.0%	100.0%



<i>Amounts in thousands</i>	For the Three-months ended March 31,			Horizontal Analysis		Vertical Analysis	
	2025 (Unaudited)	2024 (Unaudited)		Increase (Decrease)	% Change	2025	2024
REVENUE	₱ -	₱ -	₱ -	-	-	0.0%	0.0%
COST OF SALES	-	-	-	-	-	0.0%	0.0%
GROSS INCOME	₱ -	₱ -	₱ -	-	-	0.0%	0.0%
OPERATING EXPENSES	(79,118)	(113,291)		34,173	(30.2%)	0.0%	0.0%
LOSS FROM OPERATIONS	₱ (79,118)	₱ (113,291)	₱ -	34,173	(30.2%)	0.0%	0.0%
INTEREST EXPENSE	(1,336)	(3,939)		2,603	(66.1%)	0.0%	0.0%
INTEREST INCOME	2,519	1,400		1,119	79.9%	0.0%	0.0%
OTHER INCOME	162	1,021		(859)	(84.1%)	0.0%	0.0%
LOSS BEFORE TAX	₱ (77,773)	₱ (114,809)	₱ -	37,036	(32.3%)	0.0%	0.0%
INCOME TAX BENEFIT	(24,080)	(23,308)		(771)	3.3%	0.0%	0.0%
NET LOSS	₱ (53,693)	₱ (91,501)	₱ -	37,808	(41.3%)	0.0%	0.0%

#### Other Information

- There are no known trends or any known demands, commitments, events, or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.
- There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.
- Aside from the volatile prices of ore in the market and USD exchange rate, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- The causes for the material changes from period to period in the financial accounts were explained in the Management's discussion and analysis of financial condition and results of operation.
- There are no significant elements of income or loss that did not arise from the registrant's continuing operations.
- There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
- There are no new issuances, repurchases, and repayments of debt and equity securities.
- There are no material events subsequent to the end of the interim period that have not been

reflected in the financial statements for the interim period.

- j. There are no changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
- k. There have been no contingent liabilities or contingent assets since the last annual balance sheet date.
- l. There are no material contingencies and other material events or transactions during the interim period.
- m. There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

### Key Performance Indicators (KPIs)

MHI's Management uses the following KPIs for the Company and its subsidiaries:

	March 31, 2025	March 31, 2024
Net Loss	(₱53,692,900)	(₱91,500,715)
Quick assets	591,971,527	218,014,304
Current assets	915,897,150	562,378,290
Total assets	5,930,256,354	5,687,241,830
Current liabilities	453,966,446	324,910,595
Total liabilities	1,070,768,537	981,368,955
Stockholders' Equity	4,859,487,817	4,705,872,875
Number of common shares outstanding	3,014,820,305	3,014,820,305

	March 31, 2025	March 31, 2024
Liquidity ratios:		
Current ratio <sup>(1)</sup>	2.02:1	1.73:1
Quick ratio <sup>(2)</sup>	1.30:1	0.67:1
Solvency Ratios:		
Debt ratio <sup>(3)</sup>	0.18:1	0.17:1
Debt to Equity ratio <sup>(4)</sup>	0.22:1	0.21:1
Profitability ratios:		
Loss per share <sup>(5)</sup>	(0.02):1	(0.03):1
Book value per share <sup>(6)</sup>	1.61:1	1.56:1

Note:

1. Current Assets / Current Liabilities
2. Quick Assets / Current Liabilities
3. Total Liabilities / Total Assets
4. Total Liabilities / Shareholders' Equity
5. Net Income (Loss) / Common Shares Outstanding
6. Stockholders' Equity / Common Shares Outstanding



## **PART II - OTHER INFORMATION**

Any information not previously reported in a report on SEC Form 17-C

NONE

## **PART III - FINANCIAL SOUNDNESS INDICATORS**

### **Liquidity Ratio**

a. Current Ratio

Total Current Assets/ Total Current Liabilities = 2.02:1

b. Quick Ratio

Quick asset / Total Current Liabilities = 1.30:1

### **Solvency Ratio**

a. Debt Ratio

Total liabilities / Total assets = 0.18:1

b. Debt to Equity Ratio

Total liabilities / Shareholder's Equity = 0.22:1

### **Profitability Ratio**

a. Return on Equity Ratio

Net Income (Loss) / Average shareholder's equity = (0.01):1

b. Return on Assets

Net Income (Loss)/ Average Total assets = (0.01):1

c. Fixed Assets Turnover Ratio:

Revenue/Property Plant and Equipment = 0.00:1

d. Asset to Equity Ratio:

Total Assets / Stockholders' Equity = 1.22:1

e. Asset Turnover:

Revenue/Total Assets = 0.00


f. Interest Coverage Ratio

Net Income (Loss) / Interest expense = (57.22):1


## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: **MARCVENTURES HOLDINGS INC.**

Signature and Title:  **ROLANDO S. SANTOS**  
Chief Operating Officer and Executive Vice President

Date: May 14, 2025

Signature and Title:  **DALE A. TONGCO**  
Treasurer

Date: May 14, 2025

# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1 2 9 4 2

## COMPANY NAME

M	A	R	C	V	E	N	T	U	R	E	S		H	O	L	D	I	N	G	S	,		I	N	C	.		A	N	D		S	U	B	S	I	D	I
A	R	I	E	S																																		

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

4	t	h		F	l	o	o	r	,		B	D	O		T	o	w	e	r	s		P	a	s	e	o	,		8	7	4	1		P	a	s	e	o
d	e		R	o	x	a	s	,		M	a	k	a	t	i		C	i	t	y																		

Form Type

A A C F S

Department requiring the report

C R M D

Secondary License Type, If Applicable

N / A

## COMPANY INFORMATION

Company's Email Address

rommel.casipe@marcventures.com.ph

Company's Telephone Number/s

(02) 8831-4479

Mobile Number

0917-187-5742

No. of Stockholders

2,174

Annual Meeting (Month / Day)

May of each year

Fiscal Year (Month / Day)

December 31

## CONTACT PERSON INFORMATION

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

Name of Contact Person

Mr. Rolando S. Santos

Email Address

rolly.santos@marcventures.com.ph

Telephone Number/s

(02) 8831-4479

Mobile Number

0998-985-0229

## CONTACT PERSON'S ADDRESS

4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City

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

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

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	₱524,667,914	₱567,105,076
Trade and other receivables	5	67,303,613	35,558,818
Advances to related parties	14	3,661,862	2,955,065
Inventories	6	190,137,616	119,834,699
Other current assets	7	130,126,145	88,055,766
Total Current Assets		915,897,150	813,509,424
<b>Noncurrent Assets</b>			
		-	
Property and equipment	8	131,179,824	134,538,564
Investment property	9	16,145,833	16,145,833
Mining rights and other mining assets	10	4,290,392,355	4,290,457,717
Net deferred tax assets	21	43,614,072	19,534,164
Other noncurrent assets	11	533,027,120	532,103,527
Total Noncurrent Assets		5,014,359,204	4,992,779,805
		₱5,930,256,354	₱5,806,289,229
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	₱366,868,575	₱190,603,580
Current portion of loans payable	13	18,502,844	25,050,756
Advances from related parties	14	5,000,000	5,000,000
Dividends payable	17	14,905,833	14,909,583
Income tax payable		48,689,194	48,689,194
Total Current Liabilities		453,966,446	284,253,113
<b>Noncurrent Liabilities</b>			
		-	-
Loans payable - net of current portion	13	51,828,569	51,828,569
Provision for mine rehabilitation and decommissioning	15	65,696,379	65,696,379
Retirement benefit liability	16	54,666,844	49,330,830
Deferred tax liability	21	444,610,299	441,999,621
Total Noncurrent Liabilities		616,802,091	608,855,399
Total Liabilities		1,070,768,537	893,108,512
<b>Equity</b>			
Capital stock	17	3,014,820,305	3,014,820,305
Additional paid-in capital	17	269,199,788	269,199,788
Retained earnings		1,542,849,798	1,596,542,698
Cumulative remeasurement gains on retirement benefit liability - net of deferred tax	16	32,617,926	32,617,926
Total Equity		4,859,487,817	4,913,180,717
		₱5,930,256,354	₱5,806,289,229

See accompanying Notes to Consolidated Financial Statements.

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the Three Months Ended March 31, (Unaudited)				
	Note	2025	2024	2023
<b>NET SALES</b>		<b>₱—</b>	<b>₱—</b>	<b>₱117,723,062</b>
<b>COST OF SALES</b>	18	<b>—</b>	<b>—</b>	<b>82,695,986</b>
<b>GROSS INCOME</b>		<b>—</b>	<b>—</b>	<b>35,027,076</b>
<b>OPERATING EXPENSES</b>	19	<b>(79,117,890)</b>	<b>(113,291,022)</b>	<b>(78,310,434)</b>
<b>LOSS FROM OPERATIONS</b>		<b>(79,117,890)</b>	<b>(113,291,022)</b>	<b>(43,283,358)</b>
<b>INTEREST EXPENSE</b>	13	<b>(1,335,838)</b>	<b>(3,939,056)</b>	<b>(2,707,988)</b>
<b>INTEREST INCOME</b>	4	<b>2,518,951</b>	<b>1,399,863</b>	<b>49,029</b>
<b>OTHER INCOME(LOSS)- Net</b>	20	<b>161,968</b>	<b>1,021,080</b>	<b>(1,148,508)</b>
<b>LOSS BEFORE INCOME TAX BENEFIT</b>		<b>(77,772,809)</b>	<b>(114,809,135)</b>	<b>(47,090,825)</b>
<b>INCOME TAX BENEFIT</b>	21	<b>(24,079,909)</b>	<b>(23,308,420)</b>	<b>(10,941,280)</b>
<b>NET LOSS</b>		<b>(53,692,900)</b>	<b>(91,500,715)</b>	<b>(36,149,545)</b>
<b>Basic loss per share</b>	23	<b>(₱0.020)</b>	<b>(₱0.030)</b>	<b>(₱0.010)</b>

*See accompanying Notes to Consolidated Financial Statements.*

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

		For the Three Months Ended March 31, (Unaudited)		
	Note	2025	2024	2023
<b>CAPITAL STOCK - ₱1 par value</b>				
Authorized - 4,000,000,000 shares				
Issued and outstanding	17	<b>₱3,014,820,305</b>	₱3,014,820,305	₱3,014,820,305
<b>ADDITIONAL PAID-IN CAPITAL</b>	17	<b>269,199,788</b>	269,199,788	269,199,788
<b>RETAINED EARNINGS</b>				
Balance at beginning of year		<b>1,596,542,698</b>	1,478,425,453	1,547,770,977
Net loss		<b>(53,692,900)</b>	(91,500,715)	(36,149,545)
Balance at end of year		<b>1,542,849,798</b>	1,386,924,738	1,511,621,432
<b>CUMULATIVE REMEASUREMENT GAINS ON RETIREMENT BENEFIT LIABILITY - NET OF DEFERRED TAX</b>				
	16	<b>32,617,926</b>	34,928,044	40,593,200
		<b>₱4,859,487,817</b>	₱4,705,872,875	₱4,836,234,725

*See accompanying Notes to Consolidated Financial Statements.*

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Three Months Ended March 31,  
(Unaudited)

	Note	2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before income tax benefit		(P77,772,809)	(P114,809,135)	(P47,090,825)
Adjustments for:				
Depletion	10	3,077,595	1,539,803	1,703,309
Depreciation and amortization	8	6,106,241	7,219,142	6,210,096
Interest expense	13	1,335,838	3,939,056	2,707,988
Interest income	4	(2,518,951)	(1,399,863)	(49,029)
Unrealized foreign exchange gain	20	–	(1,117,682)	–
Provision for expected credit loss	5	–	180,000	–
Operating loss before working capital changes		(69,772,086)	(104,448,679)	(36,518,461)
Decrease (increase) in:				
Trade and other receivables		(31,744,795)	(18,610,852)	39,844,332
Inventories		(70,302,917)	(63,368,312)	(63,524,980)
Other current assets		(42,070,379)	(9,130,930)	(89,047,075)
Increase in:				
Trade and other payables		176,264,995	29,642,674	230,194,723
Net cash generated from operations		(37,625,182)	(165,916,099)	80,948,539
Interest received		2,518,951	1,399,863	49,029
Net cash provided by operating activities		(35,106,231)	(164,516,236)	80,997,568
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Additions to:				
Mining rights and other mining assets	10	3,142,957	8,653,507	7,961,975
Property and equipment	8	9,464,981	4,338,722	(37,398,920)
Decrease (increase) in:				
Other noncurrent assets		(11,348,322)	31,808,703	(22,103,300)
Advances to related parties		(706,797)	130,908	(1,783,954)
Net cash provided by (used in) investing activities		552,819	44,931,840	(53,324,199)

(Forward)

For the Three Months Ended March 31, (Unaudited)				
	Note	2025	2024	2023
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments of:				
Loans	13	(P6,547,912)	(P6,684,000)	(P60,574,441)
Interest	26	(1,335,838)	(3,939,056)	(2,707,988)
Dividends		—	(297,055,873)	—
Increase in advances from related parties		—	478,484	—
Net cash used in financing activities		(7,883,750)	(307,200,445)	(63,282,429)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(42,437,162)</b>	<b>(426,784,841)</b>	<b>(35,609,060)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>567,105,076</b>	<b>603,877,818</b>	<b>546,893,643</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>P524,667,914</b>	<b>P177,092,977</b>	<b>P511,284,583</b>

See accompanying Notes to Consolidated Financial Statements.



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**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**As at March 31, 2025 and December 31, 2024**  
**AND FOR THE PERIOD ENDED MARCH 31, 2025, 2024 and 2023**

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**1. Corporate Information**

**General Information**

Marcventures Holdings, Inc. ("MHI" or the "Company"), singly and collectively with its subsidiaries, is referred herein as "the Group". The Company was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 7, 1957. Its primary purpose is to deal with properties of every kind and description to the extent permitted by law without engaging in the business of an investment company as defined in the Investment Company Act (Republic Act (R.A.) No. 2629), or act as a securities broker or dealer.

The Company's shares of stock were initially listed in the Philippine Stock Exchange, Inc. (PSE) on January 10, 1958. As at March 31, 2025 and December 31, 2024, 3,014,820,305 shares of the Company's shares of stock are listed in The Philippine Stock Exchange, Inc. (PSE).

**Registered Address**

The registered address of the Company is 4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City.

**Information about the Subsidiaries**

All of the subsidiaries of the Company are wholly-owned and are domiciled in the Philippines.

**Marcventures Mining and Development Corp. (MMDC)**

MMDC was incorporated and registered with the SEC on January 18, 1995 primarily to engage and/or carry on the business of extracting, mining, smelting, refining and converting mineral ores such as, but not limited to nickel, chromites, copper, gold, manganese and other similar ores and/natural metallic or non-metallic resource.

MMDC was granted the Mineral Production Sharing Agreement (MPSA) No. 016-93-X Surigao Mineral Reservation (SMR) by the Department of Environment and Natural Resources (DENR) covering an area of approximately 4,799 hectares located in the municipalities of Carrascal, Cantilan and Madrid, Surigao Del Sur.

Originally, the MPSA was granted to Ventura Timber Corporation (VTC). In January 1995, VTC executed a Deed of Assignment (the Deed) to transfer to the Group all its rights and interest in MPSA No. 016-93-XI. On March 11, 2008, the DENR issued an Order approving the Deed of MPSA No. 016-93-XI from VTC to MMDC.

On June 24, 2016, the DENR issued an Order approving the extension of MPSA for a period of 9 years starting from the expiration of the first 25-year term or from July 1, 2018 to June 30, 2027.

On March 17, 2022, Mines and Geosciences Bureau (MGB) issued a certification to MMDC attesting to the validity and existence of its MPSA and that MMDC has an approved Declaration of Mining Project Feasibility (DMPF) dated October 15, 2014 covering its entire contract mining area.

MMDC has been receiving annual certifications from MGB that it is compliant with the terms and conditions of the MPSA and pertinent provisions of the R.A. no. 7942 or the Philippine Mining Act of

1995 and its implementing Rules and Regulations. MMDC has continued mining operations in areas covered in the MPSA.

**BrightGreen Resources Corporation (BGRC)**

BGRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business. The Company acquired BGRC from its merger with Brightgreen Resources Holdings, Inc. (BRHI) in 2017.

On July 1, 1993, the DENR approved BGRC's application for MPSA No. 015-93-XI (SMR) covering an area of approximately 4,860 hectares located in the municipalities of Carrascal and Cantilan, Surigao del Sur. On February 7, 2019, the MGB approved the extension of the MPSA for a period of six years starting from the expiration of its 25-year term until June 30, 2024.

On April 11, 2022, the MGB granted the extension of the 3rd Renewal of the exploration period of BGRC for another period of two years effective from July 2, 2022 to July 1, 2024 to recover its unused term due to force majeure.

On July 13, 2023, BGRC received from the MGB office a reply letter for intention to renew its MPSA agreement for another 25 years. The Group is now in the process and anticipative of obtaining the following permits, licenses, and approvals from the regulatory bodies:

- Free, Prior and Informed Consent and Certification Precondition from the National Commission on indigenous Peoples;
- Approval of the Declaration of Mining Project Feasibility from the MGB, including the required work programs: Environmental Protection and Enhancement Program, Social Development and Management Program, Safety and Health Program, Three (3)-Year Development/Utilization Work Program, Care and Maintenance Program and Project Feasibility Study; and
- Environmental Compliance Certificate from the Environmental Management Bureau.

On April 24, 2024, BGRC submitted its application for renewal of its MPSA. Without prejudice to BRC's application of its MPSA, BRGC submitted a request for restitution of the term of its MPSA. Also submitted was the application for the Declaration of Mining Project Feasibility (DMPF) for the Proposed Nickel Laterite Project under MPSA NO. 015-93-XI. On May 6, 2024, BGRC applied for restitution of the MPSA for 14 years due to force majeure events. To date, the application is under the evaluation of the MGB. BGRC's MPSA expired last July 1, 2024

**Alumina Mining Philippines, Inc. (AMPI)**

AMPI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business. The Company acquired AMPI from its merger with Asia Pilot Mining Phils. Corp. (APMPC) in 2017.

On December 5, 2002, the DENR approved AMPI's application for MPSA No. 179-2002-VIII-SBMR covering 6,694 hectares in the municipalities of Paranas, Motiong and San Jose de Buan, Samar in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On July 4, 2023, AMPI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, AMPI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

**Bauxite Resources, Inc. (BARI)**

BARI was incorporated and registered with the SEC on August 31, 2001 to engage in the mining business. The Company acquired BARI from its merger with APMPC in 2017.

On December 5, 2002, the DENR approved BARI's application for MPSA No. 180-2002-VIII-SBMR covering 5,519 hectares in the Municipalities of Gandara, San Jose de Buan, Matuguinao, and San Jorge, Province of Samar (formerly known as Western Samar) in Eastern Visayas (Region VIII), valid for 25 years and renewable for another 25 years.

On July 4, 2023, BARI requested for temporary suspension of the second extension of the third renewal of the Exploration Period due to the peace and order problem in the area. This request was granted by the MGB on September 27, 2023, effective July 4, 2023, until the situation becomes safe and favorable.

On January 20, 2025, BARI submitted the Annual MPSA Status Report for the year 2024 and it states that there were no major exploration activities due to the security issues with the insurgents. Activities conducted were concentrated to research, review of related literature and preparation for submission of mining project feasibility.

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## 2. Summary of Material Accounting Policy Information

### **Basis of Preparation and Statement of Compliance**

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretation from International Financial Reporting Interpretations Committee issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

### **Measurement Bases**

The consolidated financial statements are presented in Philippine Peso, which is the Group's functional currency. All values are in absolute amounts, unless otherwise indicated.

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for retirement benefit liability which is measured at the present value of the defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability.

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 Group uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- 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.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further disclosures are included in Note 24, *Financial Risk Management Objectives and Policies and Fair Value Measurement*.

### **Basis of Consolidation**

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as at March 31, 2025, December 31, 2024 and 2023 and for the period ended March 31, 2025, 2024, and 2023.

A subsidiary is an entity that is controlled by the Company and is consolidated from the date on which control is transferred to the Company directly or through the holding companies. Control is achieved when the Group is exposed or has rights to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee. A subsidiary is deconsolidated from the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as that of the Group using uniform accounting policies. Significant intercompany transactions and balances, including intercompany profits and unrealized profits and losses, are eliminated in full.

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

If the Company loses control over a subsidiary, the Group: (a) derecognizes the assets and liabilities of the subsidiary; (b) derecognizes the carrying amounts of any non-controlling interest; (c) derecognizes the cumulative translation differences recorded in equity; (d) recognizes the fair value of consideration received; (e) recognizes the fair value of any investment retained; (f) recognizes any surplus or deficit in profit or loss; and (g) reclassifies the Group's share of components previously recognized in other comprehensive income (OCI) to profit or loss.

### **Financial Assets and Liabilities**

The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability).

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is 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 solely payments of principal and interest on the principal amount outstanding.

As at December 31, 2024 and 2023, the Group's cash and cash equivalents, receivables (excluding advances to officers and employees), advances to related parties, and final mine rehabilitation fund (FMRF), rehabilitation cash fund (RCF), rental deposit and monitoring trust fund (MTF) (included under "Other noncurrent assets") account are classified under this category. Cash and cash equivalents in the consolidated statements of financial position comprise cash on hand and in banks and cash equivalents, excluding any restricted cash. Restricted cash, which includes FMRF, RCF and MTF, is not available for use by the Group and therefore is not considered highly liquid.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL), if any. Financial assets are derecognized when the right to receive cash flows from the asset has expired.

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Group's having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

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

As at March 31, 2025 and December 31, 2024, the Group's trade and other payables (excluding excise tax and other statutory payables), loans payable, advances from related parties and dividends payable are classified under this category.

### **Inventories**

Inventories, which consist of ore stockpiles, are physically measured or estimated and valued at the lower of cost and net realizable value (NRV). Cost consists of contractual services, personnel costs, depletion, depreciation and other costs that are directly attributable in bringing the ore in its saleable conditions. Cost is determined using the moving average method. NRV is the estimated selling price in the ordinary course of business, less the estimated cost necessary to make the sale.

### **Other Current Assets**

Other current assets include prepaid income tax, advances to contractors and suppliers, mining and office supplies, and prepaid expenses.

*Prepaid Income Tax.* Prepaid income tax represents overpayments of income taxes over the periods and amounts withheld by the Group's customers in relation to its income. Prepaid income tax can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source.

*Advances to Contractors and Suppliers.* Advances to contractors and suppliers represent advance payments on goods or services to be purchased in connection with the mining operations. The advances are reclassified to proper asset account in the consolidated statements of financial position or charged to expense in profit or loss upon actual receipt of goods or services, which is normally within 12 months or within the normal operating cycle.

*Mining and Office Supplies.* Mining and office supplies are stated at lower of cost or NRV. The NRV of mining and office supplies represents their current replacement cost. In determining NRV, the

Group considers any adjustments necessary for obsolescence. The costs of mining and office supplies comprise all costs of purchase and other costs incurred in bringing the mining and office supplies to their present location and condition. The purchase cost is determined on a moving average method. These are charged to expense in profit or loss upon use.

*Prepaid Expenses.* Prepaid expenses represent expenses not yet incurred but paid in advance and are apportioned over the period covered by the payment and charged to profit or loss when incurred. Prepaid expenses that are expected to be realized for no more than 12 months after the financial reporting period are classified as current assets.

### **Property and Equipment**

Property and equipment, except land, are initially measured at cost less accumulated depreciation and amortization and any impairment in value. Land is stated at cost less any impairment in value. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Cost also includes any asset retirement obligation and capitalized interest on borrowed funds used in the case of a qualifying asset.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditures are recognized as expense in the period in which these are incurred.

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

Depreciation and amortization are calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	Number of Years
Building and improvements	5-20
Office furniture, fixtures and equipment	2-5
Heavy and transportation equipment	4-10

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation are credited or charged to current operations.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

### **Investment Property**

Investment property is stated at cost less accumulated depreciation and amortization and any impairment in value.

Depreciation is calculated on a straight-line basis over 20 years as the estimated useful life of the investment property.

Transfers are made to investment properties when there are changes in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment properties when there are changes in use, evidenced by commencement of owner-occupation, ending of operating lease or commencement of development with a view to sale.

Transfers between investment property, owner-occupied property and inventories do not change the carrying value of the property transferred and they do not change the cost of that property for measurement or disclosure purposes on the date of reclassification.

### **Mining Rights and Other Mining Assets**

*Mining Rights.* Mining rights include costs incurred in connection with the acquisition of rights over mineral reserves. Rights over mineral reserves, which are measured, indicated or inferred, are capitalized as part of mining rights on explored resources if the reserves are commercially producible and that geological data demonstrate with a specified degree of certainty that recovery in future years is probable.

Mining rights are subject to amortization or depletion from the commencement of production on a unit-of-production method, based on proven and probable reserves. Costs used in the unit of production calculation comprise the net book value of capitalized costs plus the estimated future development costs. Changes in the estimates of mineral reserves or future development costs are accounted for prospectively.

*Deferred Exploration Costs.* Deferred exploration costs include costs incurred in connection with exploration activities. Deferred exploration costs are carried at cost less any impairment in value.

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of the mineral resource.

Exploration and evaluation activities include:

- Gathering exploration data through geological studies;
- Exploratory drilling and sampling; and
- Evaluating the technical feasibility and commercial viability of extracting the mineral resource.

Once the reserves are established and development is sanctioned, deferred exploration costs are tested for impairment and reclassified to mine development costs.

*Mine and Mining Properties.* Upon start of commercial operations, mine development costs are reclassified as part of mine and mining properties. These costs are subject to depletion, which is computed using the units-of-production method based on proven and probable reserves, which is reviewed periodically to ensure that the estimated depletion is consistent with the expected pattern of economic benefits from the mine and mining properties.

Deferred exploration costs and construction-in-progress related to an already operating mine are reclassified to mine and mining properties and stated at cost. Such costs pertain to expenses incurred in sourcing new resources and converting these into reserves, which are not depleted or amortized until the development has been completed and become available for use.

### **Other Noncurrent Assets**

Other noncurrent assets include input value-added tax (VAT), deferred input VAT and other financial

assets (FMRF, RCF, rental deposit and MTF).

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of input VAT recoverable from the taxation authority is presented as "Input VAT". Input VAT claimed for refund are presented separately as "Input VAT for refund".

*Deferred Input VAT.* Represents amount of input VAT on trade payables arising from purchase of services.

### **Impairment of Nonfinancial Assets**

The Group assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, the asset or cash-generating unit (CGU) is written down to its recoverable amount, which is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction.

In assessing value in use, the estimated future cash flows are discounted to present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of any depreciation and depletion, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation and depletion charges are adjusted in future years to allocate the asset's revised carrying amount, on a systematic basis over its remaining useful life.

### **Employee Benefits**

*Short-term Benefits.* The Group provides short-term benefits to its employees in the form of basic and 13th month pay, bonuses, employer's share on government contribution and other short-term benefits.

*Retirement Benefits.* The Group has an unfunded, non-contributory defined benefit plan covering all qualified employees. The retirement benefits expense is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.



The Group recognizes service costs, comprising of current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and interest cost in profit or loss. Interest cost is calculated by applying the discount rate to the retirement benefit liability.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service and are recognized in profit or loss.

Past service cost is recognized in profit or loss on the earlier of the date of the plan amendment or curtailment; and the date that the Group recognizes restructuring related costs.

Remeasurements comprising actuarial gains and losses are recognized immediately in OCI in the period in which they arise. Remeasurements are directly recognized in equity or in OCI and are not reclassified to profit or loss in subsequent periods.

The retirement benefit liability is the present value of the defined benefit obligation which is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement benefit liability.

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

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting date.

### **Equity**

*Capital Stock.* Capital stock is measured at par value for all shares issued and outstanding.

*Additional Paid-In Capital (APIC).* APIC is the excess over par value of consideration received for the subscription and issuance of shares of stock.

*Retained Earnings.* Retained earnings represent the cumulative balance of the Group's operating results, dividend distributions and effect of change in accounting policy. Cash dividends are deducted from retained earnings and recognized as liability when these are approved by the BOD.

OCI comprises of items of income and expenses that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. OCI pertains to cumulative remeasurement gains or losses on retirement benefit liability.

### **Revenue Recognition**

*Sale of Ore.* Sale of ore is recognized at a point in time upon delivery of goods to and acceptance by the customers, net of any sales adjustments based on the contracts with the customers.

The following specific recognition criteria must also be met before other revenue items are recognized:

*Interest Income.* Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

*Rental Income.* Rental income is recognized on a straight-line basis over the lease term.

*Other Income.* Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Group through an increase in asset or reduction in liability that can be measured reliably.

### **Cost and Expense Recognition**

*Cost of Sales.* Cost of sales is recognized when the related goods are sold.

*Operating Expenses.* Operating expenses constitute costs of administering the business and costs incurred to sell and market goods and services. These are expensed as incurred.

*Interest Expense.* Interest expense is recognized in profit or loss using the effective interest method.

### **Leases**

A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, the customers have both of the following:

- The right to obtain substantially all of the economic benefits from use of the identified asset; and
- The right to direct the use of the identified asset.

If the Group has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Group also assesses whether a contract contains a lease for each potential separate lease component.

### **Group as Lessee**

The Group has elected to apply the recognition exemption on its short-term lease. The Group recognized the lease payments associated with this lease as an expense on a straight-line basis over the lease term.

### **Group as Lessor**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Leases where the Group retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease income is recognized in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income.

### **Foreign Currency-Denominated Transactions**

Transactions in foreign currencies are recorded using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate at reporting date.

Exchange rate differences arising from the translation or settlement of monetary items at rates different from those at which these were initially recorded during the period are recognized in the profit or loss in the period these arise.

## **Income Taxes**

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate used to compute the amount is the one that has been enacted or substantively enacted at the reporting date.

*Deferred Tax.* Deferred tax is provided 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 tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of any unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and any unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and unused NOLCO can be utilized.

The carrying amount of deferred 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 tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items directly recognized in equity as OCI.

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

## **Related Party Transactions and Related Parties**

Related party transactions consist of transfers of resources, services or obligations between the Group and its related parties. Related party transactions are considered material and/or significant if i) these transactions amount to 10% or higher of the Group's total assets, or ii) there are several transactions or a series of transactions over a 12-month period with the same related party amounting to 10% or higher of the Group's total assets. Details of transactions entered into by the Group with related parties are reviewed in accordance with the Group's related party transactions policy.

Parties are considered to be related if one party has the ability to directly or indirectly control or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled, or under common control with the Group; (b) associates; and (c) individuals owning directly or indirectly an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual; and (d) members of the key management personnel of the Group.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

### **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.

*Provision for Mine Rehabilitation and Decommissioning.* The Group recognizes provision when there is a partial fulfillment of obligation to restore operating locations at the end of the reporting period. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste site and restoration, reclamation and revegetation of affected areas. The obligation generally arises when the asset is installed or the ground/environment is disturbed at the production location.

Where applicable, the Group recognizes a mine rehabilitation asset under the mine and mining properties related to the obligation arising from the mine rehabilitation and decommissioning. The cost of such asset corresponds to the present value of future cost of rehabilitation and decommissioning and amortized over expected settlement of the obligation using units of production method. The estimated future costs of rehabilitation and decommissioning are reviewed annually and adjusted prospectively. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Any amount deducted from the cost of asset shall not exceed its carrying amount. In case the decrease in the obligation exceeds the carrying amount of the asset, the excess shall be recognized immediately in profit or loss.

### **Contingencies**

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

### **Earnings Per Share**

*Basic.* Basic earnings per share is calculated by dividing the net income by the weighted average number of common shares outstanding during the year, excluding common shares purchased by the Group and held as treasury shares, if any.

*Diluted.* Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potential dilutive common shares during the period.

### **Events After the Reporting Date**

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

### **Segment Reporting**

The Group has one operating segment which consists of mining exploration, development and production. The Group's asset producing revenues are located in the Philippines.

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

The judgments and accounting estimates used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

#### **Judgments**

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effects on the amounts recognized in the consolidated financial statements.

*Determining Functional Currency.* Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Group has been determined to be the Philippine Peso, which is the currency of the primary economic environment in which the Group operates.

*Classification of a Property.* The Group determines whether a property is classified as investment property or property and equipment as follows:

- Property and equipment comprise properties that are held for use in the ordinary course of business.
- Investment property is property not occupied and not used in the operations, nor for sale in the ordinary course of business, but are held primarily for earning rental income.

The carrying amounts of property and equipment and investment property are disclosed in Notes 8 and 9.

*Evaluation of Lease Commitments - Group as Lessee.* The Group's lease agreement for its office space qualifies as a short-term lease with a lease term of less than 12 months. The Group has elected to apply the recognition exemption on its short-term leases.

Rental expense recognized by the Group is disclosed in Note 22.

*Evaluation of Lease Commitments - Group as Lessor.* The Group has entered into operating lease agreements with a third party for the lease of office space. Considering that there will be no transfer of ownership of the leased properties to the lessees, the Group has determined that it retains all the significant risks and benefits of ownership of these properties. Accordingly, the leases are accounted for as operating leases.

#### **Accounting Estimates and Assumptions**

The key estimates concerning the future and other key sources of estimation uncertainties 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 described below.

*Estimating the Allowance for ECL on Other Financial Assets at Amortized Cost.* The Group determines the allowance for ECL based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL are provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL are provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions;
- actual or expected significant adverse changes in the operating results of the borrower; and
- significant changes in credit spread, rates or terms such as more stringent covenants and increased amount of collateral or guarantees.

For cash in banks, cash equivalents and advances to related parties, the Group assessed that these financial assets have low credit risk because the counterparties are reputable banks and related parties which possess good credit standings. Thus, the ECL on these financial assets in 2025, 2024, and 2023 are not significant and not recognized.

*Estimating the NRV of Inventories.* The Group recognizes loss on inventories whenever NRV becomes lower than costs due to damage, physical deterioration, obsolescence, changes in price levels or other causes. NRV is reviewed on a monthly basis to reflect the accurate valuation in the financial records.

No provision for inventory obsolescence was recognized in 2025, 2024, and 2023. The carrying amount of inventories, which is measured at the lower of cost and NRV, are disclosed in Note 6.

*Estimating the Realizability of Input VAT.* The Group assesses the realizability of input VAT based on its ability to utilize the asset. The assessment is made on a continuing basis year on year.

No provision for impairment loss was recognized in 2025, 2024, and 2023. The carrying amount of input VAT is disclosed in Note 11.

*Estimating the Useful Lives of a Property and Equipment.* The Group estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The Group reviews annually the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental changes and anticipated use of the assets.

There were no changes in estimated useful lives of property and equipment in 2025, 2024, and 2023. The carrying amount of property and equipment are disclosed in Note 8.

*Estimating the Depletion Rate and Recoverable Reserves.* Depletion rates used to amortize mine and mining properties and mining rights under "Mining rights and other mining assets" account presented in the consolidated statements of financial position are assessed on an annual basis based on the results of latest estimate of recoverable reserves, which is subject to future revisions. Recoverable reserves and resource estimates for development project are, 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 cost 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. Proven reserve estimates are attributed to future development projects only where there is a significant commitment to project funding and execution and for which applicable governmental and regulatory approvals have been secured or are reasonably certain to be secured. The Group's reserves are estimated based on local regulatory guidelines provided under the Philippine Mineral Reporting Code and duly reviewed and verified by a competent person.

The carrying amounts of mining rights and other mining assets are disclosed in Note 10.

*Estimating the Provision for Mine Rehabilitation and Decommissioning.* The Group recognizes provision for its obligation to decommission and rehabilitate mine sites at the end of term of its MPSA. The provision represents the best estimate of the expenditures required to settle the present obligation at the current reporting date. The amount of provision depends on the completeness of rehabilitation and decommissioning activities performed by the Group during and immediately after every mining operation. Changes in rehabilitation and decommissioning costs are recognized as additions or charges to the corresponding provision when these occur.

While the Group has made its best estimate in establishing the decommissioning and rehabilitation provision, because of potential changes in technology as well as safety and environmental requirements, plus the actual time scale to complete decommissioning and rehabilitation activities, the ultimate provision requirements could either increase or decrease significantly from the Group's current estimates. The obligation to rehabilitate and decommission a mine generally arises when the ground/environment is disturbed at the production location.

The carrying amount of mine rehabilitation asset, recognized under the mine and mining properties is disclosed in Note 10.

Provision for mine site rehabilitation and decommissioning is disclosed in Note 15.

*Assessing the Impairment of Mining Rights and Deferred Exploration Costs.* The Group assesses mining rights and deferred exploration costs for impairment only when there are indicators that impairment exists. Indicators of impairment include, but are not limited to:

- Rights to explore in an area have expired or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted;
- A decision to discontinue exploration and evaluation in an area because of the absence of commercial reserves; and
- Sufficient data exists to indicate that the carrying value will not be fully recovered from future development and production.

Based on management assessment, there are no impairment indicators on the Group's mining rights and deferred exploration costs. Management has determined that (a) the Group's rights to explore in the contract areas are not expired, (b) a request for restitution has been applied with the MGB for the expired MPSA, (c) the Group continuous to conduct exploration and evaluation activities based on its approved Exploration Work Programs and Environmental Work Programs, and (d) based on the Mineral Resource Validation Report by the MGB, the Group has measured and indicated resource of nickel laterite and alumina bauxite resources. Accordingly, no impairment loss was recognized in 2025, 2024, and 2023.

The carrying amounts of mining rights and deferred exploration costs are disclosed in Note 10.



*Assessing the Impairment of Other Nonfinancial Assets.* The Group assesses impairment on other nonfinancial assets 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; or
- significant negative industry or economic trends.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

Recoverable amount of an asset is the higher of its fair value less costs to sell or value in use. Value in use is determined as the present value of estimated future cash flows expected to be generated from the Group's expected mining operations. The estimated cash flows are discounted using pre-tax discount rates that reflect the current assessment of the time value of money and the risks specific to the asset.

Based on management assessment, there are no impairment indicators on the Group's other nonfinancial assets. Accordingly, no impairment loss was recognized in 2025, 2024, and 2023.

The carrying amounts of the Group's advances to officers and employees, other current assets, property and equipment, investment property, mine and mining properties, other noncurrent assets (excluding financial assets) are disclosed in Notes 5, 7, 8, 9, 10 and 11.

*Estimating the Retirement Benefit Liability.* The determination of the Group's retirement benefit liability and costs is dependent on the selection by management of assumptions used by the actuary in calculating such amounts. Those assumptions include, among others, discount rate and salary increase rate.

Actual results that differ from the Group's assumptions are recorded as addition to or deduction from retirement benefit liability and recognized in profit or loss or OCI. One or more of the actuarial assumptions may differ significantly and as a result, the actuarial present value of the retirement benefit obligation estimated as at reporting date may differ significantly from the amount reported.

The carrying amount of retirement benefit liability is disclosed in Note 16.

*Recognizing Deferred Tax Assets.* The Group reviews the carrying amount of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized.

The Group's recognized and unrecognized deferred tax assets are disclosed in Note 21.

#### 4. Cash and Cash Equivalents

This account consists of:

	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>
Cash equivalents	<b>₱224,829,449</b>	₱272,759,488
Cash in banks	<b>299,732,163</b>	294,244,333
Cash on hand	<b>106,302</b>	101,255
	<b>₱524,667,914</b>	₱567,105,076

Cash in banks earn interest at the prevailing bank deposit rates.

Cash equivalents pertain to special savings and time deposits with terms of varying periods of up to three (3) months depending on the immediate cash requirements of the Group. Cash equivalents earn interest at the prevailing special savings and time deposit rates.

Interest income pertains to the following sources:

	<b>Note</b>	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>	<b>Dec. 31, 2023 (Audited)</b>
Cash in banks and cash equivalents		<b>₱2,518,951</b>	₱5,942,481	₱10,098,015
Other noncurrent assets	11	—	46,277	205,496
		<b>₱2,518,951</b>	₱5,988,758	₱10,303,511

#### 5. Receivables

This account consists of:

	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>
Advances to officers and employees	<b>₱39,700,259</b>	₱34,722,589
Others	<b>27,804,954</b>	1,037,829
	<b>67,505,213</b>	35,760,418
Allowance for ECL	<b>(201,600)</b>	(201,600)
	<b>₱67,303,613</b>	₱35,558,818

Trade receivables pertain to MMDC's receivables arising from shipments of nickel and iron concentrates to its customers which are covered by yearly sales agreements, these are initially paid based on 90% of their provisional value after shipment date. The 10% final balance does not bear any interest until final settlement based on ore grade upon receipt of the customer which usually take three (3) months from shipment date.

Advances to officers and employees are unsecured and noninterest-bearing cash advances for business-related expenditures subject to liquidation within the following year.

Movements in allowance for ECL are as follows:

	Note	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Balance at beginning of year		₱201,600	₱—
Provision	19	—	201,600
Write-off		—	—
Balance at end of year		₱201,600	₱201,600

## 6. Inventories

This account consists of beneficiated nickel ore amounting to ₱190.14 million and ₱119.83 million as at March 31, 2025 and December 31, 2024, respectively, which is stated at cost. The cost of inventories is lower than its NRV.

Cost of inventories charged to “Cost of sales” account in the consolidated statements of comprehensive income amounted to ₱70.30 million, and ₱63.37 million and ₱63.52 million for the three (3) months ended March 31, 2025, 2024 and 2023, respectively (see Note 18).

## 7. Other Current Assets

This account consists of:

	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Prepaid income tax	₱54,178,733	₱49,986,362
Advances to contractors and suppliers	30,259,666	23,883,848
Mining and office supplies - net of allowance for obsolescence	1,182,647	4,913,745
Prepaid expenses	11,419,452	1,639,703
Others	33,085,647	7,632,108
	₱130,126,145	₱88,055,766

Prepaid income tax represents creditable withholding tax and other tax credits.

Advances to contractors and suppliers include materials and fuel and oil to be supplied for the use of the heavy equipment and are deductible against contractors’ future billings.

Mining and office supplies include mechanical, electrical and other materials that will be used in the Group’s mining operations. The movements of the allowance for obsolescence follows:

	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Balance at beginning of year	₱15,640,373	₱16,090,948
Provision	—	(450,575)
Balance at end of year	₱15,640,373	₱15,640,373

The provision for obsolescence is presented as part of “Others” in the “Operating expenses” account in the consolidated statements of comprehensive income (see Note 19).

Prepaid expenses pertain to insurance, excise tax and rent. Others include advances made to NCIP.

## 8. Property and Equipment

The balances and movements of this account are as follows:

	Note	December 31, 2024 (Audited)				Total
		Land	Building and Improvements	Office Furniture, Fixtures and Equipment	Heavy and Transportation Equipment	
Cost						
Balances at beginning of year		₱58,597,484	₱149,313,770	₱140,377,210	₱394,315,753	₱742,604,217
Additions		—	—	14,874,047	6,447,575	21,321,622
Reclassification	9	—	—	(376,761)	(5,503,198)	(5,879,959)
Balances at end of year		58,597,484	149,313,770	154,874,496	395,260,130	758,045,880
Accumulated Depreciation and Amortization						
Balances at beginning of year		—	97,660,884	124,673,180	379,342,248	601,676,312
Depreciation and amortization		—	5,706,729	15,027,808	6,690,674	27,425,211
Reclassification	9	—	—	(376,761)	(5,217,446)	(5,594,207)
Balances at end of year		—	103,367,613	139,324,227	380,815,476	623,507,316
Carrying Amount		₱58,597,484	₱45,946,157	₱15,550,269	₱14,444,654	₱134,538,564

Depreciation and amortization are allocated to profit or loss as follows:

	Note	For Three Months Ended March 31, (Unaudited)		
		2025	2024	2023
Charged to:				
Cost of sales	18	₱5,196,678	₱4,055,111	₱4,023,734
Operating expenses	19	909,563	3,164,031	2,186,362
		₱6,106,241	₱7,219,142	₱6,210,096

The portion of the Group’s property and equipment with carrying amounts of ₱45.9 million and ₱50.7 million as at March 31, 2025 and December 31, 2024, respectively, is pledged as security under a real estate mortgage on its loans payable (see Note 13).

In 2024, the Group disposed certain items of property and equipment with carrying amount of ₱0.3 million for aggregate proceeds of ₱0.4 million, resulting to gain on sale of ₱0.1 million.

Fully depreciated property and equipment with cost of ₱523.0 million as at March 31, 2025 and December 31, 2024 are still being used by the Group.

## 9. Investment Property

The Group's investment property pertains to the portion of its office space which is under lease with a third party. The movements in the account follows:

	Note	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
<b>Cost</b>			
Balance at beginning of year		₱25,000,000	₱25,000,000
Reclassification	8	—	—
Balances at end of year		25,000,000	25,000,000
<b>Accumulated Depreciation</b>			
Balances at beginning of year		8,854,167	7,604,167
Depreciation		—	1,250,000
Balances at end of year		8,854,167	8,854,167
<b>Net Carrying Amount</b>		<b>₱16,145,833</b>	<b>₱16,145,833</b>

The Group assessed that the fair value of its investment property approximates its original cost. The estimate is based on level 3 in the fair value hierarchy.

## 10. Mining Rights and Other Mining Assets

The balances and movements of this account are as follows:

December 31, 2024 (Audited)							
		Mine and Mining Properties					
	Note	Mining Rights	Deferred Exploration Costs	Mine Development Costs	Mine Rehabilitation Asset	Total Mine and Mining Properties	Total
Cost							
Balances at beginning of year		₱2,935,579,522	₱176,228,529	₱2,566,488,843	₱44,167,841	₱2,610,656,684	₱5,722,464,735
Additions		–	1,496,470	9,301,383	–	9,301,383	10,797,853
Balances at end of year		2,935,579,522	177,724,999	2,575,790,226	44,167,841	2,619,958,067	5,733,262,588
Accumulated Depletion							
Balances at beginning of year		564,956,355	–	799,778,032	17,889,089	817,667,121	1,382,623,476
Depletion	18	17,345,665	–	42,668,508	167,222	42,835,730	60,181,395
Balances at end of year		582,302,020	–	842,446,540	18,056,311	860,502,851	1,442,804,871
Net Carrying Amount		₱2,353,277,502	₱177,724,999	₱1,733,343,686	₱26,111,530	₱1,759,455,216	₱4,290,457,717

### Mining Rights

Mining rights of the Group consist of:

	Dec. 31, 2024 (Audited)
Mining rights on explored resources of MMDC	₱712,464,137
Mining rights of BGRC, AMPI and BARI	1,640,813,365
	<b>₱2,353,277,502</b>

*Mining Rights on Explored Resources of MMDC.* This represents the excess of the fair value of the shares issued by the Company over the book value of the net assets of MMDC when the Company acquired 100% ownership in MMDC.

*Mining rights of BGRC, AMPI and BARI.* This represents the mining rights resulting from the merger of the Company with BHI and APMPC in 2017 (see Note 1).

### **Deferred Exploration Costs**

Deferred exploration costs pertain to the capitalized expenditures associated with finding specific mineral resources such as acquisition of rights to explore, geological and geophysical studies and exploration drilling and sampling.

### **Mine and Mining Properties**

*Mine Development Costs.* Mine development costs include the costs incurred on an already operating mine area. Such costs pertain to expenses incurred in sourcing new resources and converting these into reserves, road developments and developing additional mine yards.

*Mine Rehabilitation Asset.* Mine rehabilitation asset is the estimated rehabilitation cost of MMDC's mine site upon termination of its ore extraction activities, as required in its MPSA (see Note 15).

## **11. Other Noncurrent Assets**

This account consists of:

	Note	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Input VAT		<b>₱341,818,640</b>	₱340,927,381
Input VAT for refund		<b>88,389,809</b>	88,389,809
Final mine rehabilitation fund (FMRF)		<b>89,916,041</b>	89,916,041
Rehabilitation cash fund (RCF)	22	<b>5,677,795</b>	5,677,795
Rental deposit	22	<b>1,133,050</b>	1,133,050
Monitoring trust fund (MTF)		<b>167,435</b>	168,289
Others		<b>5,923,493</b>	5,891,162
		<b>₱533,027,120</b>	₱532,103,527

Input VAT for refund pertains to input VAT incurred on the purchase of goods or services and subsequently reported to the Bureau of Internal Revenue (BIR) for refund. This will be collected through cash or tax credit, with the final amount to be determined upon review and inspection of the BIR.

Final mine rehabilitation fund pertains to deposits to a Government depository bank in compliance with the requirements of regulatory agencies.

RCF is reserved as part of the Group's compliance with the approved rehabilitation activities and schedules for specific mining project phase, including research programs as defined in the Environmental Protection and Enhancement Program (see Note 22).

MTF is exclusively used in activities approved by the Mine Rehabilitation Fund Committee.

Interest income earned from FMRF, RCF and MTF is disclosed in Note 4.

## 12. Trade and Other Payables

This account consists of:

	Note	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Trade payables		<b>₱136,593,548</b>	₱125,997,983
Advances from customers		<b>156,591,601</b>	–
Accrued expenses:			
Compliance		<b>11,779,827</b>	11,747,307
Interest	13	<b>972,009</b>	972,009
Salaries and rent		<b>10,253,803</b>	319,347
Excise tax and other statutory payables		<b>42,834,373</b>	45,050,036
Others		<b>7,843,413</b>	6,516,898
		<b>₱366,868,575</b>	₱190,603,580

Trade payables primarily consist of liabilities arising from transactions with contractors and suppliers related to the normal course of business and are generally noninterest bearing. Trade payables are generally on a 90-day credit term.

Advances from customers pertain to noninterest bearing advances and refundable deposit made by customers for future ore shipments.

Accruals for compliance pertain to accrual of expenditures for Social Development Management Program, Community Development Program and other regulatory fees as required by the MGB, among others.

Other statutory payables include other taxes payable and mandatory contributions. These are normally settled within one (1) month after the reporting period.

## 13. Loans Payable

This account consists of:

	March 31, 2025 (Unaudited)	Dec. 31, 2024 (Audited)
Long-term loans	<b>₱51,828,569</b>	₱76,879,325
Less: Current portion	<b>18,502,844</b>	25,050,756
Noncurrent portion	<b>₱70,331,413</b>	₱51,828,569

In 2021, the Group entered into a six (6)-year ₱208.0 million term loan facility agreement with a local bank secured partly by a real estate mortgage on items of its property and equipment with carrying amounts of ₱45.9 million and ₱50.7 million as at March 31, 2025 and December 31, 2024, respectively (see Note 8), and its investment property with carrying amount of ₱16.1 million and ₱17.4 million, respectively, as at March 31, 2025 and December 31, 2024 (see Note 9). The loan is subject to an interest floor rate of 6% or prevailing interest rate at loan drawdown, whichever is higher.

Movements in the loans payable follows:

	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>
Balance at beginning of year	<b>₱76,879,325</b>	<b>₱132,604,857</b>
Payments	<b>(6,547,912)</b>	<b>(57,682,032)</b>
Availments	<b>—</b>	<b>1,956,500</b>
Balance at end of year	<b>₱ 70,331,413</b>	<b>₱76,879,325</b>

#### 14. Related Party Transactions

Significant transactions with related parties include the following:

##### Related Parties under Common Management

	Transaction Amounts		Outstanding Balances		Nature and Terms
	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>	
Advances to related parties	<b>₱706,797</b>	<b>₱—</b>	<b>₱3,661,862</b>	<b>₱2,955,065</b>	Working fund; unsecured; noninterest-bearing; Collectible on demand
Advances from related parties	<b>₱—</b>	<b>₱—</b>	<b>₱5,000,000</b>	<b>₱5,000,000</b>	Working fund; unsecured; noninterest-bearing; payable on demand

As at period ended March 31, 2025 and December 31, 2024, the Group has not provided any allowance for ECL for amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.

#### 15. Provision for Mine Rehabilitation and Decommissioning

Movements in this account are as follows:

	<b>Note</b>	<b>March 31, 2025 (Unaudited)</b>	<b>Dec. 31, 2024 (Audited)</b>
Balance at beginning of year		<b>₱65,696,379</b>	<b>₱62,847,468</b>
Accretion of interest	13	<b>—</b>	<b>2,848,911</b>
Balance at end of year		<b>₱65,696,379</b>	<b>₱65,696,379</b>

A provision is recognized for the estimated rehabilitation costs of the Group's mine site upon termination of the Group's ore extraction activities, which is about 13 years. There has been no change in material estimates, operations and requirements to warrant a change in previously estimated provision for mine rehabilitation and decommissioning.

The provision is calculated by the Group's engineers based on an estimate of the expected cost to be incurred to rehabilitate the mine site. The provision is presented at discounted value using the Philippine bond yield of 4.53% as the effective interest rate.



## 16. Retirement Benefit Liability

The Group has an unfunded, noncontributory defined benefit plan covering all its permanent employees. Under this plan, the employees are entitled to retirement benefits ranging from 50% to 200% of the final monthly salary for each year of credited service. This plan is in accordance with R.A. No. 7641, which mandates a minimum retirement benefit equivalent to one-half month salary per year of service.

An independent actuary conducted a valuation of the retirement benefit obligation using the projected unit credit method. The latest actuarial valuation is for the year ended December 31, 2024.

The principal actuarial assumptions used to determine retirement benefit liability as at December 31, 2024 and 2023 are as follows:

Discount rates	6.25% - 6.26%
Salary increase rates	4.00% - 5.00%

The plan exposes the Group to actuarial risks, such as interest rate risk and salary risk.

The components of retirement benefit expense presented under "Operating expenses" account in profit or loss are as follows (see Note 19):

	Dec. 31, 2024 (Audited)
Current service cost	₱6,362,524
Net interest cost	2,768,040
	<u>₱9,130,564</u>

The components of net retirement benefit liability presented in the statements of financial position is as follows:

	Dec. 31, 2024 (Audited)
Retirement benefit liability	₱64,288,966
Fair value of plan asset	14,958,136
	<u>₱49,330,830</u>

The retirement benefit liability recognized in the consolidated statements of financial position as at December 31, 2024 and changes in the present value of defined benefit obligation are as follows:

	Dec. 31, 2024 (Audited)
Balance at beginning of year	₱51,901,439
Retirement benefits expense recognized in profit or loss:	
Current service cost	6,362,524
Interest cost	3,248,104
Remeasurement losses (gains) recognized in OCI:	
Changes in financial assumptions	2,198,264
Deviations of experience from assumptions	787,291
Benefits paid	(208,656)
Balance at end of year	<u>₱64,288,966</u>

Movements in the fair value of plan assets are as follows:

	Dec. 31, 2024 (Audited)
Balance at beginning of year	₱7,672,955
Contributions	6,371,000
Remeasurement gain	642,773
Interest income	480,064
Benefits paid	(208,656)
Balance at end of year	₱14,958,136

Sensitivity analysis on defined benefit obligation as at December 31, 2024 is as follows:

	Change in basis points	Effect on defined benefit obligation Dec. 31, 2024 (Audited)
Salary increase rate	+1%	₱5,685,597
	-1%	(4,968,362)
Discount rate	+1%	(4,785,804)
	-1%	5,672,744

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the defined benefit obligation at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged.

The changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed more responsive.

The cumulative remeasurement gains recognized in OCI are as follows:

	December 31, 2024 (Audited)		
	Cumulative Remeasurement Gains	Deferred Tax Liability (see Note 21)	Net Remeasurement Gain
Balance at beginning of year	₱46,585,245	(₱11,657,201)	₱34,928,044
Actuarial loss	(2,342,782)	32,664	(2,310,118)
Balance at end of year	₱44,242,463	(₱11,624,537)	₱32,617,926

The average duration of the expected benefit payments at the end of the reporting period is 15 years.

## 17. Equity

Details of the Group's capital stock with ₱1 par value as at and for the period ended March 31, 2025, December 31, 2024, and 2023 follows:

	Shares	Amount
<b>Authorized</b>	4,000,000,000	₱4,000,000,000
<b>Issued and Outstanding</b>		
Balance at beginning and end of year	3,014,820,305	₱3,014,820,305
<b>Additional Paid-in Capital</b>		
Balance at beginning and end of year		₱269,199,788

### Cash Dividends

Date of Declaration	Date of Record	Date of Payment	Dividend per Share	Total Cash Dividends
December 7, 2023	January 12, 2024	January 26, 2024	₱0.10	₱301,482,030

Dividends payable amounted to ₱14.9 million and ₱312.0 million as at December 31, 2024 and 2023, respectively.

## 18. Cost of Sales

This account consists of:

For Three Months Ended March 31, (Unaudited)				
	Note	2025	2024	2023
Contractual services		₱15,185,277	₱16,109,503	₱73,798,113
Production overhead		20,626,754	17,693,532	36,851,748
Salaries and allowances		26,216,613	23,970,363	27,021,259
Excise tax		—	—	2,822,803
Depletion	10	3,077,595	1,539,803	1,703,309
Demurrage		—	—	—
Depreciation	8	5,196,678	4,055,111	4,023,734
		63,368,312	63,368,312	146,220,966
Net movements in inventories		(70,302,917)	(63,368,312)	(63,524,980)
		₱—	₱—	₱82,695,986

Contractual services pertain to activities directly related to mining. The services include, among others, mine extraction, loading, hauling, barging and stevedoring.

Production overhead consists of repairs and maintenance of heavy equipment, utilities, mining supplies used, among others.

Excise tax pertains to the Government's share in an MPSA which is equivalent to 4.0% of gross output on mineral products.

## 19. Operating Expenses

This account consists of:

		For Three Months Ended March 31, (Unaudited)		
	Note	2024	2024	2023
Salaries and allowances		<b>₱16,221,497</b>	₱18,029,845	₱16,035,955
Taxes and licenses		<b>10,602,674</b>	27,538,720	17,643,110
Environmental expenses	22	<b>5,116,378</b>	5,206,355	8,284,104
Professional fees		<b>12,679,661</b>	13,766,827	7,876,403
Social development programs	22	<b>1,469,544</b>	1,406,507	797,588
Representation		<b>25,064,824</b>	1,761,294	5,766,193
Royalties	22	—	—	1,236,092
Outside services		<b>1,640,037</b>	3,579,670	4,066,375
Community relations		<b>1,402,486</b>	1,443,345	1,620,052
Depreciation and amortization	8	<b>909,563</b>	3,164,031	2,186,362
Rent expense	22	<b>267,458</b>	1,786,600	944,203
Communication, light and water		<b>753,945</b>	1,003,167	835,813
Transportation and travel		<b>161,502</b>	763,696	414,819
Provision for ECL	5	—	180,000	—
Others		<b>2,828,321</b>	33,660,965	10,603,365
		<b>₱79,117,890</b>	<b>₱113,291,022</b>	<b>₱78,310,434</b>

Others include dues and subscriptions, regulatory fees, repairs and maintenance and office supplies expense.

## 20. Other Income (Loss)

This account consists of:

		For Three Months Ended March 31, (Unaudited)		
	Note	2025	2024	2023
Rent income	22	<b>₱300,000</b>	₱300,000	₱200,000
Foreign Exchange Gain(Loss)		<b>(241,504)</b>	721,080	(1,380,407)
Others		<b>103,472</b>	—	31,899
		<b>₱161,968</b>	<b>₱1,021,080</b>	<b>(₱1,148,508)</b>

## 21. Income Taxes

The components of income tax benefit are shown below:

		For Three Months Ended March 31, (Unaudited)		
		2025	2024	2023
Current tax benefits		<b>₱24,079,909</b>	₱23,308,420	₱10,941,280
		<b>₱24,079,909</b>	<b>₱23,308,420</b>	<b>₱10,941,280</b>

The Group's net deferred tax assets arising from temporary differences are summarized as follows:

	Dec. 31, 2024 (Audited)
Deferred tax assets:	
Retirement benefit liability	₱10,152,192
Provision for mine rehabilitation	5,474,562
Allowance for obsolescence on mining supplies	3,910,092
Net operating loss	—
	19,536,846
Deferred tax liability -	
Unrealized foreign exchange gain	(2,682)
	₱19,534,164

The presentation of net deferred tax assets are as follows:

	Note	Dec. 31, 2023 (Audited)
Through profit or loss		₱31,158,701
Through other comprehensive income	16	(11,624,537)
		₱19,534,164

The Group's deferred tax liability amounting to ₱442.0 million as at December 31, 2024 and 2023, is attributable to the mining rights of BGRC, AMPI and BARI, as a result of business combination.

Management believes that it may Details of NOLCO of the Group are as follows:

Year Incurred	Expiry Date	Amount	Applied	Expired	Balance
2024	2027	₱60,551,154	₱—	₱—	₱60,551,154
2023	2026	55,501,652	—	—	55,501,652
2022	2025	66,025,714	—	—	66,025,714
2021	2026	69,189,004	—	—	69,189,004
2020	2025	89,254,499	—	—	89,254,499
		₱340,522,023	₱—	₱—	₱340,522,023

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 25-2020 to implement Section 4 of R.A. No. 11494, otherwise known as "Bayanihan to Recover as One Act". This RR provides that net operating loss of a business or enterprise for taxable years 2020 and 2021 are to be carried over as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Details of Excess MCIT over RCIT of the Group are as follows:

Year Incurred	Expiry Date	Amount	Applied	Expired	Balance
2024	2027	₱24,000	₱—	₱—	₱24,000
2023	2026	20,700	—	—	20,700
2022	2025	3,000	—	—	3,000
2021	2024	2,471	—	(2,471)	—
		₱50,171	₱—	(₱2,471)	₱47,700

## 22. Commitments and Contingencies

### Social and Environmental Responsibilities

#### **Social Development and Management Programs (SDMP)**

SDMP are five (5)-year projects identified and approved for implementation in the communities covered by the MPSA. The Group provides an annual budget for SDMP projects that focus on health, education, livelihood, public utilities and socio-cultural preservation. The implementation of the program is monitored by the MGB.

#### **Environmental Protection and Enhancement Program (EPEP)**

EPEP refers to the comprehensive and strategic environmental management plan to achieve the environmental management objectives, criteria and commitments including protection and rehabilitation of the affected environment within the Group's mining areas. This program is monitored by the Multipartite Monitoring Team, a group headed by a representative from the Regional MGB and representatives of Local Government Units (LGU), other government agencies, non-government organizations, the church sector and the representatives of the Group.

#### **Royalty Agreement**

In July 2008, the Group entered into a memorandum of agreement with Indigenous Cultural Communities/Indigenous People (ICC/IP) and NCIP pursuant to the requirements of its MPSA. The Group pays royalties equivalent to a certain percentage of gross revenue to the ICC/IP.

#### **Operating Lease Agreements – Group as a Lessee**

The Group leases an office space for its operations. Rental deposit amounted to ₱1.13 million as at March 31, 2025 and December 31, 2024. (see Note 11).

#### **Other Claims**

The Group is either a defendant or plaintiff in other claims and disputes which are normal to its business. The management believes that the ultimate liability, if any, with respect to such claims, and disputes will not materially affect the financial position of the Group.

## 23. Loss Per Share

Loss per share is computed as follows:

	<b>For Three Months Ended March 31, (Unaudited)</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Net loss shown in the consolidated statements of comprehensive income (a)	<b>(₱53,692,900)</b>	(₱91,500,715)	(₱36,149,545)
Weighted average number of common shares (b)	<b>3,014,820,305</b>	3,014,820,305	3,014,820,305
Basic loss per share (a/b)	<b>(₱0.020)</b>	(₱0.030)	(₱0.010)

The Group does not have potentially dilutive common shares.

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## 24. Financial Risk Management Objectives and Policies and Fair Value Measurement

### **General**

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

### **Financial Risk Management Objectives and Policies**

The Group's principal financial instruments consist of cash and cash equivalents, and loans payable. The primary purpose of these financial instruments is to finance the Group's operations. The Group has other financial instruments such as trade and other receivables (excluding advances to officers and employees), FMRF, RCF, rental deposit, MTF, trade and other payables (excluding excise tax and other statutory payables and advances from customers), dividends payable and advances to and from related parties, which arise directly from operations. The main risks arising from the use of these financial instruments are foreign currency risk, credit risk, and liquidity risk. Management reviews and approves the policies for managing each of these risks which are summarized below.

*Foreign Currency Risk.* The Group's foreign exchange risk results primarily from movements of the Philippine peso against the US dollar with respect to US dollar-denominated financial assets. The Group's transactional currency exposures arise from its cash in banks and trade receivables which are denominated in US dollar. The Group periodically reviews the trend of the foreign exchange rates to address its exposure in foreign currency risk.

*Credit Risk.* Credit risk arising from the inability of a counterparty to meet the terms of the Group's financial instrument is generally limited to the amount, if any, by which the counterparty's obligations exceed the obligation of the Group. With respect to credit risk arising from the other financial assets of the Group, which comprise cash in banks and cash equivalents, trade and other receivables (excluding advances to officers and employees) and advances to related parties, RCF, MTF and rental deposit, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Customer credit risk from trade and other receivables is managed by the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The calculation of provision rates reflects the information that is available at the reporting date about past events, current conditions and forecast of future economic conditions. Generally, trade receivables are written-off if the Group has actually ascertained that these are worthless and uncollectible as of the end of the year.

The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

For other financial assets consisting of cash in banks, advances to related parties, RCF, MTF and rental deposit, the Group established controls and procedures on its credit policy to determine and monitor the credit worthiness of counterparties.

The credit quality of the financial assets is managed by the Group using internal credit quality ratings.

High grade accounts consist of receivable from debtors with good financial condition and with relatively low defaults. Financial assets having risks of default but are still collectible are considered standard grade accounts. Past due but not impaired accounts are still collectible but require persistent effort from the Group to collect.

Cash in banks, RCF and MTF are classified as high grade since these are deposited in reputable banks having good credit rating and low probability of insolvency. While the advances to related parties is classified under standard grade since the counterparties are reputable related parties with low credit risk.

*Liquidity Risk.* The Group manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements, including debt principal and interest payments. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves and reserve borrowing facilities as necessary in accordance with internal policies.

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## **25. Capital Management Objectives, Policies and Procedures**

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk. The Group manages its capital structure and makes adjustments to it, whenever there are changes in economic conditions. The Group monitors its capital using debt to equity ratio. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or by conversion of related party advances to an equity component item.



**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**  
**FOR THE PERIOD ENDED MARCH 31, 2025 AND 2024**

Ratio	Formula	March 31, (Unaudited)	
		2025	2024
Current ratio	Total Current Assets	<b>₱915,897,150</b>	₱562,378,290
	Divided by: Total Current Liabilities	<b>453,966,446</b>	324,910,595
	Current ratio	<b>2.02:1</b>	1.73:1
Acid test ratio	Total Current Assets less Inventory	<b>₱591,971,527</b>	₱218,014,304
	Divided by: Total Current Liabilities	<b>453,966,446</b>	324,910,595
	Current ratio	<b>1.30:1</b>	0.67:1
Solvency ratio	Net Loss Before Depreciation and Amortization, and Depletion	<b>(₱62,876,736)</b>	(₱100,259,660)
	Divide by: Total liabilities	<b>1,070,768,537</b>	981,368,955
	Solvency ratio	<b>(0.06):1</b>	(0.10):1
Debt-to-equity ratio	Total Liabilities	<b>₱1,070,768,537</b>	₱981,368,955
	Divide by: Total equity	<b>4,859,487,817</b>	4,705,872,875
	Debt-to-equity ratio	<b>0.22:1</b>	0.21:1
Asset-to-equity ratio	Total Assets	<b>₱5,930,256,354</b>	₱5,687,241,830
	Divide by: Total equity	<b>4,859,487,817</b>	4,705,872,875
	Asset-to-equity ratio	<b>1.22</b>	1.21:1
Interest rate coverage ratio	Pretax loss before interest	<b>(₱76,436,971)</b>	(110,870,079)
	Divided by: Interest expense	<b>1,335,838</b>	3,939,056
	Interest rate coverage ratio	<b>(57.22):1</b>	(28.15):1
Return on asset	Net loss	<b>(₱53,692,900)</b>	(₱91,500,715)
	Divide by: Total average assets	<b>5,868,272,792</b>	5,917,706,135
	Return on asset ratio	<b>(0.01)</b>	(0.02):1
Return on equity	Net loss	<b>(₱53,692,900)</b>	(₱91,500,715)
	Divide by: Total average equity	<b>4,886,334,267</b>	4,807,609,491
	Return on equity ratio	<b>(0.01)</b>	(0.02):1
Net profit margin ratio	Net loss	<b>(₱53,692,900)</b>	(₱91,500,715)
	Divide by: Total revenue	<b>—</b>	—
	Net profit margin ratio	<b>N/A</b>	N/A

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**

**SCHEDULE OF AGING OF RECEIVABLES**

As at March 31, 2025

	<b>Trade Receivables</b>	<b>Advances</b>	<b>Others</b>	<b>Total</b>
30 – 60 days	₱–	₱19,850,130	₱ 13,801,677	₱ 33,651,807
61 – 90 days	–	11,910,078	8,482,606	20,392,684
>90 days	–	7,940,052	5,520,671	13,460,723
Allowance for ECL	–	–	(201,600)	(201,600)
	<b>₱–</b>	<b>₱39,700,259</b>	<b>₱27,603,354</b>	<b>₱67,303,613</b>



**To : All Concerned Stakeholders**  
**From : Jayvhel T. Guzman**  
**Subject : Summary of Exploration Results for the 1<sup>st</sup> Quarter 2025 in SEC 17Q**  
**Cc : ACS/RSS/EMF**  
**Date : 16 May 2025**


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For the first quarter of 2025, Marcventures Holdings Inc. reports no exploration activities were conducted across its subsidiaries, namely Marcventures Mining and Development Corporation, Brightgreen Resources Corporation, Alumina Mining Philippines Inc., and Bauxite Resources Inc.

While the company maintains its commitment to advancing its mineral resource base, exploration programs have not yet commenced during the reporting period. Planning and preparatory activities for future exploration campaigns are ongoing, with the timing of fieldwork subject to regulatory approvals, logistical considerations, and strategic priorities.

Marcventures remains focused on aligning its exploration initiatives with long-term growth objectives and responsible resource development. Updates on exploration activities will be provided in subsequent reporting periods as developments occur.

For your information and reference:

  
**Jayvhel T. Guzman**  
Registered Professional Geologist No. 1653  
PMRC Accredited Competent Person in Geology No. 18-11-01  
PTR No. 10468944 issued on 06 January 2025 at Makati City

*This quarterly summary of exploration results was prepared by Ms. Jayvhel T. Guzman, Assistant Vice President for Geology of Marcventures Mining and Development Corporation, who has sufficient experience relevant to the style of mineralization MMDC, BRC, AMPI, and BARI projects. Ms. Guzman is an Accredited Competent Person (ACP) for Exploration and Mineral Resource Estimation under the definition of the Philippine Mineral Reporting Code (PMRC). She is a professional Geologist with PRC License No. 1653 and accreditation number Geology CP-18-11-01. She has given consent to the public reporting of this statement concerning the summary of exploration results for the Company.*





## **ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES**

### **Accredited Competent Person's Consent Form**

Pursuant to the requirements under the prevailing The Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Public Report or Technical Report Name to the Publicly Released:  
**Summary of Exploration Results for the 1<sup>st</sup> Quarter 2025 in SEC 17Q**

Name of Company releasing the Public Report:  
**Marcventures Holdings, Inc.**

Name of Mineral Deposit to which the Public Report refers to:  
**MMDC Carrascal-Cantilan Nickel Laterite Project**  
**BRC Surigao Nickel Laterite Project**  
**AMPI Samar Bauxite Project**  
**BARI Samar Bauxite Project**

Data Cut-off Date:  
**March 31, 2025**

Report Date:  
**May 16, 2025**

### Consent Statement

I, Jayvhel Tria Guzman, of legal age, with postal address at Block 18 Lot 25 Sugartowne Subdivision, Batasan Hills, Quezon City, do hereby certify that:


- I am a graduate of the University of the Philippines with a Bachelor of Science degree in Geology in 2006 and of the Philippine Christian University with a Master of Business Administration degree in 2023.
- I am a registered Professional Geologist with License No. 1653 under the Philippine Professional Regulation Commission (PRC) and a member of good standing of the Geological Society of the Philippines (GSP).
- I am an Accredited Competent Person (ACP) under the definition of the Philippine Mineral Reporting Code (PMRC) with accreditation number 18-11-01, having a minimum of five years relevant experience in the style of mineralization and type of mineral deposit described in the Report, and to the activity for which I am accepting responsibility.
- I have worked as a Geologist in the mining industry for over 17 years and have sufficient relevant experience on mineral resource estimation specifically of nickel laterite, lateritic and karstic bauxite, limestone and cement raw material, and aggregate and construction materials.
- I am currently employed as the Assistance Vice President for Geology of Marcventures Mining and Development Corporation (MMDC).
- I am responsible for the preparation of the public report ***“Summary of Exploration Results for the 1st Quarter 2025 in SEC 17Q”***.
- This report is based on available data and information as of March 31, 2025 and has been prepared in accordance with the Philippine Mineral Reporting Code (PMRC) 2020 Edition and its Implementing Rules and Regulations.
- I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issues that could be perceived by investors as a conflict of interest.
- I verify that the Public Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources and to the best of my knowledge, all technical information that are required to make this Public Report not misleading, false, inaccurate or incorrect, have been included.
- I have attached to this Consent Statement copies of my relevant Professional Regulation Commission (PRC) professional identification card, Accredited Competent Person identification card, and Professional Tax Receipt.





### Consent

I consent to the release and public disclosure of the Public Report and this Consent Statement by the Board of Directors of MARCVENTURES HOLDINGS, INC., for reporting the summary of exploration results for 1<sup>st</sup> Quarter 2025 in SEC 17Q.

 _____ Jayvhel T. Guzman Accredited Competent Person	_____ May 16, 2025 Date
--	-------------------------------

Geological Society of the Philippines  
Professional Representative Organization of the ACP

PRC Registration No. 1653/valid until January 18, 2027  
ACP ID/Certificate No. 18-11-01/valid until January 18, 2027  
Professional Tax Receipt No. 10468944 issued on 06 January 2025 at Makati City

## ACKNOWLEDGMENT

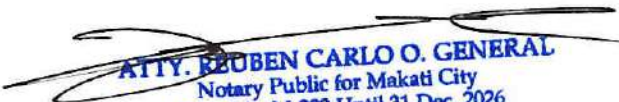
REPUBLIC OF THE PHILIPPINES)

) S.S.  
MAY 16 2025

**BEFORE ME**, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, personally appeared before me Jayvhel T. Guzman with PRC Professional Identification Card with Registration No. 1653 valid January 18, 2027, known to me be the same person who executed this instrument, which he acknowledged before me as his free and voluntary act and deed.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 33 ;  
Page No. 8 ;  
Book No. I ;  
Series of 2025.

  
**ATTY. REUBEN CARLO O. GENERAL**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2026  
Roll of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-10476980MN; 01/13/2025  
MCLE Compliance No. VII-0018681;  
3F ALPAP Building, 1156  
Sulay Road, Village, Makati City

[Append here the scanned copies of the ACP's Valid PRC Professional Identification Card (PIC), APC identification card (or accreditation certificate), and Professional Tax Receipt]



Republic of the Philippines

**PROFESSIONAL REGULATION COMMISSION**  
**PROFESSIONAL IDENTIFICATION CARD**



LAST NAME ► GUZMAN  
FIRST NAME ► JAYVHEL  
MIDDLE NAME ► TRIA  
REGISTRATION NO. ► 0001653  
REGISTRATION DATE ► 10/30/2007  
VALID UNTIL ► 01/18/2027

**GEOLOGIST**





Professional Regulation Commission  
www.prc.gov.ph

CERTIFICATION

23-6764742

This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

  
CHARITO A. ZAMORA  
Chairperson



**ACCREDITED COMPETENT PERSON**

**Geologist**

NAME: **JAYVHEL T. GUZMAN**

ACP No.: **18-11-01**

PRC ID No.: **1653**

VALID UNTIL: **January 18, 2027**



This is to certify that the person whose name, signature and photo appear in this card is an **ACCREDITED COMPETENT PERSON** registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

**JAYVHEL T. GUZMAN**  
Miner

**CICERON A. ANGELES, JR.**

Chair  
Competent Person Appointment Committee

**JOEY NELSON R. AYSON**

President  
Geological Society of the Philippines



If found, kindly email [contact@pmrc.org.ph](mailto:contact@pmrc.org.ph) or write message to <https://www.facebook.com/jayvhel165314467796925>

Email: [pmrc@geosocphil.com](mailto:pmrc@geosocphil.com)  
<https://www.geosocphil.com>



**OFFICIAL RECEIPT**  
Republic of the Philippines  
**City of Makati**  
**OFFICE OF THE TREASURER**



MISCELLANEOUS TAXES AND FEES DIVISION 101

Accountable Form No. 51  
Revised January, 1992

**ORIGINAL**

DATE

01/06/2025

No. **MKT 10468944**

10468944MN

PAYOR

TRAN #: 0051699

**GUZMAN, JAYVHEL TRIA**

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PROFESSIONAL TAX	Php	P 300.00
Sub-Total	Php	300.00
GEOLOGIST, 2025.	P	
		PHP 300.00
AMOUNT IN WORDS THREE HUNDRED PESOS		
		12/31/2025

Received	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Treasury Warrant <input type="checkbox"/> Check <input type="checkbox"/> Money Order	Received the Amount Stated Above. <b>PAULINA A. OBRADOR</b>
Treasury Warrant, Check, Money Order Number		
Date of Treasury Warrant, Check, Money Order		
Cash PHP 300.00		<b>JESUSA E. CUNETA</b> City Treasurer Collecting Officer

Note: Write the number and date of this receipt on the back of treasury warrant, check or money order received



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



**The following document has been received:**

**Receiving:** DONNA ENCARNADO

**Receipt Date and Time:** May 30, 2025 01:07:50 PM

## Company Information

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**SEC Registration No.:** 0000012942

**Company Name:** MARCVENTURES HOLDINGS, INC.

**Industry Classification:** J66940

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10530202583435968

**Document Type:** I-ACGR

**Document Code:** I-ACGR

**Period Covered:** December 31, 2024

**Submission Type:** Annual

**Remarks:** None

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Acceptance of this document is subject to review of forms and contents

COVER SHEET

1	2	9	4	2					
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SEC Registration Number

M	A	R	C	V	E	N	T	U	R	E	S		H	O	L	D	I	N	G	S	,		I	N	C	.						
(	F	O	R	M	E	R	L	Y	:		A	J	O	.	N	E	T		H	O	L	D	I	N	G	S	,		I	N	C	.)

(Company's Full Name)

U	N	I	T		4	-	3		4	T	H		F	L	R	.		B	D	O		T	O	W	E	R	S					
P	A	S	E	O		(	F	O	R	M	E	R	L	Y	:		C	I	T	I	B	A	N	K		C	E	N	T	E	R	)
8	7	4	1		P	A	S	E	O		D	E		R	O	X	A	S		M	A	K	A	T	I		C	I	T	Y		

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

ROLANDO S. SANTOS

Contact Person

8831-4479

Company Telephone Number

--	--	--	--

Month Day  
Fiscal Year

SEC FORM I-ACGR  
(Integrated Annual Corporate Governance Report 2024)

FORM TYPE

--	--	--	--

Month Day  
Annual Meeting

N/A

Secondary License Type, If Applicable

--	--	--	--

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

nil

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes



SEC FORM – I-ACGR

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

### GENERAL INSTRUCTIONS

#### A. Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies' compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the "comply or explain" approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

#### B. Preparation of Report

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

RECOMMENDED CG PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Contains CG Practices/ Policies, labelled as follows:</p> <p>(1) "Recommendations" – derived from the CG Code for PLCs;</p> <p>(2) "Supplement to Recommendation" – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) "Additional Recommendations" – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) "Optional Recommendation" – practices taken from the</p>	<p>The company shall indicate compliance or non-compliance with the recommended practice.</p>	<p>The company shall provide additional information to support their compliance with the recommended CG practice.</p>	<p>The PLCs shall provide the explanations for any non-compliance, pursuant to the "comply or explain" approach.</p> <p>Please note that the explanation given should describe the non-compliance and include by the company.</p> <p>*"Not Applicable" or "None" shall not be considered as sufficient explanation</p>

<p>ASEAN Corporate Governance Scorecard</p> <p>*Items under (1) – (3) must be answered/disclosed by the PLCs following the “comply or explain” approach. Answering of items under (4) are left to the discretion of PLCs.</p>			
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C. Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission on or before May 30 of the following year for every year that the company remains listed in the PSE.
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear original and manual signatures.
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 31 December 2024
2. SEC Identification Number 12942
3. BIR Tax Identification No. 000-104-320-000
4. Exact name of issuer as specified in its charter. **Marcventures Holdings, Inc.**
5. Manila, Philippines  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. 4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741, Paseo de Roxas, Makati 1227  
Address of principal office Postal Code
8. (+632)8831-4479 or (+632)8831-4483  
Issuer's telephone number, including area code
9. n/a  
Former name, former address, and former fiscal year, if changed since last report.



INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT, NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p><i>Provide information or link/reference to a document containing information on the following:</i></p> <ol style="list-style-type: none"> <li><i>1.Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors</i></li> <li><i>2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</i></li> </ol> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Website: Board of Directors and Officers</b>  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 1(1.1)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 9: Directors and Executive Officers of the Registrant, pages 29-33</b></p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>  <b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
2. Board has an appropriate mix of competence and expertise.	Compliant	<b>Website: Board of Directors and Officers</b> <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a>  <b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 1(1.1)</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>  <b>PSE Disclosure: 2024 Annual Report, Ref: Item 9: Directors and Executive Officers of the Registrant, pages 29-33</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>  <b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	

<p>3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.</p>	<p>Compliant</p>	<p><b>Website: Board of Directors and Officers</b>  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 9: Directors and Executive Officers of the Registrant, pages 29-33</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 1.2</b>			
<p>1. Board is composed of a majority of non-executive directors</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to a document identifying the directors and the type of their directorships.</i></p> <p>MHI currently has nine (9) directors in accordance with Sixth Article of MHI's amended Articles of Incorporation (AOI) dated 28 March 2022. All are non-executive directors.</p> <p><b>PSE Disclosure: Amended Articles of Incorporation dated 28 March 2022</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=95d6cc9b5adf7e683470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=95d6cc9b5adf7e683470cea4b051ca8f</a></p> <p><b>Website: Board of Directors and Officers</b>  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10,</b></p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>  <b>2024 General Information Sheet, Ref: page 4</b> <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a>	
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 1(1.3)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>The Company provides an annual training program from an SEC-accredited provider. The training programs vary each year and cover a range of matters, including traditional corporate governance topics such as audit, internal controls, anti-corruption and risk management. In 2024, the topics discussed during the Corporate Governance Training held on 16 August 2024 were on:</p> <p>a. Review of Code of Corporate Governance Code for Publicly-Listed Companies  b. Corporate Sustainability/Sustainability Reporting</p>	

		<p>c. 2024 Global and Regional Trends in Corporate Governance</p> <p>d. RP Economic Statistics</p> <p>e. Global and Local Economic, Political and Other Challenges</p> <p>f. Impact of Artificial Intelligence on Business and Society</p> <p>SEC Form – I-ACGR * Updated 21Dec2017</p> <p>Page 8 of 88</p> <p>Business and Society</p> <p>The Company has no formal Board Charter and policy on training. However, all Directors and officers undergo a yearly 5-hour training program with SEC-certified providers.</p> <p>The Certificates of Attendance to the training program for 2024 were submitted to both the SEC and PSE.</p> <p><b>Advisement Letter</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0</a></p>	
2. Company has an orientation program for first time directors.	Compliant	<p><i>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 1(1.3)</b></p>	

		<a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a> <p>The Company provides annual training and/or seminar to its directors and officers from an SEC-accredited provider. The orientation program is compulsory for all members to participate, including first-time directors. The Company also encourages the directors to participate in seminars conducted by reputable providers.</p> <p>The President, Chairman, and the Board have a responsibility to ensure that first-time directors are given proper support in learning their role so that they can get up to speed. All nominees are screened by the Nominations and Compensation Committee and are informed in advance of the board's mandate and areas of responsibility, organizational structure, operations and key personnel, terms of directors, committee membership, chairs etc., board work plan, including current projects and priorities, board culture and protocols relating to motions, voting, agenda, and telephone participation, among others.</p>	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>The Company has no formal Board Charter on training. However, all Directors and officers undergo a yearly 5-hour training program with SEC-certified providers.</p> <p>The Certificates of Attendance to the training program for 2024 were submitted to both the SEC and PSE.</p> <p><b>Advisement Letter</b></p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0</a>  <b><u>Links/References are as follows:</u></b>  <b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 1(1.3) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	<i>Provide information on or link/reference to a document containing information on the company's board diversity policy.</i>  <i>Indicate gender composition of the board.</i>  <b><u>Links/References are as follows:</u></b>  <b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 1(1.4) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>  The Board has 9 members with 7 male and 2 female directors.  <b>Website: Board of Directors and Officers</b> <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a>  <b>PSE Disclosure: Amended Articles of Incorporation dated 28 March 2022</b>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=95d6cc9b5adf7e683470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=95d6cc9b5adf7e683470cea4b051ca8f</a>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Non-Compliant	<p><i>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</i></p> <p><i>Provide link or reference to a progress report in achieving its objectives.</i></p>	While the Company has no formal Board Diversity policy yet, MHI still practices board diversity by ensuring that the Board is composed of individuals with varying professional and personal backgrounds (namely from different fields, regional and industry experience, age, gender, culture, skills, background, competence and knowledge). Moving forward, the Company intends to institutionalize such practice by adopting the same in its Board Charter.
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	<p><i>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Corporate Secretary of MHI is Atty. Roberto V. San Jose  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p>	



		<p>The qualifications, duties, and responsibilities of the Corporate Secretary are disclosed in the 2020 Revised Manual on Corporate Governance of MHI.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b>  <i>Article 3, Item 1(1.5)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5 and 10,</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<p>MHI ensures that the functions of the Corporate Secretary are distinct and clearly delineated from the function of the Compliance Officer. This is laid down in the Company's 2020 Revised Manual on Corporate Governance.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b>  <i>Article 3, Item 1(1.5)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p>Corporate Secretary:</p>	

		<ul style="list-style-type: none"> <li>• Atty. Roberto V. San Jose</li> </ul> <p>Asst. Corporate Secretaries and Compliance Officers:</p> <ul style="list-style-type: none"> <li>• Atty. Ana Maria A. Katigbak</li> <li>• Atty. Rommel T. Casipe</li> </ul>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<p>The Corporate Secretary, Atty. Roberto V. San Jose, is not a member of the MHI Board of Directors.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Website: Board of Directors and Officers</b>  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5. Directors and Executive Officers, pages 5-10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p><i>Provide information or link/reference to a document containing information on the corporate governance</i></p>	

		<p><i>training attended, including number of hours and topics covered.</i></p> <p>MHI Officers participate in comprehensive training programs, and it is compulsory for all key officers to participate in on-going professional development training. In 2024, the topics discussed during the Corporate Governance Training held on 16 August 2024 were on:</p> <ul style="list-style-type: none"> <li>a. Review of Code of Corporate Governance Code for Publicly-Listed Companies</li> <li>b. Corporate Sustainability/Sustainability Reporting</li> <li>c. 2024 Global and Regional Trends in Corporate Governance</li> <li>d. RP Economic Statistics</li> <li>e. Global and Local Economic, Political and Other Challenges</li> <li>f. Impact of Artificial Intelligence on Business and Society</li> </ul> <p>The Certificates of Attendance to the training program for 2024 were submitted to both the SEC and PSE.</p> <p><b>Advisement Letter</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0</a></p>	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p><i>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting.</i></p> <p>Under Article 3, Item 1(1.5)(f) of the 2020 Revised Manual on Corporate Governance, it is the Corporate Secretary's</p>	

		<p>duty and responsibility to inform members of the Board, in accordance with MHI by-laws and its amendment/s, of the agenda of their meetings at least five (5) working days in advance prior to the date of the meeting, and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matter that require their approval.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 1(1.5)(f)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>The Asst. Corporate Secretary sends email notification to the Board on the agenda of the meeting at least five (5) business days before the scheduled meeting and provides advance copies of the materials (memos and reports) both via email and printed copies before the meeting. See sample screenshots of the emails (<b>Annex "A"</b>).</p>	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	<p><i>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company's Compliance Officers are Atty. Ana Maria A. Katigbak (Compliance Officer) and Atty. Rommel T. Casipe (Co-Compliance Officer)</p>	

		<a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a>  <b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 1(1.6)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>  <b>PSE Disclosure – Results of Organizational Meeting</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a>  <b>2024 General Information Sheet, Ref: page 4</b> <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a>  <b>SEC Form 20-IS, Ref: Item 5. Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-Compliant		The Compliance Officer, Atty. Ana Maria A. Katigbak, is engaged in a consultancy capacity. She is a Senior Partner in the Law Firm of Castillo Laman Tan Pantaleon & San Jose.
3. Compliance Officer is not a member of the board.	Compliant	Atty. Ana Maria A. Katigbak, the Company's Compliance Officer is not a member of the Board.  <b>PSE Disclosure – Results of Organizational meeting</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a>	

		<p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	
<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.</i></p> <p>MHI Officers participate in comprehensive training programs, and it is compulsory for all key officers to participate in on-going professional development training. The topics discussed during the Corporate Governance Training held on 16 August 2024 were on:</p> <ul style="list-style-type: none"> <li>a. Review of Code of Corporate Governance Code for Publicly-Listed Companies</li> <li>b. Corporate Sustainability/Sustainability Reporting</li> <li>c. 2024 Global and Regional Trends in Corporate Governance</li> <li>d. RP Economic Statistics</li> <li>e. Global and Local Economic, Political and Other Challenges</li> <li>f. Impact of Artificial Intelligence on Business and Society</li> </ul> <p>The Certificates of Attendance to the training program for 2024 were submitted to both the SEC and PSE.</p> <p><b><u>Links/References are as follows:</u></b></p>	

		<b>Advisement Letter</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=72ec2e511e8c84c6abca0fa0c5b4e4d0</a>	
<b>Principle 2:</b> The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
<b>Recommendation 2.1</b>			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p><i>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting).</i></p> <p>Board of Directors actively participates during regular and special Board meetings. Further, the Chairman of the Board makes certain that the meeting agenda focuses on strategic and operational matters with the assistance of the Corporate Secretary, while taking into consideration the advice and suggestions of the Board and Management.</p> <p>The Directors are able to perform their duties and responsibilities through the timely provision of Board materials as well as easy and timely access to information or inputs for sound decision making.</p> <p>The Board ensures that key financial decisions related to investment/capital expenditure considered by various businesses in which the Company has direct equity undergo appropriate processes and approval.</p> <p>See sample Minutes of the Regular Meeting of the Board of Directors of MHI held on June 27,2024 <b>(Annex "B")</b></p>	

		<b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.1)</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
<b>Recommendation 2.2</b>			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p><i>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting).</i></p> <p><i>Indicate frequency of review of business objectives and strategy.</i></p> <p>The Board plays a leading role in the establishment of the Company's strategic framework, setting the overall strategic direction and reviewing and monitoring of its progress at least on a quarterly basis. It ensures that the implementation of existing policies and strategies, including business plans and overall performance of the Management team based on clear established performance matrix are periodically evaluated and monitored, and that the corporate activities and key management decisions are still aligned with the Company's vision and mission.</p> <p>Quarterly board meetings ensure regular reporting and monitoring of performance management while the Executive Committee monitors the progress of the implementation on a monthly and/or regular basis.</p>	



		<p>See Material Information Disclosures in the Company and PSE, Company website, and Minutes of the Board Meetings</p> <p>See sample Minutes of the Regular Meeting of the Board of Directors of MHI held on July 25, 2024 (<b>Annex “B”</b>)</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 2(2.2) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Board oversees and monitors the implementation of the company’s business objectives and strategy.	Compliant	<p>The Board leads the overall Company’s business direction and strategy and monitors Management’s performance.</p> <p>See sample Minutes of the Regular Meeting of the Board of Directors of MHI held on June 27, 2024 (<b>Annex “B”</b>)</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 2(2.2) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p><i>Indicate or provide link/reference to a document containing the company’s vision, mission and core values.</i></p> <p><i>Indicate frequency of review of the vision, mission and core values.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Website: Vision Mission Statement</b> <a href="https://marcventuresholdings.com.ph/vision-mission-statement/">https://marcventuresholdings.com.ph/vision-mission-statement/</a></p>	

2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p><i>Provide information on or link/reference to a document containing information on the strategy execution process.</i></p> <p>The Company is constantly reviewing and modifying processes to facilitate effective management and performance in harmony with the Company's business environment and culture. Management aims to develop a corporate culture which creates an environment that is conducive to performance improvement, shapes the way people act and interact, as a result, this culture influences how things get done. The Senior Officers closely collaborate with the aim of fostering organizational growth and development in support of its strategic goals.</p> <p>In 2024, the Board was supported in the performance of its functions by the following board committees:</p> <ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• Audit, Corporate Governance, Risk Oversight and Related Party Transaction Committee</li> <li>• Nomination and Compensation Committee</li> <li>• Investment Committee</li> <li>• Retirement Committee</li> </ul> <p>The Committees assist the Board in ensuring that the Company's business objectives and strategies are cascaded, implemented, and properly monitored within their specific spheres of functions.</p>	

		<p><b><u>Links/References are as follows:</u></b></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p>	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p><i>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications.</i></p> <p>See website for Information about Mr. Cesar Zalamea, Chairman  <a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5. Directors and Executive Officers, pages 5 and 6</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.3)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	

		<p>While the Company has no formal succession planning program in place to date, it has an Organizational Chart which is sufficient for purposes of succession planning of key officers and management.</p> <p>For Directors, the By-laws provide for a mechanism in case there is a vacant seat:</p> <p><b>Amended By-Laws dated November 15, 2023, Ref: Article II, Section 5</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.5.1.f)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Board adopts a policy on the retirement for directors and key officers.	Non-complaint	<p><b>Links/References are as follows:</b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.3)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	<p>While the Company has yet to adopt a formal policy for the retirement of its Directors, it follows general statutory mandates, and the basic components of a retirement policy are already in place. For its Key Officers, a Retirement Policy is already in place.</p> <p>On December 4, 2019, MHI Retirement Plan covering qualified employees and officers was presented to the Retirement Committee of MHI and the</p>

			<p>MHI Retirement Plan was approved by the Board during its regular meeting held on December 18, 2019.</p> <p>MHI's Retirement Fund Trustee-Bank is China Banking Corporation.</p> <p>On July 26, 2023, the Bureau of Internal Revenue (BIR) approved the MHI Retirement Plan.</p>
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p><i>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.4)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>The By-Laws of the Company grants compensation to the members of the Board in accordance with the provisions of the Corporation Code, as revised.</p> <ul style="list-style-type: none"> <li>• Sec. 29 of the Revised Corporation Code of the Philippines provides:</li> </ul> <p>Compensation of Directors. – In the absence of any provision in the by-laws fixing their compensation, the directors shall not receive any compensation in</p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		

		<p>their capacity as such, except for reasonable per diems: Provided, however, that the stockholders representing at least a majority of the outstanding capital stock may grant directors with compensation and approve the amount thereof at a regular or special meeting.</p> <p>In no case shall the total yearly compensation of directors exceed ten percent (10%) of the net income before income tax of the corporation during the preceding year.</p> <p>Directors shall not participate in the determination of their own per diems or compensation.</p>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	Compliant	<p><i>Provide proof of board approval.</i></p> <p>There was no instance in 2024 which required Board approval relative to remuneration of senior executives.</p> <p><b><u>Links/References are as follows:</u></b></p> <p>The remuneration of Executive directors can be found in the Company's 2020 Revised Manual on Corporate Governance.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b>  Article 3, Item 2(2.4)  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	

		<p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Section 6, Article II of the Company's Amended By-Laws dated November 15, 2023 states:</b>  A portion of the Company's annual net profits before tax shall be allocated as a performance-based bonus to be distributed among members of the Board of Directors, executive officers and consultants of the Company, as determined by the Board, provided that the total yearly compensation of Directors, as such directors duly approved by the vote of the stockholders representing at least majority of the outstanding capital stock shall not exceed 10% of the net income before income tax of the Company during the preceding year, in addition to any reasonable per diems that a Director may receive (Amended on November 14, 2014).</p>	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Non-Compliant	<p><i>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</i></p>	<p>The Company currently does not have any claw back provision or mechanism on deferred bonuses. This may not be necessary considering the size, structure, and operations of the Company.</p> <p>The Company also currently does not have a performance-pay system based on performance indicators, nor a scorecard to align the remuneration of the executive directors and senior executives with their performance.</p>

#### Recommendation 2.6

<p>1. Board has a formal and transparent board nomination and election policy.</p>	<p>Compliant</p>	<p><i>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.</i></p> <p><i>Provide proof if minority shareholders have a right to nominate candidates to the board.</i></p> <p><i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The nomination and selection process in electing directors are provided in the Company's 2020 Revised Manual on Corporate Governance, and in the Securities and Exchange Commission (SEC) Information Statement.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 2(2.5) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>SEC Form 20-IS, Ref:</b> Item 5. Directors and Executive Officers, pages 5-10 <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
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2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	<b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 2(2.5)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	The Corporation recognizes minority rights as embodied in the Revised Corporation Code which allow minority stockholders the right to cumulate their votes for election of directors and the right to nominate directors, among others.  <b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 2(2.5) &amp; Item 13(13.1)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	<b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 2(2.5)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	<b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 2(2.5)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	<b>2020 Revised Manual on Corporate Governance, Ref:</b> <i>Article 3, Item 2(2.5)</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
<b>Optional: Recommendation to 2.6</b>			

<p>1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.</p>	<p>Non-Compliant</p>	<p><i>Identify the professional search firm used or other external sources of candidates.</i></p>	<p>The Company currently does not use any professional search firm or other external sources of candidates. When searching candidates to the board or when conducting search for candidates to directorships, the Company receives recommendations from the members of the board or from stockholders. In this manner, the Board is aware of the capabilities of the candidate.</p>
<p><b>Recommendation 2.7</b></p>			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>Compliant</p>	<p><i>Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs.</i></p> <p><i>Identify transactions that were approved pursuant to the policy.</i></p> <p>While the Company has an existing policy of related party transactions, there is no transaction yet that has reached the materiality threshold.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Material Related Party Transactions Policy</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	

		<b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.6)</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<b>Material Related Party Transactions Policy, Ref: Part V. and VI.</b> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<b>Material Related Party Transactions Policy, Ref: Part II.</b> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a>	
<b>Supplement to Recommendations 2.7</b>			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered de minimis or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	<p><i>Provide information on a materiality threshold for RPT disclosure and approval, if any.</i></p> <p><i>Provide information on RPT categories.</i></p> <p>The Company's Material Related Party Transactions Policy defines who are Related Parties and pegs the materiality threshold of related party transactions at ten percent (10%) of the Company's total consolidated assets. It also provides for the guidelines in the review and approval of a material related party transaction and criteria in approving MRPT, disclosure and review, among others.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Material Related Party Transactions Policy, Ref: Part II.</b> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	

		<p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.6)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>PSE Disclosure: 2024 Annual Report:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	<p><i>Provide information on voting system, if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Material Related Party Transactions Policy, Ref: Part VI.</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p> <p>The Board further adopts the provisions of the Revised Corporation Code of the Philippines on approvals of related-party transactions.</p>	
<b>Recommendation 2.8</b>			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p><i>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</i></p> <p><i>Identify the Management team appointed.</i></p> <p><b><u>Links/References are as follows:</u></b></p>	

		<p>The Board is guided by the provisions of the Revised Corporation Code of the Philippines in the selection of certain officers.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.7)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Non-Compliant	<p><i>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</i></p> <p><i>Provide information on the assessment process and indicate frequency of assessment of performance.</i></p>	Although the Company has not adopted a formal policy on performance management, the Board clearly identifies and/or approves the Company's goals and objectives that are cascaded to all levels of the organization. Performance is gauged based on results that are discussed during the Management Committee weekly meetings and various internal committee meetings headed by the senior management officers.
<b>Recommendation 2.9</b>			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p><i>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</i></p> <p>The Company's performance management is centered on the goals set from the Company level down to Management, teams and individual level. Goals set are Specific, Measurable, Achievable, Realistic, and Time-based. Progress is discussed weekly during the management committee meetings and monthly during the executive committee meetings and in quarterly board meetings.</p>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards	Compliant		

set by the Board and Senior Management.		<p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.8)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<p><i>Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system.</i></p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p>Please refer to the 2020 Revised Manual on Corporate Governance.</p> <p>The Board, through the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee and Internal Audit Department, monitors and evaluates the adequacy and effectiveness of the Company's internal control system.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.9)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
3. Board approves the Internal Audit Charter.	Compliant	<p><i>Provide reference or link to the company's Internal Audit Charter.</i></p>	

		<b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b> <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>	
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Non-Compliant	<i>Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</i>	Although the Company has no comprehensive, enterprise wide ERM framework, the Company has an Enterprise Risk Management Policy ( <a href="https://marcventuresholdings.com.ph/enterprise-risk-management/">https://marcventuresholdings.com.ph/enterprise-risk-management/</a> ). The basic components of an ERM to address the various risks the Company is exposed to are already in place and it is in the process of providing for an ERM framework.
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Non-Compliant	<i>Provide proof of effectiveness of risk management strategies, if any.</i>  <b>MHI Enterprise Risk Management</b> <a href="https://marcventuresholdings.com.ph/enterprise-risk-management/">https://marcventuresholdings.com.ph/enterprise-risk-management/</a>  <b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(2.10)</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	<p>The Board of Directors and Management assess the various risks involved in its operations, including the agreements, contracts, and transactions it enters into. The Company has appointed an Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee whose duties and responsibilities include among others, the oversight of financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal, compliance and other risks of the Corporation, and crisis management.</p>

			The Company has an internal audit department tasked with directly reporting to the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee or the Board, in accordance with a yearly approved Audit Plan and in certain instances, on special audit matters.
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	<i>Provide link to the company's website where the Board Charter is disclosed.</i>  <b><u>Links/References are as follows:</u></b>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<b>Website: Board Committee Charters</b> <a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a>	
3. Board Charter is publicly available and posted on the company's website.	Compliant	<b>2020 Revised Manual on Corporate Governance</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<i>Provide information on or link/reference to a document showing company's insider trading policy.</i>  <b><u>Links/References are as follows:</u></b>	



		<b>Insider Trading Policy</b> <a href="https://marcventuresholdings.com.ph/insidertradingpolicy/">https://marcventuresholdings.com.ph/insidertradingpolicy/</a>  In addition to the foregoing Policy, the Company adheres to the rules and regulations of the Security and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE).	
<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	<i>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</i>  <b><u>Links/References are as follows:</u></b>  The Company does not have an express policy specifically on the grant of loans to directors. However, such transaction should be within the ambit of the Material Related Party Transactions Policy:  <b>Material Related Party Transactions Policy</b> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<i>Indicate the types of decision requiring board of directors' approval and where these are disclosed.</i>  <b><u>Links/References are as follows:</u></b>  <b>PSE Disclosure: PSE Edge Website</b> <a href="https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175">https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175</a>	

		<p><b>SEC Form 17-A (Annual Report)</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-a-annual-report/">https://marcventuresholdings.com.ph/sec-form-17-a-annual-report/</a></p> <p><b>SEC Form 17-C Reports</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-c-current-report/">https://marcventuresholdings.com.ph/sec-form-17-c-current-report/</a></p>	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p><b>Recommendation 3.1</b></p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on all the board committees established by the company.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>PSE Disclosure – Results of Organizational meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>Board Committees</b>  <a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	

<b>Recommendation 3.2</b>			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p><i>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</i></p> <p><i>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(3.2)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	<p><i>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Currently, the members of the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee are:</p> <ul style="list-style-type: none"> <li>• Chairman: Atty. Carlos Alfonso T. Ocampo (Independent Director; Non-Executive)</li> </ul>	

		<ul style="list-style-type: none"> <li>• Member: Mr. Michael L. Escaler (Non-Executive Director)</li> <li>• Member: Kwok Yam Ian Chan (Independent Director; Non-Executive Director)</li> </ul> <p>See <b>website</b> for information about Atty. Carlos Alfonso T. Ocampo, Mr. Michael L. Escaler, and Mr. Kwok Yam Ian Chan.</p> <p><b>PSE Disclosure – Results of Organizational meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>Board Committees</b>  <a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance.	Compliant	<p><i>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</i></p>	

		<p><b><u>Links/References are as follows:</u></b></p> <p>See <b>website</b> for Information about Atty. Carlos Alfonso T. Ocampo, Mr. Michael L. Escaler, and Mr. Kwok Yam Ian Chan.</p> <p><a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Non-compliant	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>Board Committees</b></p> <p><a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a></p>	<p>The Company's Audit Committee functions are also supplemented by its Corporate Governance, Risk Oversight, and Related Party Transactions committee functions.</p> <p>Atty. Carlos Alfonso T. Ocampo, an independent non-executive director, is the current Chairman of the Audit, Corporate Governance, Risk Oversight, and Related Party Transaction Committee.</p> <p>Considering the size, structure, and operations of the Company, several committees were merged into one committee with analogous functions.</p>
Supplement to Recommendation 3.2			

1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<i>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</i>	Not applicable. There were no non-audit services conducted by an external auditor for the year 2024.
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Non-Compliant	<i>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</i>	The Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee conducts meetings with the external audit team with representatives from the Management to explain the operations of the subsidiaries. However, the Committee has direct access to the external audit team at any point in time.
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	Non-Compliant	<i>Indicate the number of Audit Committee meetings during the year and provide proof.</i>	The Audit Committee held two (2) meetings for the year 2024.
2. Audit Committee approves the appointment and removal of the internal auditor.	Non-complaint	<i>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</i>	The Company has a Head of Internal Audit whose appointment was approved by the Board in 2020.  In 2024, there was no instance where an internal auditor was removed.
<b>Recommendation 3.3</b>			

<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	<p>Compliant</p>	<p><i>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions.</i></p> <p><i>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Currently, the functions of Corporate Governance Committee can be found under the Nominations and Corporate Governance Committee Charter. The Company will endeavor to update its charters to conform to the Company committees' reorganization since the functions of the Corporate Governance Committee are exercised by the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b>  Article 3, Item 3(3.3)  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Nominations and Corporate Governance Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Non-Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</i></p>	<p>The functions of the Corporate Governance Committee are exercised by the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee.</p>

		<p><b><u>Links/References are as follows:</u></b></p> <p>See <b>website</b> for Information about Atty. Carlos Alfonso T. Ocampo, Mr. Augusto C. Serafica, Jr., and Mr. Kwok Yam Ian Chan</p> <p><b>Board Committees</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>PSE Disclosure – Results of Organizational meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	<p>MHI only has two (2) independent directors in the Board who are both members of the Corporate Governance Committee – Atty. Carlos Alfonso T. Ocampo and Mr. Kwok Yam Ian Chan – who were both reelected as Independent Directors during the 26 July 2024 Annual Stockholders’ Meeting and Organizational Meeting.</p> <p>Currently, the members of the Corporate Governance Committee are:</p> <ul style="list-style-type: none"> <li>• Chairman: Atty. Carlos Alfonso T. Ocampo (Independent Director; Non-Executive Director)</li> <li>• Member: Augusto C. Serafica, Jr. (Non-Executive Director)</li> <li>• Member: Kwok Yam Ian Chan (Independent Director; Non-Executive Director)</li> </ul>
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</i></p> <p>Atty. Carlos Alfonso T. Ocampo, the Chairman of MHI’s Corporate Governance Committee, is an Independent Director as per MHI 2024 General Information Sheet.</p>	



		<p><u>Links/References are as follows:</u></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>Board Committees</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, page 10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	
<b>Optional: Recommendation 3.3</b>			
1. Corporate Governance Committee meet at least twice during the year.	Non-compliant	<i>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</i>	The Corporate Governance Committee did not have any meeting for the year 2024.
<b>Recommendation 3.4</b>			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Non-Compliant	<p><i>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions.</i></p> <p><u>Links/References are as follows:</u></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(3.3)</b></p>	Considering the size, structure, and operations of the Company, it does not have a separate BROC. The Board is assisted by the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee with responsibility for risk oversight as outlined in its committee charter.

		<a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>  <b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b> <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>	<b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b> <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  The establishment of a separate BROCC may not be necessary at this point considering the Company's minimal independent operations; being highly dependent on the performance of its subsidiaries which have their own independent audit, risk and control measures.  The Chairman of the BROCC is also the Chairman of the Audit, Corporate Governance, and Related Party Transactions Committees.  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  <b>PSE Disclosure – Results of Organizational Meeting</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a>
2. BROCC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<i>Provide information or link/reference to a document containing information on the members of the BROCC, including their qualifications and type of directorship.</i>  <b>PSE Disclosure – Results of Organizational Meeting</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a>  <b>Board Committees</b> <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  Currently, the members of the Audit, Corporate Governance, <u>Risk Oversight</u> and Related Party Transactions Committee are: <ul style="list-style-type: none"> <li>• Chairman: Atty. Carlos Alfonso T. Ocampo (Independent Director; Non-Executive)</li> <li>• Member: Augusto C. Serafica, Jr. (Non-Executive Director)</li> <li>• Member: Kwok Yam Ian Chan (Independent Director; Non-Executive Director)</li> </ul>	The establishment of a separate BROCC may not be necessary at this point considering the Company's minimal independent operations; being highly dependent on the performance of its subsidiaries which have their own independent audit, risk and control measures.  The Chairman of the BROCC is also the Chairman of the Audit, Corporate Governance, and Related Party Transactions Committees.  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  <b>PSE Disclosure – Results of Organizational Meeting</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a>

		<a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  <b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>  <b>2024 General Information Sheet, Ref: page 4</b> <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a>	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Non-complaint	<i>Provide information or link/reference to a document containing information on the Chairman of the BROCC.</i>	
4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	Complaint	<i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROCC.</i>  The members of the BROCC are also the members of the Audit, Corporate Governance, and Related Party Transactions Committees.  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a>  <b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
<b>Recommendation 3.5</b>			

<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></p> <p>The functions of the Related Party Transactions Committee are exercised by the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee.</p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(3.5)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>See <b>website</b> for Information about Atty. Carlos Alfonso T. Ocampo, Mr. Michael Escaler., and Mr. Kwok Yam Ian Chan.</p>	

		<p>Currently, the members of the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee are:</p> <ul style="list-style-type: none"> <li>• Chairman: Atty. Carlos Alfonso T. Ocampo (Independent Director; Non-Executive)</li> <li>• Member: Micheal Escaler (Non-Executive Director)</li> <li>• Member: Kwok Yam Ian Chan (Independent Director; Non-Executive Director)</li> </ul> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p> <p><b>Board Committees</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p>	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p><i>Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.</i></p> <p><b><u>Links/References are as follows:</u></b></p>	

2. Committee Charters provide standards for evaluating the performance of the Committees.	Complaint	<p><b>Board Committee Charters</b>  <a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(3.7)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Amended By-Laws dated November 15, 2023</b>  <a href="#">ARTICLES OF INCORPORATION / BY LAWS – MHI</a></p>	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<p><i>Provide link to company's website where the Committee Charters are disclosed.</i></p> <p><b>Board Committee Charters</b>  <a href="https://marcventuresholdings.com.ph/board-committees-charters/">https://marcventuresholdings.com.ph/board-committees-charters/</a></p>	
<p>Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.</p>			
<p><b>Recommendation 4.1</b></p>			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing	Compliant	<p><i>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</i></p>	

<p>conducted in accordance with the rules and regulations of the Commission.</p>		<p><i>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</i></p> <p>Notices of regular and special meetings sent by the Corporate Secretary/Asst. Corporate Secretary to the Board members as well as to Committee members in case of committee meetings include the statement <u>"Your presence is earnestly requested. Kindly advise the undersigned of your attendance and whether you will be attending the meeting in person or by teleconference facilities."</u>(See sample notice attached as <b>Annex "B"</b>)</p> <p><b>Board Attendance 2024</b> - See attached separate sheet attached as <b>Annex "C"</b>.</p> <p><b>Links/References are as follows:</b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(4.1)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<p><b>Board Attendance 2024</b> - See attached separate sheet attached as <b>Annex "C"</b>.</p>			
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>	<p>The Asst. Corporate Secretary sends email notification to the Board on the Agenda of the meeting at least five (5) business days before the scheduled meeting and provides advance copies of the materials (memoranda and reports) both via email and printed copies before the meeting. See sample screenshots of the emails (<b>Annex "A"</b>).</p>	

		<p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(4.1)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	Compliant	<p><i>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors.</i></p> <p>The Members of the Board and Committee actively participate in Board and Committee Meetings by asking questions or clarifications.</p> <p>See <b>Annex “D”</b> (portion of the Minutes of the Joint Meeting of the Audit Committee of MHI and Marcventures Mining and Development Corporation (MMDC), one of MHI’s subsidiaries, dated 28 November 2024 where Atty. Ocampo, Chairman of the Audit Committee of MHI, inquired as to the identification of risk as part of the internal audit plan.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(4.1)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 4.2</b>			



<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p><i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</i></p> <p><i>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance, Ref:</b> Article 3, Item 4(4.2) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>SEC From 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f7e62a2d16c8978f9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f7e62a2d16c8978f9e4dc6f6c9b65995</a></p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 9: Directors and Executive Officers of the Registrant, pages 29-33</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
<p><b>Recommendation 4.3</b></p>			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>Compliant</p>	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p><b><u>Links/References are as follows:</u></b></p>	

		<p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 4(4.3)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>For 2024, the members of the Board had no report on their additional directorship from another company.</p>	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	Currently, the Company does not have an executive director who serves in more than two boards of listed companies outside of the group.	
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	The Company sets the board of directors' meeting schedule at the start of the year.	
3. Board of directors meet at least six times during the year.	Compliant	<p><i>Indicate the number of board meetings during the year and provide proof.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>In 2024, the Board of Directors held seven (8) meetings.</p> <p><b>Board Attendance 2024</b> - See attached separate sheet attached as <b>Annex "C"</b>.</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-Compliant	<i>Indicate the required minimum quorum for board decisions.</i>	The Board observes the requirement of the Revised Corporation Code of the

			<p>Philippines and the Company by-laws which provides majority of the board to constitute quorum.</p> <p><b>Sec. 52 of the Revised Corporation Code of the Philippines provides:</b>  “Unless the articles of incorporation or the by-laws provides for a greater majority, a majority of the directors as stated in the articles of incorporation shall constitute a quorum to transact corporate business, and every decision reached by at least a majority of the directors constituting a quorum, except for the election of officers which shall require the vote of a majority of all the members of the board, shall be valid as a corporate act.”</p> <p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Section 2, Article II. of the Amended By-Laws dated November 15, 2023 provides</b> “xxx A majority of the Board of Directors at a meeting duly assembled shall be necessary to constitute a quorum for the transaction of business, and the act of majority of a quorum so present shall be valid as a corporate act.”</p>
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.

**Recommendation 5.1**

<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p>Non-Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the number of independent directors in the board.</i></p> <p><b>Links/References are as follows:</b>  <b>2025 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p>	<p>The Company currently has two (2) independent directors (Atty. Carlos Alfonso T. Ocampo and Mr. Kwok Yam Ian Chan).</p> <p>The Company currently has nine (9) directors in the board in accordance with its Amended AOI dated 28 March 2022 decreasing the number of directors from 11 to 9.</p>
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**Recommendation 5.2**

<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</i></p> <p><b>Links/References are as follows:</b></p> <p>See <b>website</b> for Information about Atty. Carlos Alfonso T. Ocampo and Mr. Kwok Yam Ian Chan.</p> <p><a href="https://marcventuresholdings.com.ph/board-of-directors-and-officers/">https://marcventuresholdings.com.ph/board-of-directors-and-officers/</a></p>	
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		<p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 3(5.2)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company has no stockholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p> <p>Further, the Company's 2020 Revised Manual on Corporate Governance provide that an independent director is a person who is independent of Management and the controlling stockholder, and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.</p> <p>An independent director should possess such qualifications and stature that would enable him to effectively participate in the deliberations of the Board and ensure proper checks and balances, including</p>	

		<p>prevention of conflicts of interest, the exercise of independent judgment on corporate affairs, proper oversight of managerial performance and balancing of competing demands of the Company.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 5</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 5.3</b>			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p><i>Provide information or link/reference to a document showing the years the IDs have served as such.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 5-10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p>No Independent Director has served for more than nine (9) years. In the instance of a retention, it shall be in compliance with SEC Memorandum Circular No. 4 series of 2017.</p>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p><i>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director.</i></p>	

		<p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 5(5.4)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>The term limit of the Company's Independent Directors is in compliance with SEC Memorandum Circular No. 4 series of 2017.</p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	<p><i>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>No Independent Director has served for more than nine (9) years. In the instance of a retention, it shall be in compliance with SEC Memorandum Circular No. 4 series of 2017.</p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers, pages 10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<p><i>Identify the company's Chairman of the Board and Chief Executive Officer.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Amended By-Laws dated November 15, 2023</b></p>	

		<p><a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Section 5, Article III of the Company's Amended By-Laws dated November 15, 2023 states:</b> "The President shall be the Chief Executive Officer of the Company. In addition to such duties as may be imposed on him by the Board of Directors, he shall, in the absence of Chairman of the Board, preside at all meetings of the Board of Directors, and shall act as temporary Chairman at and call to order all meetings of the stockholders of the Company. xxx"</p> <p>Mr. Cesar C. Zalamea is the Company's Chairman of the Board. Currently, the Company currently does not have a President due to the retirement of Mr. Isidro C. Alcantara, Jr., former President of the Company, effective 31 October 2020.</p> <p><b>2024 General Information Sheet, Ref: page 4</b>  <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a></p> <p><b>SEC Form 20-IS, Ref: Item 5: Directors and Executive Officers</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>PSE Disclosure – Results of Organizational Meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=67a4498ccde47f1cabca0fa0c5b4e4d0</a></p>	
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<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Complaint</p>	<p><i>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</i></p> <p><i>Identify the relationship of Chairman and CEO or its equivalent position.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 1(1.2) and Item 5(5.5)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<p><b>Recommendation 5.5</b></p>			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p>Non-Compliant</p>	<p><i>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairman is independent.</i></p>	<p>There are currently two (2) independent directors (Atty. Carlos Alfonso T. Ocampo and Mr. Kwok Yam Ian Chan). Mr. Kwok Yam Ian Chan was elected Independent Director in the 25 September 2020 Regular Meeting of the Board.</p> <p>The present Chairman, Mr. Cesar C. Zalamea, is a non-executive director. While he is not an independent director, however, he is more than capable to lead the Board.</p>

			The Board does not have a designated lead director among the independent directors.
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p><i>Provide proof of abstention, if this was the case.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>As a policy, directors with material or potential interest in a transaction abstain from taking part in deliberations of the transactions in which they have interest.</p> <p><b>Material Related Party Transactions Policy</b>  <i>Ref: Article IV</i>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p> <p>Further, a director with a material or potential interest in a transaction affecting the Company is guided by the Company's 2020 Revised Manual on Corporate Governance.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 5(5.7)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>There was no transaction in 2024 where a director had a material or potential interest in any transaction affecting the Company that could have impelled him to abstain from taking part in the deliberations.</p>	

<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Non-Compliant	<i>Provide proof and details of said meeting, if any.</i>  <i>Provide information on the frequency and attendees of meetings.</i>	While the non-executive directors do not have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee meets with the external auditor and head of internal audit, compliance and risk functions of the Company's subsidiaries to discuss interim and annual financial statements of the Company.  Meetings are chaired by the Committee chairman who acts as lead independent director for said committee.
2. The meetings are chaired by the lead independent director.	Non-Compliant		
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	<i>Provide name/s of company CEO for the past 2 years.</i> None.	<b>Amended By-Laws dated November 15, 2023</b> <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a>  <b>Section 5, Article III of the Company's Amended By-Laws dated November 15, 2023 states:</b> "The President shall be the Chief Executive Officer of the Company."
<b>Assessing Board Performance</b>			

Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

#### Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<i>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees.</i>  In 2021, the Company established a formal policy and processes for the conduct of an annual assessment of the performance of the Board as a body, of the Chairman, of each of the individual directors, and the committees for continual improvement and effective Board, Chairman, Committee and individual performance.  <b><u>Links/References are as follows:</u></b> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a>	The assessments for 2024 are still in process.
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant	<i>Identify the external facilitator and provide proof of use of an external facilitator.</i>	Given the current size and structure of the Company and the recently implemented Board Assessment Policy, the methodology adopted is one of self-assessment. In the future, the Board will determine whether the assessments are to be supported by an external facilitator.

#### Recommendation 6.2

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	<p><i>Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders.</i></p> <p>In 2021, the Company established a formal policy and processes for the conduct of an annual assessment of the performance of the Board as a body, of the Chairman, of each of the individual directors, and the committees for continual improvement and effective Board, Chairman, Committee and individual performance.</p> <p><b><u>Links/References are as follows:</u></b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p><i>The Company has provided all the necessary contact details for feedback.</i></p> <p>Stockholders and stakeholders may raise their concerns or feedback through the company's Contact Us page:  <a href="https://marcventuresholdings.com.ph/contact/">https://marcventuresholdings.com.ph/contact/</a></p>	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	<p><i>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Code of Business Conduct and Ethics</b></p>	

		<a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p><i>Provide information on or discuss how the company disseminated the Code to the members of the Board.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>All directors were given a copy of the Company policies on Code of Business Conduct and Ethics. Said policies are accessible not only internally but publicly as well through the Company's website.</p> <p><b>Code of Business Conduct and Ethics</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<p><i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Code of Business Conduct and Ethics</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p>	
<b>Supplement to Recommendation 7.1</b>			

1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Complaint	<p><i>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Gifts and Entertainment Policy</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.</i></p> <p><i>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Board has the primary duty to make sure that the internal systems are in place to ensure the compliance with the Code of Business Conduct and Ethics and its internal policies and procedures of the Directors, officers, and employees in the performance of their duties and responsibilities and in their transaction with investors, creditors, contractors, vendors, suppliers, buyers, regulators, and the general public.</p> <p>The Company's Human Resources (HR) Department has the primary duty to implement and administer the Code of Business Conduct and Ethics and internal policies through onboarding orientation and refresher trainings.</p>	

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>The Board has the primary duty to make sure that the internal systems are in place to ensure the company's compliance with the Code and its internal policies and procedures.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 7(7.2)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Disclosure and Transparency</b>			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p><i>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company adheres to the regulatory and reportorial requirements as set by the Securities and Exchange</p>	



		<p>Commission (SEC) and the Philippine Stock Exchange (PSE).</p> <p>Structured and non-structured reports and material information about the Company are disclosed and made available in the Company's website.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 8</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Company Website</b>  <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a></p> <p><b>PSE Disclosure: 2024 Annual Report:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 17-Q (Quarterly Report)</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-q-quarterly-report/">https://marcventuresholdings.com.ph/sec-form-17-q-quarterly-report/</a></p> <p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>PSE Disclosure: PSE Edge Website</b>  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=175">https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=175</a></p>	
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<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p><i>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company submits financial reports in compliance with Rule 17.1 of the Securities Regulations Code (SRC) of the Philippines.</p> <p>17.1.1.1. The public and reporting companies shall file with the Commission:</p> <p>17.1.1.1.1. An annual report on SEC Form 17-A for the fiscal year in which the registration statement was rendered effective by the Commission, and for each fiscal year thereafter, within one hundred five (105) calendar days after the end of the fiscal year.</p> <p>17.1.1.1.2. A quarterly report on SEC Form 17-Q within forty-five (45) calendar days after the end of each of the first three quarters of each fiscal year. The first quarterly report of the Issuer shall be filed either within forty-five (45) calendar days after the effective date of the registration statement or on or before the date on which such report would have been required to be filed if the Issuer had been required previously to file reports on SEC Form 17-Q, whichever is later.</p>	
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		<p>The Company's 2024 annual and quarterly reports were made available to the public on the following dates:</p> <ul style="list-style-type: none"> <li>• 1<sup>st</sup> Quarter 2024 (ended March 31, 2024) <ul style="list-style-type: none"> <li>- submitted to the SEC on 06 May 2024 and posted in the Company website on May 07, 2024;</li> </ul> </li> <li>• 2<sup>nd</sup> Quarter 2024 (ended June 30, 2024) <ul style="list-style-type: none"> <li>- Submitted to the SEC on 13 August 2024 and posted in the Company website on 13 August 2024;</li> </ul> </li> <li>• 3<sup>rd</sup> Quarter 2024 (ended September 30, 2024) <ul style="list-style-type: none"> <li>- submitted to the SEC on 12 November 2024 and posted in the Company website on 12 November 2024;</li> </ul> </li> <li>• FY 2024 (ended December 31, 2024) <ul style="list-style-type: none"> <li>- Submitted to the SEC on 30 April 2025 and posted in the Company website on 30 April 2024</li> </ul> </li> </ul>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	Compliant	<p><i>Provide link or reference to the company's annual report where the following are disclosed:</i></p> <ol style="list-style-type: none"> <li><i>1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</i></li> <li><i>2. cross-holdings among company affiliates; and</i></li> <li><i>3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.</i></li> </ol> <p><b><u>Links/References are as follows:</u></b></p> <p>Please refer to the Annual report and Definitive Information Statement</p>	

		<p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 20-IS, Ref: Item 4</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 8.2</b>			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p><i>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</i></p> <p><i>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</i></p>	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p><b><u>Links/References are as follows:</u></b></p> <p>All Directors and officers are required to disclose/report to the Company any dealings in the company's shares in compliance with Section 13 of the PSE Disclosure Rules and Rule 23 of the Securities Regulations Code of the Philippines.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  Ref: Article 3, Item 8.2  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Insider Trading Policy</b></p>	

		<a href="https://marcventuresholdings.com.ph/insidertradingpolicy/">https://marcventuresholdings.com.ph/insidertradingpolicy/</a>  <b>SEC Form 23 A/B (Statement of Beneficial Ownership)</b> <a href="https://marcventuresholdings.com.ph/sec-form-23-a-b-statement-of-beneficial-ownership/">https://marcventuresholdings.com.ph/sec-form-23-a-b-statement-of-beneficial-ownership/</a>  <b>SEC Form 20-IS</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>  <b>2024 General Information Sheet, Ref: page 4</b> <a href="https://marcventuresholdings.com.ph/general-information-sheet/">https://marcventuresholdings.com.ph/general-information-sheet/</a>	
<b>Supplement to Recommendation 8.2</b>			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	<p><i>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</i></p> <p><i>Provide link or reference to the company's Conglomerate Map.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>All directors and officers disclose/report to the company any dealings in the company's shares in compliance with Section 13 of the PSE Disclosure Rules and Rules 18 &amp; 23 of the Securities Regulations Code of the Philippines.</p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 11</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 23 A/B (Statement of Beneficial Ownership)</b></p>	

		<a href="https://marcventuresholdings.com.ph/sec-form-23-a-b-statement-of-beneficial-ownership/">https://marcventuresholdings.com.ph/sec-form-23-a-b-statement-of-beneficial-ownership/</a>  <b>SEC Form 20-IS, Item 4</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>  <b>Top 100 Stockholders List</b> <a href="https://marcventuresholdings.com.ph/top-100-stockholder-list/">https://marcventuresholdings.com.ph/top-100-stockholder-list/</a>  <b>Conglomerate Map</b> <a href="https://marcventuresholdings.com.ph/conglomerate-map/">https://marcventuresholdings.com.ph/conglomerate-map/</a>	
<b>Recommendation 8.3</b>			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<i>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i>  <b><u>Links/References are as follows:</u></b>  <b>PSE Disclosure: 2024 Annual Report, Ref: Item 9</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>  <b>SEC Form 20-IS, Item 5</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	

<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p><i>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Items 9 and 11</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 20-IS, Item 5</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<p><b>Recommendation 8.4</b></p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p><i>Disclose or provide link/reference to the company policy and practice for setting board remuneration.</i></p> <p>Relevant and material information on individual board directors and key executives and Board and executive remuneration, as well as the level and mix of the same, are available in the following:</p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Parts III and IV</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 20-IS, Ref: Item 6</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	

		<p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(8.4)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>Material Information/Transactions are disclosed in the PSE Edge Website and Company Website:</p> <p><b>PSE Edge Website</b>  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175">https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175</a></p> <p><b>Company Website</b>  <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a></p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p><i>Disclose or provide link/reference to the company policy and practice for determining executive remuneration.</i></p> <p><b>2020 Revised Manual on Corporate Governance, Ref: Article 3, Item 2(8.4)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	<p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 10</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and	Compliant	<p><i>Disclose or provide reference/link to company's RPT policies.</i></p>	



<p>other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>		<p><i>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</i></p> <p>As a matter of policy and practice, directors with material interest in a transaction abstains from taking part in deliberations of the transactions in which they have interest.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual of Corporate Governance</b>  Ref: Article 3, Item 2(2.6)  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>Material Related Party Transactions Policy</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p><i>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</i></p> <ol style="list-style-type: none"> <li><i>1. name of the related counterparty;</i></li> <li><i>2. relationship with the party;</i></li> <li><i>3. transaction date;</i></li> <li><i>4. type/nature of transaction;</i></li> <li><i>5. amount or contract price;</i></li> <li><i>6. terms of the transaction;</i></li> <li><i>7. rationale for entering into the transaction;</i></li> </ol> <p><i>the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and other terms and conditions</i></p>	

		<p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>PSE Disclosure: 2024 Annual Report, Ref: Item 12</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p> <p>Directors are required to disclose their direct and indirect financial interest in any transaction that may affect the Company</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 17-C</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-c-current-report/">https://marcventuresholdings.com.ph/sec-form-17-c-current-report/</a></p> <p><b>Material Related Party Transactions Policy</b>  <i>Ref: Article VII</i>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	
<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p><i>Provide link or reference where this is disclosed, if any.</i></p> <p><b>SEC Form 17-C</b></p>	

		<a href="https://marcventuresholdings.com.ph/sec-form-17-c-current-report/">https://marcventuresholdings.com.ph/sec-form-17-c-current-report/</a>  <b>PSE Disclosure: 2024 Annual Report</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>  <b>Material Related Party Transactions Policy</b> <i>Ref: Article V</i> <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a>	
<b>Recommendation 8.6</b>			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<i>Provide link or reference where this is disclosed.</i>  <b>PSE Edge Website</b> <a href="http://edge.pse.com.ph/companyDisclosures/form.do?company_id=175">http://edge.pse.com.ph/companyDisclosures/form.do?company_id=175</a>  <b>Company Website</b> <a href="http://www.marcventuresholdings.com.ph">www.marcventuresholdings.com.ph</a>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<i>Identify independent party appointed to evaluate the fairness of the transaction price.</i>  <i>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</i>  As a matter of practice, the Company engages independent parties to evaluate certain transactions.	
<b>Supplement to Recommendation 8.6</b>			
1. Company discloses the existence, justification and details on shareholder	Compliant	<i>Provide link or reference where these are disclosed.</i>	

agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.		<p><b>PSE Edge Website</b>  <a href="http://edge.pse.com.ph/companyDisclosures/form.do?company_id=175">http://edge.pse.com.ph/companyDisclosures/form.do?company_id=175</a></p> <p><b>Company Website</b>  <a href="http://www.marcventuresholdings.com.ph">www.marcventuresholdings.com.ph</a></p> <p><b>SEC Form 17-C</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-c-current-report/">https://marcventuresholdings.com.ph/sec-form-17-c-current-report/</a></p>	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<p><i>Provide link to the company's website where the Manual on Corporate Governance is posted.</i></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	<p><b>2020 Revised Manual on Corporate Governance (SEC with Cover Sheet)</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>PSE Submission/Disclosure</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=602885d588770a090de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=602885d588770a090de8473cebbd6407</a></p>	

3. Company's MCG is posted on its company website.	Compliant	<b>2020 Revised Manual on Corporate Governance</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>	
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	<i>Provide proof of submission.</i>  <b>2020 Revised Manual on Corporate Governance (SEC with Cover Sheet)</b> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>  <b>PSE Submission/Disclosure</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=602885d588770a090de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=602885d588770a090de8473cebbd6407</a>	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		<i>Provide link or reference to the company's Annual Report containing the said information.</i>	
a. Corporate Objectives	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Item 1</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
b. Financial performance indicators	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Part II</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
c. Non-financial performance indicators	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Part II</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
d. Dividend Policy	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Part II, Item 5</b>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>  Subject to the availability of unrestricted retained earnings and the funding requirements of the Company's operations, the Company's policy is to declare regular dividends, whether cash, stock or property dividends, twice a year in such amounts and at such dates to be determined by the Board. The declaration of stock dividends is subject to stockholders' approval in accordance with the requirements of the Revised Corporation Code.	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Item 9</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
f. Attendance details of each director in all directors' meetings held during the year	Compliant	Please see Board Attendance under Recommendation 4.1 above  See also <b>Annex "C"</b> for Board Attendance of directors for 2024.	
g. Total remuneration of each member of the board of directors	Compliant	<b>PSE Disclosure: 2024 Annual Report, Ref: Item 10</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
2. The Annual Report contains a statement confirming the company's full	Compliant	<i>Provide link or reference to where this is contained in the Annual Report.</i>	

compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.		<p>The Corporate Governance portion has been removed from the Annual report as per SEC memorandum 5 series of 2013 item 5 which states:</p> <p>“V. The Corporate Governance section in the Annual Report (SEC Form 17-A) shall be deleted.”</p>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	<p><i>Provide link or reference to where this is contained in the Annual Report.</i></p> <p>Statement of Management’s Responsibility for Financial Statements (attached to the consolidated FS)</p> <p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	<p><i>Provide link or reference to where this is contained in the Annual Report.</i></p> <p>Audit services provided to the Company by external auditor have been pre-approved by the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee. The Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee has reviewed the magnitude and nature of these services to ensure that they are compatible with maintaining the independence of the external auditor.</p>	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e.	Compliant	<i>Provide link or reference to where these are contained in the Annual Report.</i>	

financial, operational including IT, environmental, social, economic).		<p><u>Annual Report Financial Risk Management Objectives and Policies of AFS attached</u></p> <p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.</p>			
<p><b>Recommendation 9.1</b></p>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	<p><i>Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee considers only leading audit firms who are capable of providing quality and affordable services to the Company.</p> <p>As stated in the Company's 2020 Revised Manual on Corporate Governance, it is the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee's responsibility to, among others, recommend to the Board the appointment, reappointment, removal and fees of the External Auditor,</p>	



		<p>duly accredited by the Commission, who should undertake an independent audit of the Company.</p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 3(3.2) and Item 9(9.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	Compliant	<p><i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company's Audit, Corporate Governance, Oversight and Related Party Transaction Committee recommends to the Board of Directors the appointment of the external auditor and the fixing of the audit fees. The Board of Directors and the stockholders approve said recommendation.</p> <p>During the Company's Annual Stockholder's Meeting held on 26 July 2024, stockholders owning at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock, voted in favor of approving the</p>	

		<p>resolution while zero shares voted against and zero shares abstained on the motion.</p> <p><b>Website: Minutes of the Annual Stockholders' Meeting dated 26 July 2024</b>  <a href="#">Minutes of All General or Special Stockholders Meeting – MHI</a></p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	Compliant	<p><i>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</i></p> <p>There has been no incident where the Company has taken action with regard to the removal or change in the external auditor.</p>	
<b>Supplement to Recommendation 9.1</b>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	Compliant	<p><i>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Rotation of Lead audit partner is in compliance with Section 3(b)(ix), Rule 68 of the Securities and Regulations Code, as amended:</p> <p>(ix) Rotation of External Auditors The independent auditors or in the case of an audit firm, the signing partner, of the aforementioned regulated entities shall be rotated after</p>	

		<p>every five (5) years of engagement. A two-year cooling off period shall be observed in the re-engagement of the same signing partner or individual auditor.</p> <p>The Company changed its lead audit partner. The previous account partner handling the Company, Belinda B. Fernando, who had been the handling partner since December 2013, was replaced by Carolina P. Angeles last 2018.</p> <p><b>SEC Form 20-IS, Ref: Item 7</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	Compliant	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p>	

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant		
<b>Supplement to Recommendations 9.2</b>			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		
<b>Recommendation 9.3</b>			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<p><i>Disclose the nature of non-audit services performed by the external auditor, if any.</i></p> <p>Covering Year 2024, there were no non-audit professional services performed by the Company's external auditor.</p>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	<p><i>Provide link or reference to guidelines or policies on non-audit services.</i></p> <p><b><u>Links/References are as follows:</u></b></p>	

		<p>The approval of the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee is obtained before the external auditor is engaged to provide any permitted non-audit services.</p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b>  <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>2020 Revised Manual on Corporate Governance,</b>  <i>Ref: Article 3, Item 3(3.2) and Item 9(9.3)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p><i>Provide information on audit and non-audit fees paid.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Covering Year 2024, there were no non-audit professional services performed by the Company's external auditor.</p> <p>The approval of the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee is obtained before the external auditor is engaged to provide any permitted non-audit services.</p>	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p><i>Provide information on company's external auditor, such as:</i></p> <ol style="list-style-type: none"> <li>1. <i>Name of the audit engagement partner;</i></li> <li>2. <i>Accreditation number;</i></li> </ol>	

		<ol style="list-style-type: none"> <li>3. <i>Date Accredited;</i></li> <li>4. <i>Expiry date of accreditation; and</i></li> <li>5. <i>Name, address, contact number of the audit firm.</i></li> </ol> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 20-IS, Ref: Item 7</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p>Carolina P. Angeles  BOA Accreditation No. 4782/P-007 valid until June 6, 2026  SEC Accreditation No. 86981-SEC Group A,  Issued March 24, 2020  Valid for Financial Periods 2019 to 2024  BIR Accreditation No. 08-005144-007-2019  Valid until October 16, 2025  Reyes Tacandong &amp; Company,  Citibank Tower, 8741 Paseo de Roxas, Makati City</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	<p><i>Provide information on the following:</i></p> <ol style="list-style-type: none"> <li>1. <i>Date it was subjected to SOAR inspection, if subjected;</i></li> <li>2. <i>Name of the Audit firm; and</i></li> <li>3. <i>Members of the engagement team inspected by the SEC.</i></li> </ol> <p><b><u>Links/References are as follows:</u></b></p>	

		Our auditor, RTC, has not yet been subjected to SOAR Inspection Program.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p><b>Website</b>  <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a></p> <p><b>2020 Revised Manual of Corporate Governance, Ref: Article 3, Item 10</b>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p>The company's wholly owned subsidiary, Marcventures Mining and Development Corporation (MMDC), integrated 3 management systems to raise business standards and more importantly, protect the environment and people.</p> <p>After rigorous, simultaneous audits, MMDC's Surigao Nickel Mining project obtained International Organization for Standardization (ISO) certification for Environmental Management System (ISO 14001:2015), Quality Management System (ISO 9001:2015), and the Occupational Health and Safety Management System (ISO18001:2007).</p> <p>The British certifying body National Quality Assurance (NQA), which granted MMDC the ISO certification in September 2017, also certified the Company's integrated Management Systems (IMS).</p>	
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<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>Compliant</p>	<p><i>Provide link to Sustainability Report, if any. Disclose the standards used.</i></p> <p><b>PSE Disclosure: 2024 Annual Report with 2022 Sustainability Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p>The Company used the standards set forth in SEC Memorandum Circular No. 4, Series of 2019 ("Sustainability Reporting Guidelines for Publicly-Listed Companies")</p> <p><a href="https://www.marcventuresholdings.com/3_birds_with_1_stone_MMDC_gets_integrated_management_system_certification">https://www.marcventuresholdings.com/3_birds_with_1_stone_MMDC_gets_integrated_management_system_certification</a></p> <p>The Company's wholly-owned and operational subsidiary, Marcventures Mining and Development Corporation (MMDC), obtained its ISO 14001:2004 + Cor. 1:2009 Certification from TÜV Rheinland Cert GmbH, an International Certification Body performing system certification and training as well as providing third-party audit/certification based on various international standards. The certificate issued in favor of MMDC dated 16 May 2016 complies with DENR Administrative Order No. 2015-07 or otherwise known as Mandating Mining Contractors to Secure ISO 14001 Certifications and Republic Act No. 11058 or also known as An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof. It confirms that MMDC's Environment Management Systems implemented for Mining and</p>	
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		<p>Shipping of Nickel Laterite Ore and Post-Mining Activities are compliant with International Standards.</p> <p>Going beyond regulatory demand, MMDC integrated three (3) management systems to raise business standards and more importantly, protect the environment and people. After rigorous, simultaneous audits, MMDC's Surigao Nickel Mining project obtained International Organization for Standardization (ISO) certification for Environmental Management System (ISO 14001:2015), Quality Management System (ISO 9001:2015), and the Occupational Health and Safety Management System (ISO18001:2007). The British certifying body National Quality Assurance (NQA), which granted MMDC the ISO certification in September 2017, also certified the Company's integrated Management Systems (IMS).</p> <p>A continued certification was issued by NQA Philippines, Inc. to MMDC for passing the Surveillance Audit for its Integrated Management System conducted on November 3-4, 2021, to wit:</p> <ul style="list-style-type: none"> <li>· ISO 9001:2015 - Quality Management System</li> <li>· ISO 14001:2015 - Environmental Management System</li> <li>· ISO 45001:2018 - Occupational Health and Safety Management System (migrated from OHSAS 18001:2007)</li> </ul>	
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<p>Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.</p>			
<b>Recommendation 11.1</b>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	<p><i>Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Website</b>  <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a></p>	
<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:	Compliant	<p><i>Provide link to company website.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Website</b>  <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a></p>	
a. Financial statements/reports (latest quarterly)	Compliant	<p><b><u>Links/References are as follows:</u></b></p> <p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p><b>SEC Form 17-Q (Quarterly Report)</b>  <a href="https://marcventuresholdings.com.ph/sec-form-17-q-quarterly-report/">https://marcventuresholdings.com.ph/sec-form-17-q-quarterly-report/</a></p> <p><b>PSE Disclosure: PSE Edge Website</b></p>	

		<a href="https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175">https://edge.pse.com.ph/companyDisclosures/form.do?company_id=175</a>	
b. Materials provided in briefings to analysts and media	Compliant	<b>Website</b> <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a>	
c. Downloadable annual report	Compliant	<b>PSE Disclosure: 2024 Annual Report</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
d. Notice of ASM and/or SSM	Compliant	<b>Notice of Annual or Special Stockholders Meeting</b> <a href="https://marcventuresholdings.com.ph/notice-of-annual-or-special-stockholders-meeting/">https://marcventuresholdings.com.ph/notice-of-annual-or-special-stockholders-meeting/</a>	
e. Minutes of ASM and/or SSM	Compliant	<b>Minutes of all General or Special Stockholders Meeting</b> <a href="https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/">https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/</a>	
f. Company's Articles of Incorporation and By-Laws	Complaint	<b>Articles of Incorporation / By-Laws</b> <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	<b>Website</b> <a href="https://marcventuresholdings.com.ph/">https://marcventuresholdings.com.ph/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Strengthening Internal Control and Risk Management Systems</b>			
<b>Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.</b>			

**Recommendation 12.1**

1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p><i>List quality service programs for the internal audit functions.</i></p> <p><i>Indicate frequency of review of the internal control system.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Part of the responsibilities of the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee as provided under the Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter is not only to assist the Board in the performance of its oversight responsibility for the system of internal control, but also to monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security.</p> <p><b>Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee Charter</b> <a href="https://marcventuresholdings.com.ph/board-committees-and-members/">https://marcventuresholdings.com.ph/board-committees-and-members/</a></p> <p><b>2020 Revised Manual on Corporate Governance</b> <i>Ref: Article 3, Item 3(3.2) and Item 12</i> <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Non-Compliant	<p><i>Identify international framework used for Enterprise Risk Management.</i></p> <p><i>Provide information or reference to a document containing information on:</i></p>	Although the Company has no comprehensive, enterprise wide ERM framework, the Company has an Enterprise Risk Management

		<ol style="list-style-type: none"> <li>1. <i>Company's risk management procedures and processes</i></li> <li>2. <i>Key risks the company is currently facing</i></li> <li>3. <i>How the company manages the key risks</i></li> </ol> <p><i>Indicate frequency of review of the enterprise risk management framework.</i></p>	<p>Policy (<a href="https://marcventuresholdings.com.ph/enterprise-risk-management/">https://marcventuresholdings.com.ph/enterprise-risk-management/</a> )</p> <p>It takes the good faith position that it already has in place the basic components of an ERM to address the various risks the Company is exposed to.</p> <p>The Board of Directors and Management assess the various risks involved in its operations, including the agreements, contracts and transactions the Company enters into. The Company has appointed an Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee whose duty and responsibilities include among others, the oversight of financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management.</p> <p><b>2020 Revised Manual on Corporate Governance</b></p>
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			Ref: Article 3, Item 2(2.10) <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a>
<b>Supplement to Recommendations 12.1</b>			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<p><i>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</i></p> <p><i>Indicate frequency of review.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company is guided by the Securities Regulations Code, the Revised Corporate Code of the Philippines and PSE Disclosure Rules and other applicable laws with regard to compliance with laws and relevant regulations.</p> <p>The Company's compliance program includes compliance risk management, internal controls, training and awareness, compliance monitoring system of all legal and regulatory requirements per department/business unit and assurance through internal and external audits.</p> <p>Periodic reporting of compliance matters by functional units is conducted. Escalation protocols are placed to ensure timely reporting of compliance matters.</p>	
<b>Optional: Recommendation 12.1</b>			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure	Non-compliant	<i>Provide information on IT governance process.</i>	Although the company has yet to formalize the governance process covering IT issues, it has in place an Information Technology (IT)

that all key risks are identified, managed and reported to the board.			<p>Department dedicated to handle disruption, cyber security, and disaster recovery, to ensure that all key risks are immediately identified, managed and reported to the Management.</p> <p>The Company's IT Department ensures early restoration of critical IT and communication services and systems to ensure continuous business operation of the Company.</p>
<b>Recommendation 12.2</b>			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	<p><i>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</i></p> <p>The Company's internal audit is in-house and is headed by Mr. Emerson P. Paulino, appointed Head of Internal Audit effective May 11, 2020.</p>	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Non-compliant	<p><i>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</i></p>	<p>The Company has no CAE considering its minimal independent operations. However, an in-house internal audit team led by Mr. Emerson P. Paulino, with the rank of Assistant Vice-President, also performs the same functions for the Company's</p>



			subsidiary, MMDC, and is seconded to MHI for this purpose.
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	Non-compliant		The Company has no CAE considering its minimal independent operations. However, an in-house internal audit team led by Mr. Emerson P. Paulino, with the rank of Assistant Vice-President, also performs the same functions for the Company's subsidiary, MMDC, and is seconded to MHI for this purpose.
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Non-compliant	<i>Identify qualified independent executive or senior management personnel, if applicable.</i>	The Company has no CAE considering its minimal independent operations. However, an in-house internal audit team led by Mr. Emerson P. Paulino, with the rank of Assistant Vice-President, also performs the same functions for the Company's subsidiary, MMDC, and is seconded to MHI for this purpose.
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<i>Provide information on company's risk management function.</i>  The Board of Directors and Management assess the various risks involved in its operations, including the agreements, contracts and transactions it enters into. The Company has appointed an Audit, Corporate Governance, Risk Oversight and Related Party Transactions Committee whose duty and responsibilities include among others, the	

		oversight of financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Company, and crisis management.	
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	<p><i>Identify source of external technical support, if any.</i></p> <p>The Company did not encounter any matter which will require external technical support in risk management.</p>	
<b>Recommendation 12.5</b>			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	<p><i>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</i></p> <p>Considering the size, structure and operations of the Company, the functions of a Chief Risk Officer is being performed by the Company's AVP for Risk Management.</p> <p>Effective May 11, 2020, the Company appointed via secondment, Mr. Emerson P. Paulino as its Chief Risk Officer.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 2(2.7.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	

2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	<p>Considering the size, structure and operations of the Company, the functions of a Chief Risk Officer is being performed by the Company's AVP for Risk Management.</p> <p>Effective May 11, 2020, the Company appointed via secondment Mr. Emerson P. Paulino as its Chief Risk Officer.</p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  Ref: Article 3, Item 2(2.7.1)  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Additional Recommendation to Principle 12</b>			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<p><i>Provide link to CEO and CAE's attestation.</i></p> <p>The CEO and the Audit Committee attest to the audit requirements of the Company through the Statement of Management Responsibility attached to the Financial Statements.</p> <p>Links/References are as follows:</p> <p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.</b>			
<b>Recommendation 13.1</b>			

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p><i>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p><i>Provide link to company's website.</i></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	Compliant	<p><b><u>Links/References are as follows:</u></b></p> <p>A share structure of "one vote per common share" is being practiced in the Company. Stockholders are given the right to participate in company decision-making pursuant to the one-share one-vote policy of the Company.</p> <p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	

		<p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Section 4, Article I of the Company's Amended By-Laws dated November 15, 2023 states:</b> "At every meeting of the stockholders of the Company, every stockholder shall be entitled to one vote for each share of stock standing in his name in the books of the Company, provided, however, that in the case of the election of directors, every stockholder shall be entitled to accumulate his votes in accordance with the provisions of law in such case made and provided. xxx"</p>	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	Compliant	<p><i>Provide information on all classes of shares, including their voting rights if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 20-IS, Ref: Item 4</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p><b>Amended Articles of Incorporation dated December 29, 2017</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Amended Articles of Incorporation dated 28 March 2022</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Amended By-Laws dated November 15, 2023</b></p>	

		<a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a>  <b>Section 4, Article I of the Company's Amended By-Laws dated November 15, 2023 states:</b> "At every meeting of the stockholders of the Company, every stockholder shall be entitled to one vote for each share of stock standing in his name in the books of the Company, provided, however, that in the case of the election of directors, every stockholder shall be entitled to accumulate his votes in accordance with the provisions of law in such case made and provided. Every stockholder entitled to vote at any meeting of the stockholders may so vote by proxy. xxx"	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p><i>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 20-IS, Ref: Item 4</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p> <p>The method and manner of counting the votes of shareholders shall be by via voice and/or by ballots. The votes shall be counted by the Corporate Secretary and Asst. Corporate Secretary, who shall be assisted by the stock transfer agent.</p> <p>Stockholders were given option to vote during the 2024 ASM either (1) by Proxy or (2) by voting in absentia</p>	

		through the Company's Online Stockholder Voting System.	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p><i>Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company observes the requirements of the Revised Corporation Code of the Philippines regarding the protection of the rights of minority shareholders, including corporate actions requiring supermajority votes (2/3 of outstanding capital stock) for fundamental matters affecting the Company.</p>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p><i>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution).</i></p> <p>There was no instance where the shareholders called for a special stockholders' meeting and submitted a proposal for consideration or agenda item at the AGM or special meeting. Nonetheless, the Board will allow according to by-laws.</p> <p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>Section 2, Article I of the Company's Amended By-Laws dated November 15, 2023 states:</b> "The special meetings of the stockholders may be called by the Chairman, the President, or such other officers as the Board of Directors may designate, or by order of the Board of Directors,</p>	

		<p>whenever the Board or such officer shall deem it necessary or proper. It shall also be the duty of the President or such other officer as the Board of Directors may designate to order and call such special meetings upon the written request of the stockholders owning or representing not less than one-fourth (1/4) of the outstanding capital stock of the Company.”</p> <p>Further, according to the Company’s 2020 Revised Manual on Corporate Governance, the right to propose the holding of meetings and items for inclusion in the agenda is given to all stockholders.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p><i>Provide information or link/reference to the policies on treatment of minority shareholders.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company promotes a culture of transparency with protection and equal respect of stockholder rights embodied in its 2020 Revised Manual on Corporate Governance.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 2(2.5), Item 13(13.1 and 13.2)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	



		<p>The minority shareholders should be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.</p> <p>The minority shareholders should have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management should include such information and, if not included, then the minority shareholders can propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".</p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p><i>Provide information on or link/reference to the company's dividend Policy.</i></p> <p><i>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company abides by the provision on the right to dividends in accordance with Section 42 of the Revised Corporation Code.</p> <p>Further, according to Article VI of the Amended By-Laws of the Corporation dated November 15, 2023, the Board of Directors may declare dividends only from the surplus profits arising from the business of the Corporation.</p>	

		<p>Provided, however, that no stock or bond dividend shall be issued without the approval of stockholders representing not less than two-thirds (2/3) of all stock then outstanding and entitled to vote at the general or special meeting called for the purpose.</p> <p><b>Amended By-Laws dated November 15, 2023</b>  <a href="https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/">https://marcventuresholdings.com.ph/articles-of-incorporation-by-laws/</a></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.1)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p> <p><b>PSE Disclosure: 2024 Annual Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p> <p>Subject to the availability of unrestricted retained earnings and the funding requirements of the Company's operations, it is the Company's policy to declare regular dividends, whether cash, stock or property dividends, twice a year in such amounts and at such dates to be determined by the Board. The declaration of stock dividends is subject to stockholders' approval in accordance with the requirements of the Revised Corporation Code of the Philippines.</p>	
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**Optional: Recommendation 13.1**

<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p>	<p>Compliant</p>	<p><i>Identify the independent party that counted/validated the votes at the ASM, if any.</i></p> <p>The Company engaged the services of the below independent party to count and/or validate the votes at the Annual Stockholders' Meeting:</p> <p><b>STOCK TRANSFER SERVICE, INC.</b>  34-D Rufino Pacific Tower,  6784 Ayala Avenue, Makati City, 1226  Philippines</p>	
<p><b>Recommendation 13.2</b></p>			
<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>	<p>Compliant</p>	<p><i>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out.</i></p> <p><i>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</i></p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS).</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Notice of the 2024 Annual Stockholders' Meeting has been sent out to all stockholders on record on July 4, 2024 or no later than 21 calendar days before the 2024 Annual Stockholders' Meeting held on July 26, 2024.</p> <p>There were no changes in remuneration as of the Last Annual Meeting.</p>	

		<p><b>PSE Disclosure: SEC Form 17-C (Notice of Annual Stockholders' Meeting)</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=4d595810640d02c8abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=4d595810640d02c8abca0fa0c5b4e4d0</a></p> <p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	<p><i>Provide link or reference to the company's notice of Annual Shareholders' Meeting.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Notice of Annual or Special Stockholders' Meeting</b>  <a href="https://marcventuresholdings.com.ph/notice-of-annual-or-special-stockholders-meeting/">https://marcventuresholdings.com.ph/notice-of-annual-or-special-stockholders-meeting/</a></p> <p><b>PSE Disclosure: SEC Form 17-C (Notice of Annual Stockholders' Meeting)</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=4d595810640d02c8abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=4d595810640d02c8abca0fa0c5b4e4d0</a></p> <p><b>SEC Form 20-IS</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
a. The profiles of directors (i.e., age, academic qualifications, date of first	Compliant	<b>SEC Form 20-IS, Ref: Item 5</b>	

appointment, experience, and directorships in other listed companies)		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
b. Auditors seeking appointment/re-appointment	Compliant	<b>SEC Form 20-IS, Item 7</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
c. Proxy documents	Compliant	<b>SEC Form 20-IS, Ref: Proxy Form</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a>	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting.	Compliant	<p><i>Provide link or reference to the rationale for the agenda items.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>SEC Form 20-IS, Ref: Agenda (Details and Rationale)</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5e1dc6836d6af5c2abca0fa0c5b4e4d0</a></p>	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	<p><i>Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>After the agenda is discussed, the floor is opened for questions from the shareholders. No questions were raised during the meeting.</p>	

		<p>During the 26 July 2024 ASM, the Assistant Corporate Secretary of the Company certified that there were present at the meeting stockholders owning at least 2,381,542,752 shares representing at least 78.99% of the outstanding capital stock of the Company. Therefore, there was a quorum for the transaction of business.</p> <p><b>Minutes of All General or Special Stockholders' Meeting</b>  <a href="https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/">https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/</a></p>	
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.</p>	Compliant	<p><i>Provide link to minutes of meeting in the company website.</i></p> <p><i>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</i></p> <p><i>Indicate also if the voting on resolutions was by poll.</i></p> <p><i>Include whether there was opportunity to ask question and the answers given, if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Minutes of All General or Special Stockholders' Meeting</b>  <a href="https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/">https://marcventuresholdings.com.ph/minutes-of-all-general-or-special-stockholders-meeting/</a></p> <p>Minutes of the 2024 Annual Stockholders' Meeting were posted in the Company website on August 2, 2024 or</p>	

		<p>within the five (5) business days from the end of the meeting.</p> <p>In 2024, the Company did not have Special Shareholders' Meeting.</p> <p>After the agenda is discussed, the floor is opened for questions from the shareholders. No questions were raised during the meeting.</p> <p>During the 26 July 2024 ASM, the Atty. Ana A. Katigbak, the Assistant Corporate Secretary of the Company, with the permission of the Corporate Secretary, certified that there were present at the meeting stockholders owning at least 2,381,622,922 shares representing at least 79.00% of the outstanding capital stock of the Company. Therefore, there was a quorum for the transaction of business.</p>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders' questions during the ASM and SSM.	Compliant	<p><i>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Representatives of Reyes Tacandong &amp; Co., including Ms. Carolina P. Angeles, were present during the 26 July 2024 ASM.</p>	
<b>Recommendation 13.4</b>			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate	Compliant	<p><i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.</i></p>	

disputes in an amicable and effective manner.		<p><b><u>Links/References are as follows:</u></b></p> <p>There has been no instance of intra-corporate disputes. The 2020 Revised Manual on Corporate Governance provides that in cases of intra-corporate disputes, the Board of Directors may engage the services of a neutral third party to assist in the resolution of issues between the Corporation and stockholders, third parties and regulatory authorities. The alternative dispute mechanism may include arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof, as the Corporation and the circumstances sees fit.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.4)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<p><i>Provide link/reference to where it is found in the Manual on Corporate Governance.</i></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 13(13.4)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Non-compliant	<p><i>Disclose the contact details of the officer/office responsible for investor relations, such as:</i></p> <p><i>1. Name of the person</i></p>	Mr. Lester C. Yee was appointed as the Assistant Vice President for Corporate Planning and Investor Relations Head



		<p>2. Telephone number</p> <p>3. Fax number</p> <p>4. E-mail address</p>	<p>effective July 14, 2020. Prior to his appointment, Mr. Reuben F. Alcantara, VP for Marketing, Business Development and Strategic Planning, was the Company's Investor Relations Head.</p> <p>Mr. Yee resigned from the Company effective 31 December 2021. The position has not yet been filled for 2023 and 2024.</p>
2. IRO is present at every shareholder's meeting.	Non-compliant	Indicate if the IRO was present during the ASM.	There was no new Investor Relations Officer for 2024.
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p><i>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</i></p> <p>There has been no event so far that will require the Board to act and/or avoid anti-takeover measures or similar devices.</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p><i>Indicate the company's public float.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company's public float as of December 31, 2024 was at 41.09%.</p> <p><b>Public Ownership Report</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=448f25cd30145b24ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=448f25cd30145b24ec6e1601ccee8f59</a></p>	

**Optional: Principle 13**

<p>1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting</p>	<p>Compliant</p>	<p><i>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>See below Company's practice to encourage stockholders' participation beyond ASM:</p> <p><b>(i) Dialogue between the Company and Investors.</b> The Company recognizes the importance of accountability to its shareholders and through proper and timely dissemination of information on the Company's performance and major developments via appropriate channel of communication. Dissemination of information includes the distribution of the Annual Report and relevant circulars, issuance of press releases inclusive of quarterly financial performance of the Company to SEC and PSE Edge and the public via the Company's website (<a href="http://www.marcventuresholdings.com.ph">www.marcventuresholdings.com.ph</a>) which the shareholders can access for information.</p> <p><b>(ii) Annual Stockholders' Meeting ("ASM")</b> The ASM is a platform for the Board and stockholders to communicate on the Company's performance. At the ASM, stockholders are encouraged to seek clarification on any matters pertaining to the business and financial performance of the Company. Any item of special</p>	
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		<p>business included in the notice of the meeting will be accompanied by a full explanation of the effect of the proposed resolution which is then separately voted on. The stockholders are informed of their right to demand for poll prior to the commencement of each general meeting. Any enquiry regarding the Company and its group of companies may be conveyed to the following personnel:</p> <p>Atty. Ana Maria A. Katigbak Tel.#831-4479 Email: <a href="mailto:ana.katigbak@cltpsi.com.ph">ana.katigbak@cltpsi.com.ph</a></p>	
2. Company practice secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p><i>Disclose the process and procedure for secure electronic voting in absentia, if any.</i></p> <p>During the July 26, 2024 Annual Stockholders' Meeting (ASM) of the Company, the stockholders were given option to vote during the 2022 ASM either (1) by Proxy or (2) by voting in absentia through the Company's Online Stockholder Voting System.</p>	
<b>Duties to Stakeholders</b>			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p><i>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</i></p> <p><b><u>Links/References are as follows:</u></b></p>	

		<p>The Company's Stakeholders are the stockholders, Management, Board, employees, customers, suppliers and contractors, creditors and business partners, local government units, government agencies and the host communities and environment from which the business draws its resources.</p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 14</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 14.2</b>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	Compliant	<p><i>Identify policies and programs for the protection and fair treatment of company's stakeholders.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company is guided by various Company policies, such as Insider Trading Policy, Whistle Blowing Policy, Gift and Entertainment Policy, and Material Related Party Transactions Policy.</p> <p><b>Company Policies</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p> <p><b>Code of Business Conduct and Ethics</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p>	

		<p>The Company also discloses material information to adequately inform the stakeholders of the activities of the Company.</p> <p>Annual and Quarterly Reports and other Material Disclosures are available in the Company website and PSE Edge website.</p> <p><b>Company Website</b>  <a href="http://www.marcventuresholdings.com.ph">www.marcventuresholdings.com.ph</a></p> <p><b>PSE Disclosure: PSE Edge Website</b>  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=175">https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=175</a></p> <p><b>2020 Revised Manual on Corporate Governance</b>  Ref: Article 3, Item 14(14.2)  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p><i>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</i></p> <p><i>Provide information on whistleblowing policy, practices and procedures for stakeholders.</i></p> <p>Any inquiry regarding the Company and its group of companies may be conveyed to the following personnel:  Atty. Ana Maria A. Katigbak  Tel.#831-4479  Email: <a href="mailto:ana.katigbak@cltpsj.com.ph">ana.katigbak@cltpsj.com.ph</a></p>	

<b>Supplement to Recommendation 14.3</b>			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	<p><i>Provide information on the alternative dispute resolution system established by the company.</i></p> <p>A grievance policy for employees as well as for community complaints and disputes is in place.</p>	
<b>Additional Recommendations to Principle 14</b>			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p><i>Disclose any requests for exemption by the company and the reason for the request.</i></p> <p>The Company complies with requirements of Corporation Code and the Securities Regulation Code. To the best of its knowledge, the Company has not sought for any exemption from the application of a law, rule or regulation that refers to a corporate governance issue.</p>	
2. Company respects intellectual property rights.	Compliant	<p><i>Provide specific instances, if any.</i></p> <p>The Company buys licensed software such as Microsoft, antivirus, database applications etc.</p>	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p><i>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</i></p>	Not applicable. The Company has no direct customers. Its sole operating subsidiary, MMDC, which is engaged in mining, sells its nickel ores to large-scale foreign buyers that are

			sophisticated enough with their market knowledge and depth of experience.
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<i>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</i>	<p>Not applicable. The Company has no direct customers. Its sole operating subsidiary, MMDC, as a matter of practice, has an accreditation procedure to verify the financial, legal, and technical qualifications of its contractors/vendors.</p> <p>A policy on selection procedures for selecting supplier/procedures is attached as <b>Annex “E”</b>.</p>

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

#### Recommendation 15.1

1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p><i>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company treats its people as its primary asset in attaining its business objectives. Thus, the Company makes sure that its people are well cared for, respected, rewarded, and secured.</p> <p>The Company implements various programs involving its employees and encourage them to actively participate in the realization of the Company's goals and in its</p>	
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		<p>governance. This includes the conduct of general assemblies to encourage employee participation, regular dialogue and operations meetings.</p> <p><b>Our People</b>  <a href="https://marcventuresholdings.com.ph/our-people/">https://marcventuresholdings.com.ph/our-people/</a></p> <p><b>Health and Safety</b>  <a href="https://marcventuresholdings.com.ph/guidelines-in-preventing-the-spread-of-covid-19/">https://marcventuresholdings.com.ph/guidelines-in-preventing-the-spread-of-covid-19/</a></p> <p><a href="https://marcventuresholdings.com.ph/mine-safety-and-health-rules-and-regulations/">https://marcventuresholdings.com.ph/mine-safety-and-health-rules-and-regulations/</a></p> <p><a href="https://marcventuresholdings.com.ph/occupational-safety-and-health-program/">https://marcventuresholdings.com.ph/occupational-safety-and-health-program/</a></p>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Non-compliant	<p><i>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</i></p>	<p>While the Company has no institutionalized or codified merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, the Company's short-term financial rewards (e.g. productivity bonuses) are based on employee performance and company performance.</p>



<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>Compliant</p>	<p><i>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Company has policies in place regarding mining operations and safety procedures to reduce fatality, personal injury, illness, and property or environmental damage. Also, aside from ensuring compliance with government-mandated benefits, the Company also offers extra compensation that fulfill its employees' medical (employees are provided with Health Maintenance Organization (HMO) cards and annual physical examination), livelihood and educational needs. These extend to the employees' family members in the form of food subsidies, educational assistance, and health insurance.</p> <p><b>Health and Safety</b>  <a href="https://marcventuresholdings.com.ph/guidelines-in-preventing-the-spread-of-covid-19/">https://marcventuresholdings.com.ph/guidelines-in-preventing-the-spread-of-covid-19/</a>   <a href="https://marcventuresholdings.com.ph/mine-safety-and-health-rules-and-regulations/">https://marcventuresholdings.com.ph/mine-safety-and-health-rules-and-regulations/</a>   <a href="https://marcventuresholdings.com.ph/occupational-safety-and-health-program/">https://marcventuresholdings.com.ph/occupational-safety-and-health-program/</a></p> <p><b>Our People</b>  <a href="https://marcventuresholdings.com.ph/our-people/">https://marcventuresholdings.com.ph/our-people/</a></p>	
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<p>3. Company has policies and practices on training and development of its employees.</p>	<p>Compliant</p>	<p><i>Disclose and provide information on policies and practices on training and development of employees.</i></p> <p><i>Include information on any training conducted or attended.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>Excellence, leadership, commitment, and integrity are values that represent the Company's people philosophy. In order to realize this philosophy, the Company strives to provide rewarding opportunities and benefits to its employees and encourage them to maximize their fullest potential. The Company takes serious efforts to constantly hone and nurture its people because the Company views them as partners in providing value to its stakeholders.</p> <p>Employees are encouraged to obtain trainings and career developments relevant to their work and designed based on competencies and talent requirements of the individual employees. Some of the trainings, seminars, conferences include How to File Annual Reports Using SEC Online Submission Tool, Corporate Governance and Sustainability, Corporate Governance Seminar, and 2021 SEC-GRI Workshops for Publicly-Listed.</p>	
<p><b>Recommendation 15.2</b></p>			
<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption.</i></p> <p><b><u>Links/References are as follows:</u></b></p>	

		<p><b>Gifts and Entertainment Policy</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p> <p><b>2020 Revised Manual on Corporate Governance</b>  <i>Ref: Article 3, Item 15(15.2)</i>  <a href="https://marcventuresholdings.com.ph/manual-on-corporate-governance/">https://marcventuresholdings.com.ph/manual-on-corporate-governance/</a></p>	
Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p><i>Identify how the board disseminated the policy and program to employees across the organization.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>The Board has the primary duty to make sure that the internal systems are in place to ensure the compliance with the Code of Business Conduct and Ethics and its internal policies and procedures of the directors, officers, and employees in the performance of their duties and responsibilities and in their transaction with investors, creditors, contractors, vendors, suppliers, buyers, regulators, and the general public.</p> <p>The Company's Human Resources (HR) Department has the primary duty to implement and administer the Code of Business Conduct and Ethics and internal policies through onboarding orientation and refresher trainings.</p> <p>All directors and officers and employees are given a copy of the Company Code of Conduct.</p>	
Supplement to Recommendation 15.2			

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices.</i></p> <p><i>Include any finding of violations of the company policy.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Gifts and Entertainment Policy</b>  <a href="https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf">https://marcventuresholdings.com.ph/wp-content/uploads/2024/04/MARCVENTURES-HOLDINGS-INC.-Code-of-conducts.pdf</a></p>	
<p><b>Recommendation 15.3</b></p>			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p><i>Disclose or provide link/reference to the company whistleblowing policy and procedure for employees.</i></p> <p><i>Indicate if the framework includes procedures to protect the employees from retaliation.</i></p> <p><i>Provide contact details to report any illegal or unethical behavior.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p><b>Whistle Blowing Policy</b>  <a href="https://marcventuresholdings.com.ph/whistle-blowing-policy/">https://marcventuresholdings.com.ph/whistle-blowing-policy/</a></p> <p><b>Material Related Party Transactions Policy</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	

2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p><b><u>Links/References are as follows:</u></b></p> <p><b>Whistle Blowing Policy</b>  <a href="https://marcventuresholdings.com.ph/whistle-blowing-policy/">https://marcventuresholdings.com.ph/whistle-blowing-policy/</a></p> <p><b>Material Related Party Transactions Policy</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p><b><u>Links/References are as follows:</u></b></p> <p>As of December 31, 2024, there were no incidents reported through any of the identified whistleblower reporting channels.</p> <p><b>Whistle Blowing Policy</b>  <a href="https://marcventuresholdings.com.ph/whistle-blowing-policy/">https://marcventuresholdings.com.ph/whistle-blowing-policy/</a></p> <p><b>Material Related Party Transactions Policy</b>  <a href="https://marcventuresholdings.com.ph/company-policies/">https://marcventuresholdings.com.ph/company-policies/</a></p>	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

#### Recommendation 16.1

Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.

Compliant

*Provide information or reference to a document containing information on the company's community involvement and environment-related programs.*

#### **Links/References are as follows:**

##### **Company Website**

<https://marcventuresholdings.com.ph/>

##### **Bringing Back Nature**

<https://marcventuresholdings.com.ph/bringing-back-nature/>

##### **Health**

<https://marcventuresholdings.com.ph/health/>

##### **Education**

<https://marcventuresholdings.com.ph/education/>

##### **Livelihood**

<https://marcventuresholdings.com.ph/livelihood/>

##### **Public Facilities**

<https://marcventuresholdings.com.ph/public-facilities-2/>

##### **Socio Cultural Preservation**

<https://marcventuresholdings.com.ph/socio-cultural-preservation/>

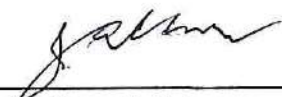
		<b>Corporate Social Responsibility</b> <a href="https://marcventuresholdings.com.ph/socio-economic-contributions/">https://marcventuresholdings.com.ph/socio-economic-contributions/</a>	
<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development.	<b>Compliant</b>	<i>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</i>  <b>Links/References are as follows:</b>  <b>Bringing Back Nature</b> <a href="https://marcventuresholdings.com.ph/bringing-back-nature/">https://marcventuresholdings.com.ph/bringing-back-nature/</a>  <b>Corporate Social Responsibility</b> <a href="https://marcventuresholdings.com.ph/socio-economic-contributions/">https://marcventuresholdings.com.ph/socio-economic-contributions/</a>  <b>PSE Disclosure: 2024 Annual Report with 2024 Sustainability Report</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a>	
2. Company exerts effort to interact positively with the communities in which it operates	<b>Compliant</b>	<i>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</i>  <b>Links/References are as follows:</b>  <b>Health</b> <a href="https://marcventuresholdings.com.ph/health/">https://marcventuresholdings.com.ph/health/</a>	

		<p><b>Education</b> <a href="https://marcventuresholdings.com.ph/education/">https://marcventuresholdings.com.ph/education/</a></p> <p><b>Livelihood</b> <a href="https://marcventuresholdings.com.ph/livelihood/">https://marcventuresholdings.com.ph/livelihood/</a></p> <p><b>Public Facilities</b> <a href="https://marcventuresholdings.com.ph/public-facilities-2/">https://marcventuresholdings.com.ph/public-facilities-2/</a></p> <p><b>Socio Cultural Preservation</b> <a href="https://marcventuresholdings.com.ph/socio-cultural-preservation/">https://marcventuresholdings.com.ph/socio-cultural-preservation/</a></p> <p><b>Corporate Social Responsibility</b> <a href="https://marcventuresholdings.com.ph/socio-economic-contributions/">https://marcventuresholdings.com.ph/socio-economic-contributions/</a></p> <p><b>PSE Disclosure: 2024 Annual Report with 2024 Sustainability Report</b> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59">https://edge.pse.com.ph/openDiscViewer.do?edge_no=23ce91ff7c5df0d9ec6e1601ccee8f59</a></p>	
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Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on MAY 28 2025.

### Signatures

  
\_\_\_\_\_  
**Cesar C. Zalamea**  
*Chairman of the Board*  
\_\_\_\_\_  
**Carlos Alfonso T. Ocampo**  
*Independent Director*  
\_\_\_\_\_  
**Ana Maria A. Katigbak**  
*Compliance Officer and Assistant Corporate Secretary*  
\_\_\_\_\_  
**Roberto A. San Jose**  
*Corporate Secretary*  
\_\_\_\_\_  
**Augusto C. Serafica, Jr.**  
*President*  
\_\_\_\_\_  
**Kwok Yam Ian Chan**  
*Independent Director*  
\_\_\_\_\_  
**Rommel T. Casipe**  
*Co-Compliance Officer and Co-Assistant Corporate Secretary*

REPUBLIC OF THE PHILIPPINES)

CITY OF MAKATI ) S. S.

SUBSCRIBED AND SWORN TO before me this MAY 28 2025 of \_\_\_\_\_, affiants exhibiting to me their valid identification, as follows:


Name	Valid Identification	Expiry Date	Date/Place of Issue
Cesar C. Zalamea	TIN No. 137-712-551		
Augusto C. Serafica, Jr.	TIN No. 102-097-338		
Kwok Yam Ian Chan	TIN No. 287-887-013		
Carlos Alfonso T. Ocampo	TIN No. 165-489-497		
Ana Maria A. Katigbak	TIN No. 173-182-955		
Rommel T. Casipe	TIN No. 260-176-009		
Roberto V. San Jose	TIN No. 126-470-483		

Doc. No. 43

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Book No. I

Series of 2025

  
**ATTY. REUBEN CARLO O. GENERAL**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2026  
Roll of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-10476980MN; 01/13/2025  
MCLE Compliance No. VII-0018681;  
3F ALPAPI Building, #140 Leviste Street  
Salcedo Village, Makati City

[Notice of Joint Meeting] MHI and MMDC Board of Directors Meeting on 27 June 2024 External > Inbox x

✦ Summarise this email



**Rommel Casipe** <rommel.casipe@marcventures.com.ph>  
to MHI, MMDC, ana.katigbak@cltpsj.com.ph, Diane, Tristan, roberto.sanjose, Legal, Rolando ▾

**Dear Chairman Zalamea  
and Members of the Board of Directors of MHI and MMDC:**

Please be reminded of the upcoming Joint MHI & MMDC Board of Directors regular meeting scheduled on **June 27, 2024 (Thursday) at 2pm.**

Kindly refer to the meeting details provided below:

Topic	MHI MMDC - Board of Directors Meeting
Date & Time	June 27, 2024; 02:00PM
Venue	MHI Boardroom, 4 <sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center), 8741 Paseo de Roxas, Makati City
Zoom Details:	Meeting Link: <a href="https://zoom.us/j/95499774555?pwd=RWpiWWROSU11dUluTHVuS1pCaEg5UT09">https://zoom.us/j/95499774555?pwd=RWpiWWROSU11dUluTHVuS1pCaEg5UT09</a> Meeting ID: 954 9977 4555 Passcode: 358844

Also attached are the Notices with the agenda. The meeting materials will be sent in a subsequent email.

Thank you.

Regards,

Rommel T. Casipe  
Legal Counsel, MHI

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**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF  
MARCVENTURES HOLDINGS, INC. ("MHI")**

Held on June 27, 2024 at 2:00 p.m.  
4<sup>th</sup> Floor BDO Towers Paseo (formerly Citibank Center),  
8741 Paseo de Roxas, Makati City

Videoconference via Zoom

<https://zoom.us/j/95766378126?pwd=SXJnaXYreTJQU0NlOE85L0VRWmZhQT09>

Meeting ID: 957 6637 8126

Passcode: 034682

**DIRECTORS PRESENT:**

Mr. Cesar C. Zalamea  
Mr. Michael L. Escaler  
Ms. Marianne Regina T. Dy  
Mr. Augusto C. Serafica, Jr.  
Ms. Ruby K. Sy  
Atty. Carlos Alfonso T. Ocampo  
Mr. Kwok Yam Ian Chan

**DIRECTORS ABSENT:**

Mr. Andrew Julian K. Romualdez  
Mr. Anthony M. Te

**MANAGEMENT REPRESENTATIVES PRESENT:**

Mr. Rolando S. Santos (Chief Operating Officer and Executive Vice President, MHI, and Treasurer, MMDC)  
Mr. Dale A. Tongco (Treasurer, MHI and VP – Controllershship)  
Ms. Deborra C. Ilagan (VP- Human Resources & Administration, MHI/MMDC)  
Mr. Ric F. Macabidang (AVP- Marketing and Business Development, MHI/MMDC)  
Mr. Elmer O. Purisima (AVP for Accounting, MHI/MMDC)  
Mr. Bernard P. Baluda (AVP for Compliance and Tenements Management)  
Engr. Eduardo Francisco (President/General Mine Operations Head of MMDC)  
Engr. Me Ann Miñoza (Resident Mine Manager, MMDC)  
Atty. Diane Madelyn C. Ching (Acting Legal Head, MHI/MMDC)  
Atty. Rommel T. Casipe (Legal Counsel, MHI, and Corporate Secretary, MMDC)

**ALSO PRESENT:**

Atty. Ana Maria A. Katigbak, Asst. Corporate Secretary, MHI  
Atty. Dana Genevieve C. Dela Cruz, Legal Associate, CLTPSJ Law Firm  
Atty. Tristan Gabriel D. Felipe, Legal Associate, CLTPSJ Law Firm



## **I. CALL TO ORDER**

The Chairman, Mr. Cesar C. Zalamea (the "Chairman"), called the meeting to order and presided over the same. With the permission of the Corporate Secretary, Atty. Roberto V. San Jose, the Corporate Secretary, Atty. Ana Maria A. Katigbak ("Atty. Katigbak"), acted as Secretary of the meeting. A recording of the meeting was taken in compliance with the Securities and Exchange Commission's requirements for virtual board meetings.

## **II. CERTIFICATION OF QUORUM**

Atty. Katigbak called the roll of directors. The directors confirmed that they were participating in the meeting as follows:

<i>Name of Director</i>	<i>Location</i>	<i>Type of Device</i>	<i>Email</i>
Cesar C. Zalamea	Makati City	Laptop	<a href="mailto:cczalamea@gmail.com">cczalamea@gmail.com</a>
Marianne Regina T. Dy	Makati City	Laptop	<a href="mailto:marianne.dy@sonice.com.ph">marianne.dy@sonice.com.ph</a>
Michael L. Escaler	Makati City	Phone	<a href="mailto:michael.escaler@aaci.ph">michael.escaler@aaci.ph</a>
Augusto C. Serafica, Jr.	Attending in Person (Board room, MHI)		<a href="mailto:titoserafica@yahoo.com">titoserafica@yahoo.com</a>
Ruby K. Sy	Quezon City	Tablet	<a href="mailto:ampibari@yahoo.com">ampibari@yahoo.com</a>
Carlos Alfonso T. Ocampo	Makati City	Desktop	<a href="mailto:cto@omlawphil.com">cto@omlawphil.com</a>
Kwok Yam Ian Chan	Tagaytay City	Phone	<a href="mailto:kwokianchan66@gmail.com">kwokianchan66@gmail.com</a>

The directors also confirmed seeing and hearing the proceedings clearly and having received the agenda and materials for the meeting.

There being present at least a majority of the members of the Board of Directors of MHI, Atty. Katigbak certified that a quorum existed for the transaction of corporate business.

## **III. APPROVAL OF THE AGENDA**

The agenda was presented to the Board for its approval. There being no comments or objections, upon motion duly made and seconded, the agenda was noted and approved by the Board.

## **IV. MINUTES OF THE PREVIOUS MEETINGS**

Atty. Katigbak presented the highlights of the minutes of the Regular MHI Board meeting held on 14 March 2024 held jointly with the Marcventures Mining and Development Corporation's ("MMDC") Board meeting. Thereafter, Atty. Rommel T. Casipe ("Atty. Casipe") presented the highlights of the minutes of the Special MHI Board meeting dated 31 May 2024.

There being no comments, upon motion made and duly seconded, the Board approved the minutes of the said meetings.

Atty. Casipe presented for the information of the Board, the highlights of the minutes of the MMDC Special Board Meetings (a) dated 2 April 2024, (b) dated 7 May 2024, and (c) dated 29 May 2024. He also presented the highlights of the minutes of the following Executive Committee Meetings: (a) Joint MHI and MMDC Executive Committee Meeting dated 25 April 2024, (b) MMDC Executive Committee Meeting dated 30 May 2024, and (c) MMDC Executive Committee Meeting dated 20 June 2024.

There being no comments, upon motion duly made and seconded, the Board noted the highlights.

**V. MATTERS ARISING FROM THE MINUTES OF PREVIOUS MEETING**

Atty. Katigbak reported that there were no matters arising from the minutes of the previous meetings.

**VI. MATTERS FOR BOARD INFORMATION, DISCUSSION, AND/OR APPROVAL**

**VI.1. For Information: Operations Updates**

Engr. Me Ann Miñoza ("Engr. Miñoza"), Resident Mine Manager of MMDC, presented the Operations Updates on behalf of Engr. Eduardo M. Francisco, President/General Mine Operations Head of MMDC.

*Rainfall Data*

Engr. Miñoza reported the percentage of rainy days at the Company's mine sites for 17 June 2024 as follows: 35% in Cabangahan, 29% in Sipangpang, and 29% in Bon-ot.

*Shipment Operations*

For the shipment operations, Engr. Miñoza reported that the revised forecast consisted of 28 shipments of limonite. She also reported that mine site had already completed nine (9) shipments, and that the 10th shipment was being loaded. The last shipment, the 28th shipment, was forecasted to be completed by the last week of October 2024. The average despatch days per shipment was 5.4 and there was no demurrage. As of 17 June 2024, the stockyard inventory had 100% ore availability until Shipment #10, and there was a need to mine 45,000 wmt of limonite for Shipment #12.

*Mining Operations*

Engr. Miñoza presented photos of the mine sites and the stockyard. She reported that the repair of the Carac-an Bridge in Cabangahan and the Alamio Road in Sipangpang had been completed. The repair of the Cabangahan haulage road was set to commence on 1 July 2024. The other repair activities in Cabangahan would commence once there would be a saprolite shipment for this year, or unless required by MMT.

Engr. Miñoza also reported that the Company would start the initial tree cutting of 9.7 hectares out of 41.6 hectares approved STCEP in Sipangpang. The tree cutting activities were carried out based on schedule.

#### *SDMP Information and Update*

Engr. Miñoza reported that 26% of the Company's annual social development and management plan had been accomplished as of May 2024.

There being no comments or objections, the updates were noted by the Board.

#### **VI.2. For Information: Marketing Updates**

Mr. Ric F. Macabidang ("Mr. Macabidang"), AVP for Marketing and Business Development, presented the Marketing Updates.

##### *LME and SMM Nickel Price Index*

Mr. Macabidang reported that the LME nickel fell to USD 17,200 after reaching a 9-month high of over USD 21,000 in May 2024. Primarily, this was due to profit taking by investors. Investment funds liquidated long positions amid a stronger US dollar and weak manufacturing data from China. Meanwhile, concerns over supply disruptions caused by the riots in New Caledonia have eased as tensions cooled off and France lifted the state of emergency. Similarly, China's SME nickel experienced the largest decline in the non-ferrous sector. Analysts predicted ongoing challenges due to market oversupply.

##### *Low Grade High Iron Nickel Ore*

On the ferro alloy benchmark prices, Mr. Macabidang reported that the prices have not changed for low grade high iron nickel ore pending the availability of data coming from the fresh round of contracts signed for July. Prices were expected to increase on the combination of cheaper freight costs and reduced supply.

##### *Medium and High Grade Nickel Ore*

For medium and high-grade nickel ore, prices improved due to increased demand from Indonesian factories. Demand from Chinese factories cooled off due to rising prices. Limited number of transactions were observed as Philippine mines continued to limit their shipments due to low prices.

##### *Ferro Alloy Freight Cost Index*

Freight rates continued to decline. The shipping price from Surigao to Lianyungang was not at USD 12.25 per ton. Lower freight rates provided some financial relief for Philippine mines, allowing them to net higher prices.

##### *SMM Iron Fines Prices Index*

In terms of iron ore, Mr. Macabidang reported that prices fell due to bearish sentiment following expectations of a 15% decline in housing starts. Chinese steel mills have begun reducing production ahead of schedule, resulting to weakening of demand. Inventories at Chinese ports were at their highest levels in over two (2) years. Introduction of energy and carbon reduction measures to the steel industry triggered the market's expectation of weakening demand for iron ore.

#### *Sales Updates for 2024*

Mr. Macabidang reported that the Company successfully completed the sale of 15 contracts for 2024 which were primarily comprised of 0.6549 limonite. The most recent contracts were signed at a price of USD 19.50 per ton, a dollar higher than the previous two contracts. The team aimed to sell the remaining contracts for July at the price of USD 20.00 or higher.

#### *Collections Updates*

As of 25 June 2024, the team has collected USD 8.64 Million in cash revenues. Additionally, the team had billed and expected to collect in July 2024 about USD 3.45 Million in receivables, the bulk of which pertains to the downpayments of the four contracts recently signed.

There being no comments or objections, the updates were noted by the Board.

### **VI.3. For Information: Controllership Updates**

Mr. Dale A. Tongco ("Mr. Tongco"), Vice President for Controllership, presented the Controllership Updates.

#### *Year-to-Date May 2024 Financial Report*

Mr. Tongco presented the actual balances of the Company's profit and loss accounts in contrast to the budgeted balances, as shown below.



Profit & Loss (in PHP millions)	Actual YTD May 2024	Budget YTD May 2024	Variance vs Budget	%	Actual YTD May 2023	Variance vs PY	%
Revenue	270.05	670.82	(400.78)	(60%)	704.53	(434.48)	(62%)
Cost of Sales	201.55	441.75	240.20	54%	490.85	289.30	59%
Gross Income (Loss)	68.50	229.07	(160.58)	(70%)	213.68	(145.19)	(68%)
Operating Expense	112.68	184.56	71.88	39%	144.20	31.52	22%
Income (Loss) from operations	(44.18)	44.51	(88.69)	(199%)	69.48	(113.67)	(164%)
Interest & Other (Income) Expense	4.75	5.22	0.47	9%	6.78	2.03	30%
Income (loss) before income tax	(48.93)	39.29	(88.22)	(225%)	62.70	(111.64)	(178%)
Provision for Income Tax	(12.23)	9.82	22.06	225%	15.68	27.91	178%
<b>Net Income (Loss) - MMDC</b>	<b>(36.70)</b>	<b>29.47</b>	<b>(66.17)</b>	<b>(225%)</b>	<b>47.03</b>	<b>(83.73)</b>	<b>(178%)</b>
Affiliates Expenses	23.14	39.49	16.35	41%	18.47	(4.67)	(25%)
<b>Net Income (Loss) - Consolidated</b>	<b>(59.84)</b>	<b>(10.02)</b>	<b>(49.82)</b>	<b>(497%)</b>	<b>28.56</b>	<b>(88.40)</b>	<b>(310%)</b>
<b>MMDC EBIT</b>	<b>(44.18)</b>	<b>44.51</b>	<b>(88.69)</b>	<b>(199%)</b>	<b>69.48</b>	<b>(113.67)</b>	<b>(164%)</b>
Add: Depreciation & Depletion	20.71	30.65	(9.95)	(32%)	13.99	6.72	48%
<b>MMDC EBITDA</b>	<b>(23.47)</b>	<b>75.16</b>	<b>(98.64)</b>	<b>(131%)</b>	<b>83.47</b>	<b>(106.95)</b>	<b>(128%)</b>

Mr. Tongco highlighted that the Company earned a revenue of Php 270.05 Million coming from the sales of five (5) boatloads of limonite sold at an average contracted price of USD 17.68 per wmt. This was 60% lower than the budgeted amount of Php 400.78 Million, and 62% lower than the Php 438.48 Million revenue in 2022.

In terms of tonnage, Mr. Tongco reported that the Company was able to ship out five (5) boatloads with an actual volume of 266,100 wmt for the year-to-date May 2024. In terms of prices, the Company was averaging USD 17.68 wmt for the limonite contracts. For forex rates, the Company was averaging Php 57.49 to a dollar for the five (5) shipments which was higher than the average budget forex rate of Php 56.00 and previous year's Php 55.50.

In terms of cost of sales, Mr. Tongco reported that this amounted to Php 201.55 Million for year-to-date May 2024. This was 54% lower than the budget of Php 441.75 Million and 59% lower than previous year's Php 490.85 Million. Mr. Tongco presented the breakdown of the cost of sales as follows:

Profit & Loss (in PHP millions)	Actual YTD May 2024	Budget YTD May 2024	Variance vs Budget	%	Actual YTD May 2023	Variance vs PY
Mining & Barge Loading	106.88	109.13	2.24	2%	130.20	23.32
Cost Attributable to Inventory	(70.83)	(7.96)	62.87	790%	65.87	136.70
Shipping	28.57	43.99	15.42	35%	49.27	20.70
Equipment Rental	21.11	41.63	20.53	49%	60.42	39.31
Excise Tax	10.35	26.83	16.48	61%	26.03	15.68
Minesite Personnel Cost	47.04	78.02	30.98	40%	53.72	6.69
Minesite Overhead	38.04	119.93	81.89	68%	91.83	53.80
Minesite Depreciation & Amortization	7.80	8.74	0.93	11%	6.71	(1.10)
Depletion	12.59	21.45	8.86	41%	6.79	(5.80)
<b>Cost of sales</b>	<b>201.55</b>	<b>441.75</b>	<b>240.20</b>	<b>54%</b>	<b>490.85</b>	<b>289.30</b>

Mr. Tongco further reported that the Company's operating cost for year-to-date May 2024 was at Php 112.68 Million, broken down as follows.

Profit & Loss (in PHP millions)	Actual YTD May 2024	Budget YTD May 2024	Variance vs Budget	%	Actual YTD May 2023	Variance vs PY
Head Office Personnel Expenses	19.16	24.76	5.61	23%	23.62	4.47
Head Office Overhead	50.39	90.36	39.97	44%	66.05	15.66
Head Office Depreciation & Amortization	0.32	0.47	0.15	33%	0.50	0.18
Demurrage (Despatch)	(0.99)	-	0.99	100%	(11.68)	(10.68)
Business Tax	18.89	21.87	2.98	14%	32.32	13.43
Compliance Costs	24.92	47.11	22.18	47%	33.39	8.47
<b>Operating expenses</b>	<b>112.68</b>	<b>184.56</b>	<b>71.88</b>	<b>39%</b>	<b>144.20</b>	<b>31.52</b>

For the Company's trade receivables, Mr. Tongco reported that this had a net realizable value of Php 3,542,824. For grade and moisture penalty, the Company reported a penalty of Php 9,443,796.14. This was based on the in-house assay laboratory and would still be subject to a final assessment by the third-party assessor. He added that the Company had no demurrage but had a despatch of Php 991,826.05 which was recorded as other income.

#### *Cash Flow Projection June 2024 and Bank Loan/Financing Reports May 2024*

Mr. Tongco presented the cash balance as of 1 – 31 May 2024, the total cash balance as of 24 June 2024, and the projected cash flow for 30 June 2024, as shown below.

Cash Balance as of May 1-31, 2024					S1 = Php57	
	PHP		USD		Total	
Total Cash Bank Balance as of April 30, 2024	P 146,282,390.15	\$	542,596.21			177,210,374.12
<u>Cash Additions/Transfer May 1-31, 2024</u>						
Dollar Conversion	P 170,328,160.00	\$	(2,943,000.00)	P	2,577,160.00	
Collection	P	\$	2,773,798.16	P	158,106,495.12	
Other Deposits	P 6,234.88	\$	-	P	6,234.88	
Total	P 316,616,785.03	\$	373,394.37	P	337,900,264.12	
<u>Cash Deductions May 1-31, 2024</u>						
Checks issuance/payments Overhead/Expenses	P (131,688,913.51)	\$	(26.00)	P	(131,690,395.51)	
Total Cash Balance as of May 31, 2024	P 184,927,871.52	\$	373,368.37	P	206,209,868.61	
Less: Restricted Funds as of May 31, 2024	(111,679,388.70)		(19,000.00)	P	(112,762,388.70)	
<b>CASH BALANCE FREE - May 31, 2024</b>	<b>P 73,248,482.82</b>	<b>\$ 354,368.37</b>		<b>P 93,447,479.91</b>		

Projected Cash Flow - June 30, 2024					S1 = Php57	
	PHP		USD		Total	
Free Cash Balance May 31, 2024 (net of restricted funds)	P 73,248,482.82	\$	354,368.37	P	93,447,479.91	
<u>Projected Cash Addition - June 30, 2024</u>						
Collections	P -	\$	4,188,668.00	P	238,754,076.00	
<u>Projected Cash Deductions June 30, 2024</u>						
Check issuance/payments - Overhead/Expenses	P (128,936,393.64)	\$	-	P	(128,936,393.64)	
<b>PROJECTED CASH BALANCE - June 30, 2024</b>	<b>P (55,687,910.82)</b>	<b>\$ 4,543,036.37</b>		<b>P 203,265,162.27</b>		



	Balance as of June 24, 2024	Less: Restricted funds	FREE CASH as of June 24, 2024 (in Php@57)
PESO BALANCE	₱ 174,702,765.39	₱ (111,679,388.70)	₱ 63,023,376.69
DOLLAR BALANCE	\$ 2,017,675.90	\$ -250,000.00	₱ 100,757,526.30
<b>TOTAL FREE CASH AVAILABLE-NET OF RESTRICTED FUNDS</b>			<b>₱ 163,780,902.99</b>

Proceeding to the bank loans payable, Mr. Tongco reported that the Company has an outstanding and remaining loan to China Bank in the amount of Php 117.73 Million, and that it has an unused credit line facility with China Bank amounting to Php 75 Million, which may be used anytime as the need arises. For the lease facility with Orix Metro Leasing, the Company has an outstanding loan of Php 2.99 Million from the original Php 32.93 Million.

#### *Updated 2024 Forecast*

Mr. Tongco reported on the updated forecast for the year 2024. He explained that actual figures were used for the months of January to May 2024, and the forecast adjustments were made for the months of June to December 2024. He presented the assumptions used for the 2024 full year forecast as follows.:

	Scenario 1 July Onwards Price @ \$18.50	Scenario 2 Breakeven Price @ July \$18.50 - Aug Onwards \$19	Scenario 3 Prices @ July \$19 - Aug Onwards \$20
<b>Sales Volume (in '000 WMT)</b>			
Saprolite	-	-	-
Limonite	1,531.1	1,531.1	1,531.1
<b>Total Sales Volume</b>	<b>1,531.1</b>	<b>1,531.1</b>	<b>1,531.1</b>
<b>No. of Shipments</b>			
Saprolite	-	-	-
Limonite	28	28	28
<b>Total No. of Shipments</b>	<b>28</b>	<b>28</b>	<b>28</b>
<b>Forex</b>			
Saprolite	₱57.00/\$1	₱57.00/\$1	₱57.00/\$1
Limonite	₱57.00/\$1	₱57.00/\$1	₱57.00/\$1
<b>Average Forex Rate</b>	<b>₱57.00/\$1</b>	<b>₱57.00/\$1</b>	<b>₱57.00/\$1</b>

Mr. Tongco explained that, in the above assumption, the despatch and moisture/grade penalties were already imputed, and the aircraft repairs and maintenance expense were taken out.

Based on the foregoing assumption, the following forecast was arrived at:

	Scenario 1 July Onwards Price @ \$18.50	Scenario 2 Breakeven Price @ July \$18.50 - Aug Onwards \$19	Scenario 3 Prices @ July \$19 - Aug Onwards \$20
<b>Profit &amp; Loss (in PHP millions)</b>			
Revenue	1,549.76	1,570.13	1,618.73
Cost of Sales	1,152.29	1,153.32	1,155.77
Gross Income (Loss)	397.47	416.82	462.96
Operating Expense	314.05	314.05	314.05
Income (Loss) from operations	83.41	102.76	148.90
Interest & Other (Income) Expense	9.50	9.50	9.50
Income (loss) before income tax	73.91	93.26	139.40
Provision for Income Tax	18.48	23.31	34.85
<b>Net Income (Loss) - MMDC</b>	<b>55.43</b>	<b>69.94</b>	<b>104.55</b>
Affiliates Expenses	68.07	68.07	68.07
<b>Net Income (Loss) - Consolidated</b>	<b>(12.64)</b>	<b>1.87</b>	<b>36.47</b>
<b>MMDC EBIT</b>	<b>83.41</b>	<b>102.76</b>	<b>148.90</b>
Add: Depreciation & Depletion	73.68	73.68	73.68
<b>MMDC EBITDA</b>	<b>157.09</b>	<b>176.44</b>	<b>222.58</b>

PHP millions	Scenario 1 July Onwards Price @ \$18.50	Scenario 2 Breakeven Price @ July \$18.50 - Aug Onwards \$19	Scenario 3 Prices @ July \$19 - Aug Onwards \$20
Beg. Cash balance	117.27	117.27	117.27
Collections	1,213.98	1,234.35	1,282.95
Disbursements	1,249.49	1,250.55	1,253.06
Cashflows from Operating Activities	(35.52)	(16.19)	29.88
Capital Expenditures	(38.70)	(38.70)	(38.70)
Cashflows from Investing Activities	(38.70)	(38.70)	(38.70)
Loans	(16.47)	(16.47)	(16.47)
Interest Expense	(4.75)	(4.75)	(4.75)
Cashflows from Financing Activities	(21.22)	(21.22)	(21.22)
<b>Total Cashflows MMDC</b>	<b>(95.44)</b>	<b>(76.11)</b>	<b>(30.04)</b>
<b>Total Cashflows Affiliates</b>	<b>(40.40)</b>	<b>(40.40)</b>	<b>(40.40)</b>
<b>Total Cashflows</b>	<b>(135.84)</b>	<b>(116.52)</b>	<b>(70.44)</b>
<b>Cash Available (MMDC)</b>	<b>21.83</b>	<b>41.15</b>	<b>87.23</b>
<b>Cash Available (Consolidated)</b>	<b>(18.57)</b>	<b>0.75</b>	<b>46.83</b>

Mr. Tongco concluded his report and opened the floor for questions. Mr. Rolando Santos, Chief Operating Officer and Executive Vice President, inquired as to how the Company may improve its moisture penalties. He noted that the moisture penalty reported by the Company was much higher than the amount of despatch reported. Engr. Eduardo Francisco ("Engr. Francisco") responded that the moisture content of the Company's

shipments was greater than expected. He added that there were some corrections on the forecast that needed to be made. Mr. Tongco responded that the corrections on the forecast in terms of moisture penalties were already made, but the amount reported remained to be high.

With the foregoing, Engr. Francisco suggested that a presentation comparing the penalties for the past years be made. The Board then instructed the Controllershship and Marketing Team to provide the suggested presentation to the Board in the next board meeting.

There being no further questions, comments, or objections, the updates were noted by the Board.

#### **VI.4. Compliance and Project Updates**

Engr. Bernard P. Baluda ("Engr. Baluda"), AVP for Compliance and Tenements Management, presented the Compliance and Project Updates.

Mr. Bernard P. Baluda ("Mr. Baluda"), AVP for Compliance and Tenements Management, presented the compliance and projects updates.

##### *BRC Compliances Update*

##### **a. Renewal and Restitution of MPSA**

Engr. Baluda reported that the Office of the Undersecretary of Field Operation – Mindanao was awaiting the review and endorsement from the Mines and Geosciences Bureau whether to grant MPSA Restitution or Renewal to BRC.

##### **b. Application for Environmental Compliance Certificate ("ECC")**

Mr. Baluda reported that the Company was awaiting approval of EMB Director's Office to conduct public hearing, which shall be held within one month after receipt of approval from EMB Director's Office.

##### **c. Free Prior Informed Consent ("FPIC") Process and Issuance of Certificate Precondition**

Mr. Baluda reported that the NCIP En Banc Committee has deliberated and approved the Certificate Precondition of BRC on 21 June 2024. BRC was requested to submit an Affidavit of Undertaking for an additional 0.2% royalty fee for the sector if there would be mining operations outside of the proposed 60-hectare mine area and north of the Hinapuyan/Bayogo area.

There being no comments or objections, the updates were noted by the Board.



**VII. Other Matters**

Atty. Casipe informed the Board of the need to appoint the Company's representatives in the processing and/or updating of the Company's BIR Certificate of Registration and Electronic Filing and Payment System. Mr. Rolando S. Santos, Mr. Jommel T. Ramos, and Ms. Shania Mae Y. Tan were selected as the Company's representatives for this purpose. There being no objections or comments, upon motion duly made and seconded, the Board approved the following resolution:


**"RESOLVED**, that the Board of Directors of Marcventures Holdings, Inc. (the "Company") authorize, as it hereby authorizes, the Company to transact with the Bureau of Internal Revenue ("BIR") for the updating of the Company's BIR Certificate of Registration and Electronic Filing and Payment System.

**RESOLVED, FURTHER**, that the Board of Directors of the Company hereby authorizes Mr. Rolando S. Santos, Mr. Jommel T. Ramos, and Ms. Shania Mae Y. Tan, acting collectively or individually, to sign, execute and deliver, in the name and on behalf of the Company, any and all documents in connection with the updating of the Company's BIR Certificate of Registration and Electronic Filing and Payment System, to request for an assessment and pay all fees pertinent thereto, to receive on behalf of the Company any and all documents to be issued by the BIR, and to do and perform all acts as may be necessary to carry into effect the intents and purposes of this resolution;

**RESOLVED, FINALLY**, that the foregoing authority shall continue to be in full force and effect until revoked by the Board of Directors."

**VIII. Adjournment**

There being no further matters to discuss, the meeting was adjourned.

  
**ROBERTO V. SAN JOSE**  
Corporate Secretary

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


**Securities and Exchange Commission**

7907 Makati Avenue, Salcedo Village  
Bel-Air, Makati City, 1209

Attention: **Atty. Rachel Esther Gumtang-Remalante**  
Office of the Director  
Corporate Governance and Finance Department

Re: Report on Attendance of Directors at  
2024 Board Meetings

Gentlemen:

In compliance with SEC Memorandum Circular No. 1, series of 2014, we hereby formally advise the Commission of the following:

1. The following table summarizes the attendance of the directors of **Marcventures Holdings, Inc.** (the "Corporation") in board meetings held by the Corporation during the calendar year 2024.

	Name	Number of Meetings Held During the Year	Number of Meetings Attended	Percentage
Chairman	Cesar C. Zalamea	8	7	88%
Board Member	Marianne T. Dy	8	8	100%
Board Member	Michael Escaler	8	6	75%
Board Member	Augusto C. Serafica, Jr.	8	8	100%
Board Member	Ruby Sy	8	8	100%
Board Member	Anthony M. Te	8	6	75%
Board Member	Andrew Julian K. Romualdez	8	5	63%
Independent Director	Carlos Alfonso T. Ocampo	8	8	100%
Independent Director	Kwok Yam Ian Chan	8	8	100%

2. The Board of Directors of the Company held its meetings in the year 2024, specifically on the following dates:

Date of Meeting	Nature of Meeting
January 09, 2024	Special Board Meeting
March 14, 2024	Regular Board Meeting
May 13, 2024	Special Board Meeting
June 27, 2024	Regular Board Meeting
July 19, 2024	Special Board Meeting
July 26, 2024	Organizational Board Meeting
September 26, 2024	Regular Board Meeting
December 5, 2024	Regular Board Meeting

3. Based on the records of the minutes of the above meetings of the Corporation, no director has absented himself for more than fifty percent (50%) from all meetings of the Board of Directors, both regular and special, during his incumbency or any twelve (12) month period during said incumbency. Attached as **Annex "A"** hereof is a summary of the attendance of the directors.
4. The Corporation held its annual stockholders' meeting on July 26, 2024. The Chairman of the Board and majority of the directors of the Corporation likewise attended the said annual stockholders' meeting of the Corporation on July 26, 2024.

We trust that the foregoing is sufficient. Should you require any further information, please let us know.

Very truly yours,

  
**Ana Maria A. Katigbak**  
Asst. Corporate Secretary



**Annex "A"**  
**Meetings of the Board of Directors for the Year 2024**

Name of Directors	SM 01.09.24	RM 03.14.24	SM 05.13.24	RM 06.27.26	SM 07.19.24	OM 07.26.24	RM 09.26.24	RM 12.05.24
Cesar C. Zalamea	√	√	√	√	√	X	√	√
Marianne Regina T. Dy	√	√	√	√	√	√	√	√
Michael L. Escaler	√	X	√	√	√	√	X	√
Augusto C. Serafica, Jr.	√	√	√	√	√	√	√	√
Ruby K. Sy	√	√	√	√	√	√	√	√
Anthony M. Te	√	√	√	X	√	√	X	√
Andrew Julian K. Romualdez	√	√	√	X	√	X	√	X
Carlos T. Ocampo	√	√	√	√	√	√	√	√
Kwok Yam Ian Chan	√	√	√	√	√	√	√	√

**Legend:**

- √ - Present
- X - Absent
- RM - Regular Board Meeting
- SM - Special Board Meeting
- OM - Organizational Board Meeting
- N/A - Not Applicable