

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17-A, AS AMENDED**

**ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 141  
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended  
Dec 31, 2025
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. Province, country or other jurisdiction of incorporation or organization  
Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
4th Floor BDO Towers Paseo (Formerly Citibank Center), 8741 Paseo de Roxas, Makati  
City  
Postal Code  
1227
8. Issuer's telephone number, including area code  
+6328831-4479
9. Former name or former address, and former fiscal year, if changed since last report  
-
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON	3,014,820,305

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes       No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Metro Manila

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 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 twelve (12) months (or for such shorter period that the registrant was required to file such reports)

Yes  No

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

Yes  No

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form

333,740,608

**APPLICABLE ONLY TO ISSUERS INVOLVED IN  
INSOLVENCY SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes  No

**DOCUMENTS INCORPORATED BY REFERENCE**

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders

-

(b) Any information statement filed pursuant to SRC Rule 20

-

(c) Any prospectus filed pursuant to SRC Rule 8.1

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*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*

# Marcventures Holdings, Inc.

## MARC

**PSE Disclosure Form 17-1 - Annual Report**  
**References: SRC Rule 17 and**  
**Section 17.2 and 17.8 of the Revised Disclosure Rules**

For the fiscal year ended	Dec 31, 2025
Currency	Php

### Balance Sheet

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
<b>Current Assets</b>	1,466,016,675	813,509,424
<b>Total Assets</b>	6,225,404,626	5,806,289,229
<b>Current Liabilities</b>	242,562,608	284,253,113
<b>Total Liabilities</b>	850,184,364	893,108,512
<b>Retained Earnings/(Deficit)</b>	2,067,687,019	1,596,542,698
<b>Stockholders' Equity</b>	5,375,220,262	4,913,180,717
<b>Stockholders' Equity - Parent</b>	3,469,931,879	3,366,431,058
<b>Book Value Per Share</b>	1.78	1.63

### Income Statement

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
<b>Gross Revenue</b>	2,708,084,394	1,716,215,975
<b>Gross Expense</b>	2,120,729,266	1,514,514,402
<b>Non-Operating Income</b>	29,205,786	9,452,383
<b>Non-Operating Expense</b>	8,190,045	12,834,248
<b>Income/(Loss) Before Tax</b>	608,370,869	198,319,708
<b>Income Tax Expense</b>	137,226,548	80,202,463
<b>Net Income/(Loss) After Tax</b>	471,144,321	118,117,245
<b>Net Income/(Loss) Attributable to Parent Equity Holder</b>	471,144,321	118,117,245
<b>Earnings/(Loss) Per Share (Basic)</b>	0.16	0.04
<b>Earnings/(Loss) Per Share (Diluted)</b>	0.16	0.04

**Financial Ratios**

	Formula	Fiscal Year Ended	Previous Fiscal Year
		Dec 31, 2025	Dec 31, 2024
<b>Liquidity Analysis Ratios:</b>			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	6.04	2.86
Quick Ratio	(Current Assets - Inventory - Prepayments) / Current Liabilities	5.62	2.44
Solvency Ratio	Total Assets / Total Liabilities	7.32	6.5
<b>Financial Leverage Ratios</b>			
Debt Ratio	Total Debt/Total Assets	0.14	0.15
Debt-to-Equity Ratio	Total Debt/Total Stockholders' Equity	0.16	0.18
Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	75.28	16.45
Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	1.16	1.18
<b>Profitability Ratios</b>			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	39.03	35.37
Net Profit Margin	Net Profit / Sales	17.4	7.03
Return on Assets	Net Income / Total Assets	7.95	1.98
Return on Equity	Net Income / Total Stockholders' Equity	8.77	2.4
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	4.49	19.23

**Other Relevant Information**

Please see attached SEC Form 17-A of Marcventures Holdings Inc. for the year ended December 31, 2025.

**Filed on behalf by:**

Name	Jolena Guantero
Designation	Legal Admin Supervisor



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, 2025 (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>
<b>Common Stock (P1.00 par value)</b>	<b>3,014,820,305 common shares</b>	<b>Philippine Stock Exchange</b>

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 ₱233,618,426 based on the closing price of ₱0.70 at the Philippine Stock Exchange as of December 31, 2025.

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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 7 August 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 15 December 2009, the Company entered into a Memorandum of Agreement (“MOA”) with the shareholders of Marcventures Mining & Development Corporation (“MMDC”) 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. with an agreed net value of ₱50.0 Million together with the Company’s rights, obligation and interests. The consolidated financial statements assumed 30 June 2010 as the acquisition date.

MMDC, as 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.

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 30 September 2010, the SEC approved the change in the par value of its capital stock from ₱0.01 to ₱1.00.

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 Department of Environment and Natural Resources (“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 three 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 2017, the SEC 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, AMPI and BARI as well as BHI’s subsidiary, BRC. Moreover, this resulted in the increase in authorized capital stock of the Company to accommodate the merger from 2,000,000,000 shares at ₱1 par value to 4,000,000,000 shares at ₱1.0 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 ₱1.0 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 (“PSE”). The consolidated financial statements include the accounts of the Company and its subsidiaries, MMDC, BRC, AMPI, and BARI as of 31 December 2024 and 2025 and for the years ended 31 December 2024 and 2025.

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 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 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 3 January 2018 to 9 February 2018 as disclosed.

Simultaneously, the Company entered into a Subscription Agreement with its subsidiary MMDC, wherein the Company subscribed to additional 7,500,000 MMDC shares with a par value of ₱10.00 per

share for a total amount of ₱75.0 Million. The subscription proceeds are to be used by MMDC for its operations and infrastructure development.

During the annual meeting held on 19 December 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 ₱1.0 Billion, 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 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.

**2025 Updates and Developments**

The security agreements of the Company for the loan obligations of its subsidiaries are as follows:

- a. Loan obligations of MMDC;
  - A 6-year loan agreement granted by China Banking Corporation in the principal amount of Two Hundred Eight Million Pesos (₱208,000,000.00); authority was granted to 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	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).*** MMDC was incorporated and registered with the SEC on 18 January 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 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 19 June 1992. In January 1995, VTC executed a Deed of Assignment to transfer to MMDC all its rights and interest in and title to the MPSA. On 15 January 2008, the said deed was approved by the Mines and Geosciences Bureau (“MGB”).

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

On 13 February 2017, MMDC received an order dated 8 February 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 17 February 2017, the MMDC filed a Notice of Appeal to the Office of the President. Subsequently, on 17 March 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 1 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 of 31 December 2025, MMDC has not yet 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 and Mineral Ore Export Permits. As proof its compliance, MMDC has also secured a Certification from the MGB as of 30 March 2026, attesting to the validity and existence of its MPSA and that the Company has an approved Declaration of Mining Project Feasibility dated 15 October 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 CY 2023 to 2025. For full compliance, MMDC also submitted the Three-Year Development/ Utilization Work Program for CY 2026 to 2028 on 24 June 2025. Moreover, MGB also certified that MMDC has complied with the terms and conditions of the MPSA and the pertinent provisions of the Republic Act No. 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).** BRC was incorporated and registered with the SEC on 20 July 1989 to engage in the mining business.

On 1 July 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 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 17 February 2017, BRC received a Show-Cause Order dated 13 February 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 27 February 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 1 July 1993, while Proclamation No. 1747 on the proclamation of watershed areas was only issued on 23 March 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 31 December 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 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 5 March 2024, attesting to the validity and existence of its MPSA and its existing Exploration Period (Third Renewal).

On 24 April 2024, BRC submitted its Application for Renewal of its MPSA. Without prejudice to 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.

On 15 August 2024, National Commission Indigenous on Indigenous Peoples issued the Certification Precondition (Certificate of Compliance to the FPIC Process and Certification that the Community has given its Consent) to BRC for the renewal of MPSA.

On 21 May 2025, the DENR issued an order restoring the lost term of the BRC's MPSA for a period of two (2) years and 11 months starting from the expiration of its 25 years term on 1 July 2024, and now shall expire on 1 June 2027.

The Group is currently in the process and anticipates obtaining the following permits, licenses, and approvals:

- Environmental Compliance Certificate from the Environmental Management Bureau; and
- Approval of the DMPF 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

On 19 January 2026, BRC submitted the Annual MPSA Status Report for the year 2025, which states that there were no major exploration activities during the year. Activities were conducted which focused on safety and health programs, implementation of its community development program, and other preparatory activities for exploration while waiting for the approval of the permits and licenses, as discussed above.

BRC has been receiving annual certifications from MGB that it is compliant with the terms and conditions of the MPSA and pertinent provisions of the Republic Act No. 7942 or the Philippine Mining Act of 1995 and its implementing Rules and Regulations.

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

On 5 December 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 4 July 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 27 September 2023, until the situation becomes safe and favorable.

On 19 January 2026, AMPI submitted the Annual MPSA Status Report for the year 2025 and it stated 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 31 August 2001 to engage in the mining business.

On 5 December 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 17 February 2017, AMPI and BARI received a Show-Cause Order dated 13 February 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.

Furthermore, on 18 May 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 18 June 2020 to 18 June 2022.

In a letter dated 9 February 2022, BARI wrote to MGB requesting for additional two (2) years extension or until 18 June 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 28 March 2022, the MGB approved the extension of the EP for another two (2) years effective from 19 June 2022 to 18 June 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 4 July 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 27 September 2023, until the situation becomes safe and favorable.

On 19 January 2026, BARI submitted the Annual MPSA Status Report for the year 2025 and it stated 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.

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

The MMDC’s main product is nickel ore. All its nickel ore productions were exported to Chinese buyers. 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, through the DENR, was granted with 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 1 July 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 VTC on 19 June 1992 and subsequently approved on 1 July 1993. In January 1995, a Deed of Assignment executed, wherein VTC assigned to MMDC all its rights, title and interest in and to MPSA No. 016-93-XI. The Deed was duly registered with the MGB Regional Office No. XIII on 9 February 1995, and was subsequently approved on 15 January 2008, making MMDC the official contractor of the mineral property.

To date, MMDC has done exploration work on 1,659 hectares and has performed mining operations on 582.52 hectares, including rehabilitated and on going mining areason the above MPSA covered area.

On 24 June 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 AMPC and the holding company of BRC gave the Company three additional mining tenements, particularly, under MPSA No. 179-2002 VIII with an area of 6,694 hectares located in Motiong, San Jose De Buan and Wright, Province of Samar issued on 5 December 2002 to AMPI, MPSA No. 180-2002 VIII with an area of 5,519 hectares located in Gandara, San Jose De Buan and Wright, Province of Samar issued on 5 December 2002 in favor of BARI, and MPSA No. 015-93-XIII issued to BRC which was approved on 1 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 ₱67.72 Million on its environmental protection and enhancement program ("EPEP") in 2025.

#### **Related Party Transactions**

As at 31 December 2025, the total advances to related parties have an outstanding balance of ₱3.67 Million which represents a non-interest bearing unsecured and payable on demand.

On the other hand, the total advances from related parties as at 31 December 2025 have 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 27 of the 2025 Audited Consolidated Financial Statements.

**Employees**

- **MHI**  
 The Company currently has a total of 18 employees, consisting of 5 executive positions, 1 in Treasury, 1 in Accounting, 2 in Internal Audit, 1 in Marketing, 7 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.
- **MMDC**  
 As of 31 December 2025, MMDC engaged a total of 290 workers. Out of the 290 workers, 41 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	6	10	16
Supervisors	4	77	81
Rank and File	14	131	145
<b>Subtotal</b>	<b>31</b>	<b>218</b>	<b>249</b>
Security Agency	0	41	41
<b>Total</b>	<b>31</b>	<b>259</b>	<b>290</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	31	218	249
Probationary	0	4	4
Service Contract	0	3	3
Regular Seasonal	0	4	4
Project Based	0	30	30
<b>Subtotal</b>	<b>31</b>	<b>259</b>	<b>290</b>
Security Agency	0	41	41
<b>Total</b>	<b>31</b>	<b>300</b>	<b>331</b>

**Business and Industry Risks**

**Market Risk**

MMDC's revenue is dependent on both volume exported and the world market price of nickel ore. 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 is 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 37-38 of the 2025 ACFS.

### **Risk Management**

#### *Risk Policy Statement*

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

The Company 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 ERM Framework Manual forms part of the Company'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 said framework and its supporting processes, the organization formally establishes and communicates its risk appetite in managing risks.

The Company 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 MGB and 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 ERM Framework also demonstrates that it has incorporated the four areas of sound risk management practices, as required by the SEC and the PSE:

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:

1. MMDC- Marcventures Mining and Development Corporation;
2. BRC- BrightGreen Resources Corp.;
3. AMPI- Alumina Mining Philippines Inc.;and
4. BARI- Bauxite Resources Inc.

Kindly refer to the discussion above for the details of the subsidiaries’ respective MPSA.

### **Mineral Resource and Reserve Estimate as of December 31, 2025 :**

<b>RESOURCE</b>	<b>MMDC</b>	<b>BRC</b>	<b>AMPI</b>	<b>BARI</b>
Tonnage	Measured & Indicated Sapolite: 11.2 million WMT at 1.29% Nickel, 12.80% Iron  Limonite 47.9 million WMT at 0.89% Nickel and 43.93% Iron  Inferred	Measured & Indicated Sapolite: 3.055 million WMT at 1.59% Nickel, 14.85% Iron  Limonite 12.972 million WMT at 1.07% Nickel and 39.73% Iron  Inferred	Measured & 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>  Inferred Bauxite Ore  17.275 million	Measured & 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>  Inferred Bauxite Ore 28.436 million WMT

	<p>Saprolite:  4.3 million WMT at  1.13% Nickel and  12.57% Iron</p> <p>Limonite:  17.4 million WMT at  0.86% Nickel and  43.50% Iron</p>	<p>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>WMT  at 38.96% Al<sub>2</sub>O<sub>3</sub>  and 16.59% SiO<sub>2</sub></p>	<p>at 43.75% Al<sub>2</sub>O<sub>3</sub>  and 8.09% SiO<sub>2</sub></p>
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\*WMT refers to wet metric tonnes

**Notes:**

1. The Mineral Resource Estimates (MRE) reported is based on the 08 November 2025 block model of Sipangpang, and 05 November 2025 block models of Cabangahan and 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 31 December 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 is not a precise calculation, 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 24-25 of the 2025 ACFS.

**Property and Equipment**

**Office Space**

In January 2014, the Company acquired two (2) condominium units located at Citi Center Condominium Project, Citibank Center (presently 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 ₱68.0 Million. 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 ₱25.0 Million. 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.

<b>Land and Improvements owned</b>	<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>

<b>Rented</b>	<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 22-23 of the 2025 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 MHI 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 SEC or comparable foreign body, or the PSE or a 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 2025 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 26 July 2024
4. Approval of the Management Report and Audited Financial Statements for the Year Ended 31 December 2025
5. Approval of the Management Contract between MHI and MMDC
6. Ratification of all acts of the Board of Directors and Management
7. Election of Directors
8. Approval of Appointment of the External Auditor
9. Other Matters
10. 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 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>0.77</b>	<b>0.77</b>
April – June	<b>0.58</b>	<b>0.58</b>
July - September	<b>0.80</b>	<b>0.80</b>
October – December	<b>0.74</b>	<b>0.74</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	<b>0.80</b>	<b>0.49</b>
October – December	<b>0.74</b>	<b>0.58</b>

**Latest Market Price**

On the trading date of 29 December 2025, the closing market price of the Company’s common stock was ₱0.70 per share.

**Stockholders**

The number of shareholders of record as of 31 December 2025 was 2,175. The outstanding shares as of 31 December 2025 were 3,014,820,305 common shares, 2,929,890,203 or 97.18% of which are owned by Filipinos.

**MARCVENTURES HOLDINGS, INC.**  
**TOP 20 STOCKHOLDERS**  
**AS OF DECEMBER 31, 2025**

1	PCD NOMINEE CORPORATION (FILIPINO)	FILIPINO	2,595,910,523	86.10%
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	84,930,102	2.82%
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	DEWEY CHAN CHOACHUY JR. ITF KATRINA DAWN DIGAMON CHOACHUY	FILIPINO	68,000	0.00%
15	PACIFICO B. TACUB	FILIPINO	50,000	0.00%
16	OTILIA D. MOLO OR ELAINE D. MOLO	FILIPINO	48,419	0.00%
17	ARNOLD JANSSEN T. BANTUGAN OR CHRISTINE ANGELI L. BANTUGAN	FILIPINO	45,000	0.00%
18	TERESITA N. LIM	FILIPINO	40,000	0.00%
19	VICENTE GOQUIOLAY & CO., INC.	FILIPINO	39,599	0.00%
20	ALBERTO MENDOZA&/OR JEANIE MENDOZA	FILIPINO	30,000	0.00%
	<b>TOTAL TOP 20 SHAREHOLDERS</b>		<b>3,014,139,057</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 year 2025				
2024	No dividends were declared for the year 2024				
2023	7 Dec 2023	12 Jan 2024	26 Jan 2024	₱0.10	₱301.48
2022	No dividends were declared for the year 2022				
2021	19 Nov 2021	7 Dec 2021	4 Jan 2022	₱0.13	₱391.9
2015-2020	No dividends were declared for the year 2015 to 2020				
2014	14 Nov 2014	19 Dec 2014	16 Jan 2015	₱0.15	₱273.2
2014	19 Sept 2014	31 Oct 2014	22 Oct 2014	₱0.15	₱273.2

**Stock Dividends**

There were no stock dividends declared for CY 2024 to 2025.

**Sales of Securities**

As of 31 December 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 of 31 December 2025, 2024, and 2023 prepared in conformity with Philippine Financial Reporting Standards hereto attached in the Exhibits.

The financial information for the three years ended 31 December 2025, 2024 and 2023 and as of 31 December 2025, 2024 and 2023 are discussed below.

**A. Discussion for 2025 and 2024 Financial Results**

**Results of Operations**

	Audited (in million Pesos)		Increase (Decrease)	
	2025	2024	Amount	%
Revenues	<b>₱2,708.08</b>	₱1,716.22	₱9,918.87	57.8%
Cost of Sales	<b>1,651.11</b>	1,085.34	565.77	52.1%
Operating and Other Expenses	<b>448.601</b>	432.56	16.04	3.71%
Income Before Income Tax	<b>608.37</b>	198.32	410.51	206.8%
Income Tax	<b>137.23</b>	80.20	57.024	71.1%
Net Income	<b>₱471.14</b>	₱118.12	₱353.02	298.9%

Revenues

MMDC sold an aggregate of 1,899,593 WMT of nickel ore, or equivalent to 35 shipments of which 10 vessels are saprolite and 25 vessels are limonite for the year ended December 31, 2025, as compared to the year 2024 with a total of 1,510,151 of nickel ore, or equivalent to 28 shipments of which 1 vessel is saprolite and 27 vessels are limonite, hence, registering an increase of 389,442 WMT.

The Company's total revenue in 2025 was ₱2,708.08 million which is significantly higher by ₱991.87 million or 57.8% as compared to ₱1,716.22 million in 2024. The result of operations was a net income after tax of ₱471.14 million in 2025 resulting to an increase of ₱353.03 million or 298.9% compared to 2024 with net income of ₱118.12 million.

The progression of profit was due to the improving ore market in year 2025.

Shipment details of volume and prices are as follows:

WMT

	2025	2024	Increase (decrease)
<b>Limonite</b>	<b>1,345,523</b>	1,454,381	(108,858)
<b>Saprolite</b>	<b>554,070</b>	55,770	498,300

Average Price per wmt (in US\$)

	2025	2024	Increase (decrease)
Limonite	<b>\$21.95</b>	\$18.86	\$3.09
Saprolite	<b>\$31.28</b>	\$32.84	(\$1.56)

Cost of Sales

Due to increase in revenue, the Company's cost of sales consequently increased by ₱565.77 million or 52.1% from ₱1,085.34 million in 2024 to ₱1,651.11 million in 2025.

Operating Expenses

The Company's total operating expenses in 2025 was ₱469.62 million, an increase of ₱40.44 million or 9.4% as compared to ₱429.17 million in 2024. The increase was due to the net effect of the following:

- Royalties increased by ₱10.37 million or 58.8%. These expenses were computed and paid based on the percentage of gross sales.
- Salaries and allowances amounted to ₱81.56 million in 2025 with an increase of ₱10.36 million from previous year due to increase in administrative manpower requirement.
- Repairs and maintenance expense decreased by ₱6.35 million or 78.7% due to minimal breakdown of transport and other equipment during the year.
- Community relations increased by ₱5.27 million or equivalent to 61.8% from ₱8.52 million to ₱13.79 million. It serves as financial and livelihood assistance to neighboring communities.
- Environmental expenses increased by ₱20.22 million or 42.6%, total amount of ₱67.72 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 ₱2.7 million 14.2%, total amount of ₱16.35 million in 2025 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)	
	2025	2024	Amount	%
Assets	<b>₱6,225.40</b>	₱5,806.29	₱419.11	7.2%
Liabilities	<b>850.18</b>	893.11	(42.92)	(4.8%)
Stockholders' Equity	<b>5,375.22</b>	4,913.18	462.04	9.4%

### Assets

the Company's consolidated total assets, which increased by 7.2% from ₱5,806.29 million as of December 31, 2024, to ₱6,225.40 million as of December 31, 2025. This growth was primarily driven by the following factors:

- Cash increased by ₱654.38 million or 115.4% to ₱1,221.48 million, largely due to the collection of all customer receivables by year-end.
- Trade and Other Receivables decreased by ₱10.36 million or 29.1% to ₱25.2 million. This balance includes advances to employees and for liquidation.
- Ore Inventories decreased by ₱16.41 million or 13.7% to ₱103.42 million due to lower inventory levels on hand at year-end.
- Other Current Assets increased by ₱24.19 million or 27.5% to ₱112.24 million, pertaining to increased advances to contractors and suppliers.
- Net Deferred Tax Assets increased by ₱41.21 million due to the recognition of Net Operating Loss Carry-over (NOLCO) during the period.

### Liabilities

As of December 31, 2025, the Company's total liabilities decreased by ₱42.92 million (4.8%), falling from ₱893.11 million in 2024 to ₱850.18 million in 2025. This reduction was driven by the following factors:

- Trade and Other Payables decreased by ₱72.56 million or 38.1% to ₱118.04 million, following the full settlement of obligations to suppliers and contractors.
- Loans and Long-Term Debt: Decreased by ₱55.72 million or 42.0% to ₱76.88 million due to the full and partial repayment of various loans.
- Income Tax Payabl increased by ₱30.99 million or 63.6% to ₱79.68 million, resulting from higher taxable income during the year.

### Stockholders' Equity

The stockholders' equity increased by ₱462.04 million from ₱4,913.18 million in 2024 to ₱5,375.22 million in 2025. The increase pertains mainly to the net income for the year.

## Consolidated Cash Flow

	Audited (in million Pesos)		Increase (Decrease)	
	2025	2024	Amount	%
Cash provided by operating activities	<b>₱252.63</b>	₱252.63	(₱85.96)	178.2%
Cash provided by (used) in investing activities	<b>(17.18)</b>	72.79	263.90	(123.6%)
Cash used in financing activities	<b>(31.43)</b>	(362.77)	(272.36)	(91.3%)

In 2025, the company's net increase in cash amounted to ₱654.34 million compared to a net increase of ₱37.35 million in 2024 was primarily caused by higher revenue during the period.

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

**Results of Operations**

	<b>Audited</b>		<b>Increase (Decrease)</b>	
	<b>(in million Pesos)</b>		<b>Amount</b>	<b>%</b>
	<b>2024</b>	<b>2023</b>		
Revenues	<b>₱1,716.22</b>	₱2,050.42	(₱334.2)	(16.3%)
Cost of Sales	<b>1,085.34</b>	1,203.10	(117.76)	(9.8%)
Operating and Other Expenses	<b>432.56</b>	508.86	(76.3)	(15.0%)
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</b>		<b>Increase (Decrease)</b>	
	<b>(in million Pesos)</b>		<b>Amount</b>	<b>%</b>
	<b>2024</b>	<b>2023</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 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.

**Financial Indicators**

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

Comparative figures of the key performance indicators (KPI) for the fiscal years ended December 31, 2025 and December 31, 2024:

	2025	2024
Net Income	<b>₱471,144,321</b>	₱118,117,245
Current assets	<b>1,466,016,675</b>	813,509,424
Total assets	<b>6,225,404,626</b>	5,806,289,229
Current liabilities	<b>242,562,608</b>	284,253,113
Total liabilities	<b>850,184,364</b>	893,108,512
Stockholders' Equity	<b>5,375,220,262</b>	4,913,180,717
No. of common shares outstanding	<b>3,014,820,305</b>	3,014,820,305
	<b>2025</b>	2024
Current ratio <sup>1</sup>	<b>2.86</b>	2.86
Book value per share <sup>2</sup>	<b>1.78</b>	1.63
Debt to equity ratio <sup>3</sup>	<b>0.16</b>	0.18
Earnings per share <sup>4</sup>	<b>0.16</b>	0.04
Return on assets <sup>5</sup>	<b>0.08</b>	0.02

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	
	2025	2024
Audit Fees	₱2,560,000	₱2,290,000
Audit-Related Fees	256,000	229,000
<b>Total</b>	<b>₱2,816,000</b>	<b>₱2,519,000</b>

**Audit Fees.** Represents professional fees of the external auditor for the audit services rendered on Company's Annual Financial Statements for the year 2025 and 2024.

**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	96	Filipino	Chairman
Augusto C. Serafica, Jr.	64	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
Alfredo S. Panlilio	62	Filipino	Independent Director
Ruby K. Sy	73	Filipino	Director
Michael L. Escaler	75	Filipino	Director
Anthony M. Te	55	Filipino	Director
Rolando S. Santos	75	Filipino	Chief Operating Officer and Executive Vice-President
Dale A. Tongco	61	Filipino	Treasurer
Roberto V. San Jose	84	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

**SEC FORM 17-A**  
**MARCVENTURES HOLDINGS, INC.**

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Ma. Theresa A. Defensor	57	Filipino	Vice President – Corporate Communications
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**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 Inc. 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.

**Mr. Alfredo S. Panlilio** was elected as Independent Director on 25 July 2025. He is currently a Director of PLDT Inc. ("PLDT") and former President and CEO. He also served as the President and CEO of Smart Communications, Inc. ("Smart") and held leadership positions in the various subsidiaries of PLDT and Smart. Despite his retirement as President and CEO of PLDT and Smart, Mr. Panlilio has remained as a Director of PLDT and Smart, and has continued to hold various leadership positions within the PLDT Group as Chairman of Maya Bank, Inc.; Director of Multisys Technologies Corporation and 17 Multipay Corporation; and Trustee of Asian Carriers Conference Inc. Mr. Panlilio was the Senior Vice President and Head of Customer Retail Services and Corporate Communications of Manila Electric Company ("Meralco"). He also held several leadership positions within the Meralco Group.

**Ms. Ruby Sy** was elected Director on 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. 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**

Positions	2025	2024	2023
Chairman, President, Corporate Secretary, Assistant Corporate Secretary and All Executive Officers	<b>₱63,787,823</b>	₱53,656,066	₱48,605,701

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 31 December 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	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%

**SEC FORM 17-A**  
**MARCVENTURES HOLDINGS, INC.**

		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%
<b>TOTAL</b>				<b>2,680,938,533</b>	<b>88.93%</b>

As of December 31, 2025, 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, 2025:

<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 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Marianne Regina T. Dy Director	1 “r” (direct) 5,999,999 “b” (indirect)	Filipino	0.00% 0.20%
Common	Carlos T. Ocampo Independent Director	1,000 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Augusto C. Serafica, Jr. Director	10,000 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Ruby Sy Director	168,615,000 “r” (direct) 0 “b” (indirect)	Filipino	5.59%
Common	Anthony M. Te Director	27,000,500 “r” (direct) 55,629,100 “b” (indirect)	Filipino	0.90% 1.85%
Common	Kwok Yam Ian Chan Independent Director	999 “r” (direct) 0 “b” (indirect)	British	0.00%
Common	Michael L. Escaler Director	1 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Alfredo S. Panlilio Independent Director	1 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
Common	Rolando S. Santos Chief Operating Officer and Executive Vice-President	1 “r” (direct) 0 “b” (indirect)	Filipino	0.00%
	Roberto V. San Jose	0 “r” (direct)	Filipino	0.00%

**SEC FORM 17-A**  
**MARCVENTURES HOLDINGS, INC.**

	Corporate Secretary	0	"b" (indirect)		
Common	Ana Katigbak	0	"r" (direct)	Filipino	
	Asst. Corporate Secretary	150,000	"b" (indirect)		0.00%
	Rommel T. Casipe	0	"r" (direct)	Filipino	0.00%
	Co-Asst. Corporate Secretary	0	"b" (indirect)		
	Dale A. Tongco	0	"r" (direct)	Filipino	0.00%
	Treasurer	0	"b" (indirect)		
	Deborra C. Ilagan	0	"r" (direct)	Filipino	0.00%
	VP HR/ Admin	0	"b" (indirect)		
	Ma. Theresa A. Defensor	0	"r" (direct)	Filipino	0.00%
	VP Corporate Communications	0	"b" (indirect)		
		195,629,503	"r"		
		61,779,099	"b"		

**ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

As of 31 December 2025, advances to and from related party transactions have an outstanding balance of ₱3.67 million and ₱5.0 million, respectively, which represents a non-interest-bearing unsecured loan payable on demand. Please refer to Note 14 on page 27 of the 2025 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.

To reiterate, the Company is involved in nickel mining operations in Surigao del Sur, through its subsidiary, MMDC. The mine is covered by ECC NO. 0807-022-1093 issued by the DENR. Please refer to Note 1 of the 2025 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 31 December 2025, 2024 and 2023, and its 2024 Sustainability Report.

(b) Reports on SEC Form 17-C

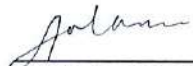
Items reported under SEC Form 17-C during the last six months covered by this report:

<u>Date of Report</u>	<u>Event Reported</u>
July 25, 2025	<ul style="list-style-type: none"><li>• Results of the Annual Stockholders' Meeting held on 25 July 2025</li><li>• Results of the Organizational Meeting of the Board of Directors held on 25 July 2025</li></ul>

**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 22 2026

By:

  
 \_\_\_\_\_  
**CESAR Z. ZALAMEA**  
 Chairman

  
 \_\_\_\_\_  
**AUGUSTO C. SERAFICA, JR.**  
 President

  
 \_\_\_\_\_  
**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	
Augusto C. Serafica, Jr.	TIN 102-097-338	
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 2025 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. 41  
 Page No. 10  
 Book No. II  
 Series of 2026.

  
**ATTY. ERUBEN CARLO O. GENERAL**  
 Notary Public for Makati City  
 Appl. No. M-223 Until 31 Dec. 2026  
 Rol of Attorneys No. 59887  
 IBP Membership No. 490627; 12/01/2024  
 PTR No. MKT-10769717AG; 01/12/2026  
 MCLE Compliance No. VIII-0042253;  
 3F ALPAP I Building, #140 Level 3 Susana  
 Salcedo Village, Makati City



# 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/imessaging@sec.gov.ph



**The following document has been received:**

**Receiving:** ICTD ERMD

**Receipt Date and Time:** April 16, 2026 03:25:47 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:** OST104162026811232669

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** December 31, 2025

**Submission Type:** Parent, Annual

**Remarks:** None

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Acceptance of this document is subject to review of forms and contents





## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Marcventures Holdings, Inc.  
4th Floor, BDO Towers Paseo  
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, 2025 and 2024, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years then ended, 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, 2025 and 2024, and its financial performance and its cash flows for the years then ended 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 Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *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.**

BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782/P-005; Valid until June 6, 2026

SEC Accreditation No. 81207-SEC Group A

Issued January 30, 2020

Valid for Financial Periods 2023 to 2025

BIR Accreditation No. 08-005144-004-2025

Valid until August 10, 2028

PTR No. 10764017

Issued January 2, 2026, Makati City

March 26, 2026

Makati City, Metro Manila



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR  
SEPARATE FINANCIAL STATEMENTS**

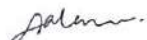
The Management of **Marcventures Holdings, Inc.** (the Company) is responsible for the preparation and fair presentation of the separate financial statements, including the schedules attached therein, for the years ended **December 31, 2025 and 2024** in accordance with the prescribed financial reporting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

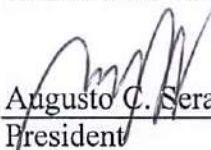
In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company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

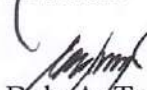
The Board of Directors is responsible in overseeing the Company's financial reporting process.

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

Reyes Tacandong & Co., the independent auditors appointed by the stockholders for years December 31, 2025 and 2024, have audited the separate financial statements of the Company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Signature:   
Cesar C. Zalamea  
Chairman of the Board

Signature:   
Augusto C. Serafica, Jr.  
President

Signature:   
Dale A. Tongco  
Treasurer

Signed this \_\_\_\_\_

APR 16 2026

**SUBSCRIBED AND SWORN** to before me this APR 16 2026 day of \_\_\_\_\_  
affiant(s) exhibiting to their evidence of identity, as follows:

<b>NAMES</b>	<b>COMPETENT Evidence of Identity (TIN)</b>	<b>DATE OF ISSUE</b>	<b>PLACE OF ISSUE</b>
Cesar C. Zalamea	137-712-551		
Augusto C. Serafica Jr.	102-097-338		
Dale A. Tongco	125-401-967		

Doc no. 27  
Page no. 7  
Book no. II  
Series No 2026

**ATTY. REuben CARLO O. GENERAL**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2026  
Rol. of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-10769717AG; 01/12/2026  
MCLE Compliance No. VIII-0042253;  
3F ALPAP I Building, #140 Levista Street  
Selcedo Village, Makati City

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF FINANCIAL POSITION**

		<b>December 31</b>	
	Note	2025	2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	<b>₱138,966,618</b>	₱44,183,867
Dividends and other receivables	5	<b>181,478,972</b>	206,478,195
Advances to related parties	11	<b>292,876,566</b>	287,586,406
Other current assets	6	<b>60,555,514</b>	59,055,977
Total Current Assets		<b>673,877,670</b>	597,304,445
<b>Noncurrent Assets</b>			
Investments in subsidiaries	7	<b>2,746,546,182</b>	2,746,546,182
Property and equipment	8	<b>41,795,600</b>	46,651,492
Investment property	9	<b>14,895,833</b>	16,145,833
Deferred tax asset	16	<b>35,576,956</b>	–
Total Noncurrent Assets		<b>2,838,814,571</b>	2,809,343,507
		<b>₱3,512,692,241</b>	₱3,406,647,952
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liability</b>			
Dividends and other current liabilities	10	<b>₱31,740,605</b>	₱31,494,833
<b>Noncurrent Liability</b>			
Net retirement benefit liability	12	<b>11,019,757</b>	8,722,061
Total Liabilities		<b>42,760,362</b>	40,216,894
<b>Equity</b>			
Capital stock	13	<b>3,014,820,305</b>	3,014,820,305
Additional paid-in capital	13	<b>269,199,788</b>	269,199,788
Retained earnings	13	<b>188,880,539</b>	84,666,651
Cumulative remeasurement loss on net retirement benefit liability - net	12	<b>(2,968,753)</b>	(2,255,686)
Total Equity		<b>3,469,931,879</b>	3,366,431,058
		<b>₱3,512,692,241</b>	₱3,406,647,952

*See accompanying Notes to Separate Financial Statements.*

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Years Ended December 31	
		2025	2024
<b>MANAGEMENT FEES</b>	11	<b>₱125,000,000</b>	₱–
<b>INTEREST INCOME</b>	4	<b>1,378,219</b>	2,130,301
<b>RENTAL INCOME</b>	15	<b>1,200,000</b>	1,200,000
<b>DIVIDEND INCOME</b>	7	–	97,500,005
<b>OTHER INCOME</b>		<b>79,474</b>	–
<b>OPERATING EXPENSES</b>	14	<b>(56,495,172)</b>	(53,920,755)
<b>INCOME BEFORE INCOME TAX</b>		<b>71,162,521</b>	46,909,551
<b>BENEFIT FROM (PROVISION FOR) INCOME TAX</b>	16	<b>33,051,367</b>	(24,000)
<b>NET INCOME</b>		<b>104,213,888</b>	46,885,551
<b>OTHER COMPREHENSIVE LOSS</b>			
<i>Not to be reclassified to profit or loss -</i>			
Remeasurement loss on net retirement benefit liability - net	12	<b>(713,067)</b>	(2,212,127)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>₱103,500,821</b>	₱44,673,424

*See accompanying Notes to Separate Financial Statements.*

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF CHANGES IN EQUITY**

	Note	Years Ended December 31	
		2025	2024
<b>CAPITAL STOCK - ₱1 par value</b>	13		
Authorized - 4,000,000,000 shares			
Issued and outstanding- 3,014,820,305 shares		<b>₱3,014,820,305</b>	₱3,014,820,305
<b>ADDITIONAL PAID-IN CAPITAL</b>	13	<b>269,199,788</b>	269,199,788
<b>RETAINED EARNINGS</b>	13		
Balance at beginning of year		<b>84,666,651</b>	37,781,100
Net income		<b>104,213,888</b>	46,885,551
Balance at end of year		<b>188,880,539</b>	84,666,651
<b>CUMULATIVE REMEASUREMENT LOSS ON NET RETIREMENT LIABILITY</b>	12		
Balance at beginning of year		<b>(2,255,686)</b>	(43,559)
Remeasurement loss		<b>(713,067)</b>	(2,212,127)
Balance at end of year		<b>(2,968,753)</b>	(2,255,686)
		<b>₱3,469,931,879</b>	₱3,366,431,058

*See accompanying Notes to Separate Financial Statements.*

**MARCVENTURES HOLDINGS, INC.**  
**SEPARATE STATEMENTS OF CASH FLOWS**

	Note	Years Ended December 31	
		2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax		<b>₱71,162,521</b>	₱46,909,551
Adjustments for:			
Depreciation	8	<b>6,320,955</b>	6,278,811
Net retirement benefit expense	12	<b>1,584,629</b>	1,258,321
Interest income	4	<b>(1,378,219)</b>	(2,130,301)
Dividend income	7	–	(97,500,005)
Operating income (loss) before working capital changes		<b>77,689,886</b>	(45,183,623)
Decrease (increase) in:			
Dividends and other receivables		<b>24,999,223</b>	(43,841,702)
Other current assets		<b>(4,025,126)</b>	(343,261)
Increase in other current liabilities		<b>249,822</b>	106,581
Net cash generated from (used for) operations		<b>98,913,805</b>	(89,262,005)
Interest received		<b>1,378,219</b>	2,130,301
Contributions to plan asset	12	–	(1,371,000)
Income tax paid		–	(24,000)
Net cash provided by (used in) operating activities		<b>100,292,024</b>	(88,526,704)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additional advances to related parties	11	<b>(5,290,160)</b>	(4,454,703)
Additions to property and equipment	8	<b>(215,063)</b>	(149,249)
Dividends received	7	–	97,500,005
Net cash provided by (used in) investing activities		<b>(5,505,223)</b>	92,896,053
<b>CASH FLOW FROM A FINANCING ACTIVITY</b>			
Dividends paid		<b>(4,050)</b>	(297,056,992)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>94,782,751</b>	(292,687,643)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>44,183,867</b>	336,871,510
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>₱138,966,618</b>	₱44,183,867

*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 AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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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, 2025 and 2024, the Company's 3,014,820,305 shares of stock, are listed in the PSE.

The investments in the following wholly-owned subsidiaries of the Company are 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 (BRC)	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, 8741 Paseo de Roxas, Makati City.

##### Approval of Separate Financial Statements

The separate financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025 and 2024 were approved and authorized for issue by the Board of Directors (BOD) on March 26, 2026.

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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 the SEC.

#### **Measurement Bases**

The separate 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 except for net retirement benefit liability which is measured at net amount of the present value of the defined benefit obligation and fair value of the plan assets. 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 Company 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 Company 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 17, *Financial Risk Management Objectives and Policies and Fair Value of Financial Instruments*.

#### **Adoption of Amended PFRS Accounting Standards**

The material accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*, effective for annual periods beginning on or after January 1, 2025.

The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

The adoption of the amendments to PFRS Accounting Standards did not materially affect the separate financial statements of the Company. Additional disclosures were included in the separate financial statements, as applicable.

#### **New and Amended PFRS Accounting Standards in Issue but Not Yet Effective**

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2025 and have not been applied in preparing the separate financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendment provides to clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled through cash using an electronic payment system. The amendments also clarify the requirements of assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, and the characteristics of non-recourse loans and contractually linked instruments.

The amendments also introduce additional disclosure requirements for equity instruments classified as financial asset measured at fair value through other comprehensive income (FVOCI) with contingent features. Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11:
  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure.
  - Amendments to PFRS 9, *Financial Instruments* – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, *Financial Instruments*, the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments apply to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted.
  - Amendments to PAS 7, *Statement of Cash Flows* – The amendments clarify that when accounting for an investment in an associate, a joint venture or a subsidiary accounted for by use of the equity or at cost, an investor restricts its reporting in the statements of cash flows to the cash flows between itself and the investee, such as dividends and advances.

Effective for annual periods beginning on or after January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard introduces new categories and sub-totals in the statements of comprehensive income, additional disclosures on management-defined performance measures, and enhanced requirements for grouping information. Full retrospective application is required. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards is not expected to have any material effect on the separate financial statements of the Company. Additional disclosures will be included in the separate 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. The ECL is based on the 12-month ECL, which pertains to the lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there is significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is indicative of significant increases in credit risk since initial recognition.

As at December 31, 2025 and 2024, the Company's cash and cash equivalents, dividends receivable, other receivables (excluding advances to officers and employees) and advances to related parties are classified under this category. Cash and cash equivalents at amortized cost in the separate statements of financial position comprise cash on hand, cash in banks and cash equivalents. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to an insignificant risk of change in value.

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, 2025 and 2024, the Company's dividends payable and other current liabilities (excluding statutory payables) are classified as financial liabilities at amortized cost.

#### **Other Current Assets**

Other current assets include prepaid income tax, input value-added tax (VAT), and prepaid expenses.

*Prepaid Income Tax.* Prepaid income tax primarily includes creditable withholding taxes, which represents amounts withheld by the Company'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.

*Input VAT.* Input VAT represents tax imposed on the Company by its suppliers for the acquisition of goods and services required under Philippine taxation laws and regulations. Input VAT is recognized as an asset, carried at cost less any impairment in value and will be used to offset the Company's current VAT liability.

*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. Otherwise, these are classified as noncurrent assets.

#### **Investments in Subsidiaries**

The Company's investments 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.

#### **Property and Equipment**

Property and equipment are initially measured at cost less accumulated depreciation 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 is calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	<u>Number of Years</u>
Building and improvements	5-20
Office furniture, fixtures and equipment	2-5
Computer equipment	5

The estimated useful lives and depreciation 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.

#### **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 that would be received to sell an asset in an orderly transaction between market participants at the measurement date less cost of disposal.

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 Company provides short-term benefits to its employees in the form of basic pay, 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.

*Retirement Benefits.* The Company has a funded, non-contributory defined benefit plan covering all qualified employees. The net retirement benefit 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.

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.

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.

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 net retirement benefit liability is the net amount of the present value of the defined benefit obligation and fair value of plan assets. Present value of the DBO 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 Company, nor can they be paid directly to the Company. 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 separate 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 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 issuance 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 Loss.* Other comprehensive loss comprises of items of income and expenses that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. Other comprehensive loss pertains to remeasurement loss on net retirement benefit liability.

## **Revenue Recognition**

*Management Fees.* Management fee is recognized as services are rendered to a related party. Revenue is recognized over time since the related party simultaneously receives and consumes the benefits as the Company performs the agreed services.

*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.

*Dividend Income.* Dividend income is recognized at declaration date of the Company's subsidiary.

*Other Income.* Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Company through an increase in asset or reduction in liability that can be measured reliably.

## **Expense Recognition**

Operating expense constitutes cost of administering the business and are expensed as incurred.

## **Leases**

### *Company as Lessee*

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 Company assesses whether, throughout the period of use, the Company 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 Company 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 Company also assesses whether a contract contains a lease for each potential separate lease component.

#### *Company as Lessor*

Leases where the Company 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.

#### **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 directed 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 separate 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 separate financial statements but are disclosed in the notes to separate 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 separate financial statements. Post year-end events that are not adjusting events are disclosed in the notes to separate 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 separate financial statements.

*Classifying 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, 2025 and 2024 are disclosed in Notes 8 and 9, respectively.

*Determining 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 for ECL on Financial Assets at Amortized Cost.* The Company 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 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 and cash equivalents, dividend and other receivables (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 2025 and 2024 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 2025 (and 2024). The carrying amount of property and equipment and investment property are disclosed in Note 8 and Note 9, respectively.

*Assessing Impairment on Investments in Subsidiaries.* The Company assesses any impairment on its investment in a subsidiary whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Indicators such as significant decline in market value and significant negative industry or economic trends are considered by the Company in deciding when to perform impairment review.

No impairment loss on investments in subsidiaries was recognized in 2025 (and 2024). The carrying amount of the investments in subsidiaries as at December 31, 2025 (and December 31, 2024) is disclosed in Note 7.

*Assessing the Impairment of Other Nonfinancial Assets.* The Company assesses impairment on other nonfinancial assets, which include the Company's advances to officers and employees (recorded as part of "Dividends and other receivables"), other current assets, property and equipment and investment property, 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 investments, primarily from management fees and dividend income from the operating subsidiary. 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 2025 and 2024.

The carrying amounts of the Company's other nonfinancial assets are disclosed in Notes 5, 6, 8 and 9, respectively.

*Estimating Net Retirement Benefit Liability.* The determination of the Company's net retirement benefit liability is dependent on the 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.

Net retirement benefit expense and liability are disclosed in Note 12.

*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 recognized deferred tax assets as at December 31, 2025 as management has assessed that there will be sufficient taxable income available in the foreseeable future to allow all or part of the deferred tax assets to be utilized. Details of deferred tax assets are disclosed in Note 16.

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#### 4. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	₱5,000	₱5,000
Cash in banks	10,950,982	29,404,703
Cash equivalents	128,010,636	14,774,164
	<b>₱138,966,618</b>	<b>₱44,183,867</b>

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 ₱1.4 million and ₱2.1 million in 2025 and 2024, respectively.

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#### 5. Dividends and Other Receivables

This account consists of:

	Note	2025	2024
Dividends receivable	11	₱147,528,437	₱206,426,920
Nontrade	11	30,625,000	–
Advances to officers and employees		3,194,143	29,711
Others		131,392	223,164
		<b>181,478,972</b>	206,679,795
Allowance for ECL	14	–	(201,600)
		<b>₱181,478,972</b>	<b>₱206,478,195</b>

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.

In 2025, the Company wrote off receivables previously provided with allowance for ECL amounting to ₱0.2 million.

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## 6. Other Current Assets

This account consists of:

	2025	2024
Prepaid income tax	₱49,510,644	₱49,476,233
Input VAT	9,585,528	9,158,415
Prepaid insurance	1,036,063	–
Others	423,279	421,329
	<b>₱60,555,514</b>	<b>₱59,055,977</b>

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## 7. Investment in Subsidiaries

This account consists of:

	2025	2024
MMDC	₱1,683,750,000	₱1,683,750,000
Acquired through merger:		
AMPI and BARI	612,027,480	612,027,480
BRC	450,768,702	450,768,702
	<b>₱2,746,546,182</b>	<b>₱2,746,546,182</b>

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### Information about the Subsidiaries

#### ***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.

The MPSA covering an area of approximately 4,799 hectares located in the municipalities of Carrascal, Cantilan and Madrid, Surigao Del Sur was originally granted to Ventura Timber Corporation (VTC). In January 1995, VTC executed a deed of assignment (the Deed) to transfer to the MMDC all its rights and interest in MPSA No. 016-93-XI. On March 11, 2008, the Department of Environment and Natural Resources (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 of MMDC, covering previous lost term, for a period of 9 years starting from July 1, 2018 to June 30, 2027.

On March 17, 2022, the 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.

On December 16, 2024, MMDC declared cash dividends amounting to ₱97.5 million (see Note 11). Dividends receivable amounted to ₱147.5 million and ₱206.4 million as at December 31, 2025 and 2024, respectively (see Note 5).

On January 28, 2026, MMDC's BOD approved the declaration of dividends of ₱400.0 million for stockholders of record on January 27, 2026. On March 26, 2026, MMDC's BOD approved the declaration of stock dividends of 39.0 million MMDC shares at one (1) MMDC share for every one (1) MMDC share held as of record date. The price, record date and payment date shall be approved in the next BOD and stockholders' meeting and shall be subject to the approval of the SEC.

The credit facilities of MMDC are secured by a real estate mortgage on the condominium units (recorded under "Buildings and improvements") of the Company.

### ***BRC***

BRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business. Its registered office address is at 2nd Floor, One Luna Bldg., E. Luna St., Butuan City 8600. The Company acquired BRC from its merger with Brightgreen Resources Holdings, Inc. (BRHI) in 2017.

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. On February 7, 2019, the MGB approved the extension of the MPSA for a period of six years (covering the lost term) 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 BRC for another period of two years effective from July 2, 2022 until the expiration of the approved extended MPSA term to recover its unused term due to force majeure.

On July 13, 2023, BRC received from the MGB office a reply letter for intention to renew its MPSA agreement for another 25 years. On May 21, 2025, the DENR issued an order restoring the lost term of the BRC's MPSA for a period of two (2) years and 11 months starting from the expiration of its 25 years term on July 1, 2024, and now shall expire on June 1, 2027. The Company and BRC are currently in the process and anticipative of obtaining the following permits, licenses, and approvals:

- Free, Prior and Informed Consent and Certification Precondition from the National Commission on indigenous Peoples;
- Approval of the DMPF 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 January 19, 2026, BRC submitted the Annual MPSA Status Report for the year 2025, which states that there were no major exploration activities during the year. Activities conducted focused on safety and health programs, implementation of its community development program, and other preparatory activities for exploration while waiting for the approval of the permits and licenses, as discussed above.

### ***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. 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. AMPI will push for renewal of extension in the next year as its MPSA is set to expire on December 5, 2027.

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, until the situation becomes safe and favorable.

On January 19, 2026, AMPI submitted the Annual MPSA Status Report for the year 2025 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. 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. BARI will push for renewal of extension in the next year as its MPSA is set to expire on December 5, 2027.

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, until the situation becomes safe and favorable.

On January 19, 2026, BARI submitted the Annual MPSA Status Report for the year 2025 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:

	2025			
	MMDC	BRC	AMPI	BARI
Current assets	P1,417,907,606	P4,203,141	P4,144,245	P446,450
Noncurrent assets	2,195,422,296	80,856,274	131,939,381	58,463,239
Current liabilities	376,288,444	164,445,159	224,441,180	65,961,845
Noncurrent liabilities	154,602,378	-	-	-
Equity (capital deficiency)	3,082,439,080	(79,385,744)	(88,357,554)	(7,052,156)
Revenue	2,708,084,394	-	-	-
Net income (loss)	450,812,340	(3,132,940)	(2,237,535)	(1,362,988)
Total comprehensive income (loss)	442,420,631	(3,132,940)	(2,237,535)	(1,362,988)

	2024			
	MMDC	BRC	AMPI	BARI
Current assets	₱861,584,834	₱4,246,834	₱3,908,070	₱494,190
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)

## 8. Property and Equipment

The balances and movements in this account are as follows:

	2025			
	Building and Improvements	Office Furniture, Fixtures and Equipment	Computer Equipment	Total
<b>Cost</b>				
Balance at beginning of year	₱100,665,001	₱6,072,751	₱1,127,351	₱107,865,103
Acquisitions	–	140,000	75,063	215,063
Balance at end of the year	100,665,001	6,212,751	1,202,414	108,080,166
<b>Accumulated Depreciation</b>				
Balance at beginning of year	54,793,166	6,009,310	411,135	61,213,611
Depreciation	4,799,073	45,246	226,636	5,070,955
Balance at end of year	59,592,239	6,054,556	637,771	66,284,566
<b>Carrying Amount</b>	<b>₱41,072,762</b>	<b>₱158,195</b>	<b>₱564,643</b>	<b>₱41,795,600</b>

	2024			
	Building and Improvements	Office Furniture, Fixtures and Equipment	Computer Equipment	Total
<b>Cost</b>				
Balance at beginning of year	₱100,665,001	₱5,997,751	₱1,053,102	₱107,715,854
Additions	–	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	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>₱45,871,835</b>	<b>₱63,441</b>	<b>₱716,216</b>	<b>₱46,651,492</b>

Fully depreciated property and equipment with cost of ₱10.7 million as at December 31, 2025 and 2024, respectively, are still being used by the Company and retained in the accounts.

Depreciation consists of the following (see Note 14):

	Note	2025	2024
Property and equipment		<b>₱5,070,955</b>	₱5,028,811
Investment property	9	<b>1,250,000</b>	1,250,000
		<b>₱6,320,955</b>	₱6,278,811

## 9. Investment Property

The Company's investment property pertains to the portion of its office space which is under lease with a third party. Movements in the account are as follows:

	Note	2025	2024
<b>Cost</b>			
Balance at beginning and end of year		<b>₱25,000,000</b>	₱25,000,000
<b>Accumulated Depreciation</b>			
Balance at beginning of year		<b>8,854,167</b>	7,604,167
Depreciation	8	<b>1,250,000</b>	1,250,000
Balance at end of year		<b>10,104,167</b>	8,854,167
<b>Carrying Amount</b>		<b>₱14,895,833</b>	₱16,145,833

Rental income earned from investment property amounted to in ₱1.2 million in 2025 and 2024 (see Note 15).

The Company has assessed that the fair value of the investment property approximates its carrying amount. This assessment was based on observable market data for comparable properties. The fair value measurement is classified under Level 2 of the fair value hierarchy based on observable inputs such as prices of similar properties in active markets.

## 10. Dividends and Other Current Liabilities

This account consists of:

	Note	2025	2024
Dividends payables	11	<b>₱14,905,833</b>	₱14,909,883
Statutory payables		<b>11,809,301</b>	11,327,478
Accrued expenses		<b>3,500,350</b>	3,737,373
Others		<b>1,525,121</b>	1,520,099
		<b>₱31,740,605</b>	₱31,494,833

Statutory payables include withholding taxes payable and other mandatory government 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 settled 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
		2025	2024	2025	2024	
<b>Dividends receivable</b>						
Subsidiary	5	P-	₱97,500,005	<b>₱147,528,437</b>	₱206,426,920	Dividends
<b>Nontrade receivable</b>						
Subsidiary	5	<b>₱125,000,000</b>	P-	<b>₱30,625,000</b>	P-	Management fees
<b>Advances to related parties</b>						
Subsidiaries		<b>₱5,290,160</b>	₱4,454,703	<b>₱292,876,566</b>	₱287,586,406	Working capital
<b>Dividends payable</b>						
Stockholders	10	P-	P-	<b>₱14,905,833</b>	₱14,909,883	Dividends

Outstanding balances are unsecured, noninterest bearing, and payable on demand in cash.

As at December 31, 2025 and 2024, the Company 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. There are no guarantees provided to any related party receivables or payables.

### Dividends Receivable

Movements in this account are as follows:

	Note	2025	2024
Balance at beginning of year		<b>₱206,426,920</b>	₱162,334,441
Dividend income	7	-	97,500,005
Collections		<b>(58,898,483)</b>	(53,407,526)
Balance at end of year		<b>₱147,528,437</b>	₱206,426,920

### Management Agreement

In 2025, the Company and MMDC entered into an agreement wherein the Company shall provide management services to MMDC. The services shall include, but will not be limited to, bookkeeping services, compliance monitoring, human resource services, legal support services, among others. The Company shall receive fixed amounts of management fees based on the matrix provided in the agreement.

Revenue from management fees amounted to ₱125.0 million in 2025.

### Compensation of Key Management Personnel

Compensation of key management personnel which consists of salaries and other benefits, amounted to ₱13.3 million and ₱17.8 million in 2025 and 2024, respectively. Net retirement benefit expense of key management personnel amounted to ₱0.8 million and ₱1.0 million in 2025 and 2024, respectively.

## 12. Net Retirement Benefit Liability

The Company has a funded, noncontributory defined benefit plan covering all of 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 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, 2025.

The principal actuarial assumptions used to determine net retirement benefit liability are as follows:

	2025	2024
Discount rate	6.27%	6.25%
Salary increase rate	6.00%	5.00%

The components of net retirement benefit expense presented under "Operating expenses" account in profit or loss are as follows (see Note 14):

	2025	2024
Current service cost	P1,051,711	P844,408
Net interest cost	532,918	413,913
	<b>P1,584,629</b>	<b>P1,258,321</b>

The components of net retirement benefit liability presented in the separate statements of financial position are as follows:

	2025	2024
Present value of defined benefit obligation	P15,254,754	P13,042,280
Fair value of plan asset	(4,234,997)	(4,320,219)
	<b>P11,019,757</b>	<b>P8,722,061</b>

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

	2025	2024
Balance at beginning of year	P13,042,280	P9,254,293
Retirement benefit expense recognized in profit or loss:		
Current service cost	1,051,711	844,408
Interest cost	796,883	578,393
Remeasurement loss (income) recognized in other comprehensive loss:		
Changes in financial assumptions	588,894	62,665
Deviations of experience from assumptions	(152,359)	2,302,521
Changes in demographic assumptions	(72,655)	-
Balance at end of year	<b>P15,254,754</b>	<b>P13,042,280</b>

Movements in the fair value of plan assets are as follows:

	2024	2024
Balance at beginning of year	₱4,320,219	₱2,631,680
Gain (loss) on plan asset	(349,187)	153,059
Interest income	263,965	164,480
Contributions	–	1,371,000
Balance at end of year	₱4,234,997	₱4,320,219

The components of the Company's plan assets as at December 31, 2025 and 2024 are as follows:

	2025	2024
Cash	1.52%	1.49%
Investment in debt securities	98.23%	93.60%
Investments in unit investment trust fund	0.25%	4.91%
	100.00%	100.00%

On March 26, 2026, the Company's BOD approved the additional contribution of ₱6.0 million to the Company's retirement plan.

The retirement plan exposes the Company to the following risks:

*Salary risk.* Any increase in the retirement plan participants' salary will increase the retirement liability.

*Interest rate risk.* A decrease in the bond interest rate will increase the present value of the net retirement liability. However, this is partially counterbalanced by an increase in the return on the plan assets.

Sensitivity analysis on the present value of defined benefit obligation are as follows:

	Change in basis points	2025	2024
Discount rate	+1%	(₱579,194)	(₱254,761)
	-1%	778,162	348,964
Salary increase rate	+1%	761,546	351,762
	-1%	(605,645)	(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.

*Investment risk.* The retirement plan exposes the Company to investment risk, as plan assets are concentrated primarily in debt securities, with minor holdings in cash and unit investment trust funds. While debt instruments generally provide stable returns, they are sensitive to changes in interest rates and credit quality. A decline in bond values or issuer defaults could reduce the fair value of plan assets. If actual returns on plan assets are lower than the discount rate applied to the obligation, the net retirement benefit liability will increase, requiring additional contributions from the Company. Conversely, higher returns reduce the liability.

The Company manages investment risk through monitoring of asset-liability matching, periodic review of credit exposures, and oversight by the investment committee. The investment policy emphasizes capital preservation and predictable cash flows, consistent with the plan's funding objectives and risk tolerance.

The cumulative remeasurement loss recognized in other comprehensive loss follows:

	<b>2025</b>		
	<b>Cumulative Remeasurement Loss</b>	<b>Deferred Tax Asset (see Note 16)</b>	<b>Net Remeasurement Loss</b>
Balance at beginning of year	<b>(P2,255,686)</b>	<b>P-</b>	<b>(P2,255,686)</b>
Remeasurement loss	<b>(713,067)</b>	<b>-</b>	<b>(713,067)</b>
Balance at end of year	<b>(P2,968,753)</b>	<b>P-</b>	<b>(P2,968,753)</b>

	<b>2024</b>		
	<b>Cumulative Remeasurement Loss</b>	<b>Deferred Tax Asset (see Note 16)</b>	<b>Net Remeasurement Loss</b>
Balance at beginning of year	<b>(P43,559)</b>	<b>P-</b>	<b>(P43,559)</b>
Remeasurement loss	<b>(2,212,127)</b>	<b>-</b>	<b>(2,212,127)</b>
Balance at end of year	<b>(P2,255,686)</b>	<b>P-</b>	<b>(P2,255,686)</b>

The maturity analysis of the undiscounted benefit payments as at December 31, 2025 follow:

Within one (1) year	P9,346,671
More than one (1) year to less than five (5) years	3,807,863
Five (5) years to less than 10 years	3,232,747
10 years and above	53,431,322
	<b>P69,818,603</b>

The average duration of the expected benefit payments is 16 years and 18 years as at December 31, 2025 and 2024, respectively.

Based on the Company's actuarial valuation report, the amount of expected contribution to the retirement plan in the next financial year is P6.6 million.

### 13. Equity

#### **Capital Stock and APIC**

Details of the Company's capital stock are as follows:

	Shares	Amount
<b>Authorized – ₱1 par value</b>	4,000,000,000	₱4,000,000,000
<b>Issued and Outstanding</b>	3,014,820,305	₱3,014,820,305
<b>Additional Paid-in Capital</b>		₱269,199,788

The following summarizes the information on the Company's issued and subscribed shares as at December 31, 2025 and 2024:

	Number of Shares Issued and Subscribed	Percentage of Shares
Non-public shareholdings		
a. Related parties	1,518,763,946	50.38%
b. Affiliates, directors and officers*	257,407,602	8.54%
Public shareholdings	1,238,648,757	41.09%
	3,014,820,305	100.00%

The total number of shareholders of the Company is 2,175 and 2,174 as at December 31, 2025 and 2024, respectively.

#### **Retained Earnings**

Details of the cash dividends declared by the Company are as follows:

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
February 2, 2026	February 16, 2026	March 10, 2026	0.13	400,000,000

Dividends payable amounted to ₱14.9 million as at December 31, 2025 and 2024, respectively (see Note 10).

The changes in liabilities arising from financing activities as at December 31, 2025 and 2024 are as follows:

2025				
	Balance at beginning of year	Net cash flows	Noncash change Dividend Declaration	Balance at end of year
Dividends payable	₱14,909,883	(₱4,050)	₱–	₱14,905,833

2024				
	Balance at beginning of year	Net cash flows	Noncash change Dividend Declaration	Balance at end of year
Dividends payable	₱311,966,875	(₱297,056,992)	₱–	₱14,909,883

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#### 14. Operating Expenses

This account consists of:

	Note	2025	2024
Salaries and allowances		<b>₱25,488,226</b>	₱21,702,298
Professional fees		<b>18,572,368</b>	18,151,391
Depreciation	8	<b>6,320,955</b>	6,278,811
Net retirement benefit expense	12	<b>1,584,629</b>	1,258,321
Outside services		<b>1,119,526</b>	1,462,104
Insurance expense		<b>726,025</b>	1,884,173
Taxes and licenses		<b>296,634</b>	301,054
Dues and subscriptions		<b>282,160</b>	409,146
Provision for ECL on other receivables	5	–	201,600
Others		<b>2,104,649</b>	2,271,857
		<b>₱56,495,172</b>	<b>₱53,920,755</b>

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#### 15. Operating Lease Agreement - Company as a Lessor

In 2022, the Company 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.

In 2025, the parties agreed to execute a new lease contract for the same office space. The lease agreement has a term of three (3) years and will supersede the previous contract. 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 in 2025 and 2024 (see Note 9).

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#### 16. Income Taxes

The Company's provision for (benefit from) income tax is composed of the following:

	2025	2024
Current	<b>₱2,525,589</b>	₱24,000
Deferred	<b>(35,576,956)</b>	–
	<b>(₱33,051,367)</b>	<b>₱24,000</b>

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The current income tax expense in 2025 and 2024 pertains to MCIT.

Details of unrecognized deferred tax assets are as follows:

	2025	2024
Excess MCIT over RCIT	<b>₱2,570,289</b>	₱47,700
Net retirement benefit liability (presented through profit or loss)	<b>2,012,751</b>	1,616,594
NOLCO	–	67,996,573
Allowance for ECL	–	50,400
	<b>₱4,583,040</b>	<b>₱69,711,267</b>

The Company recognized the deferred tax assets on NOLCO amounting to ₱35.6 million as at December 31, 2025 because management has assessed that future taxable income will be available that will allow all or part of this deferred tax assets to be utilized.

Details of NOLCO are as follows:

Year Incurred	Balance at beginning of year	Incurred	Applied	Expired	Balance at end of year	Expiry Date
2024	₱52,631,834	₱–	₱–	₱–	₱52,631,834	2027
2023	48,003,364	–	–	–	48,003,364	2026
2022	58,309,537	–	–	(58,309,537)	–	2025
2021	47,971,353	–	(6,298,728)	–	41,672,625	2026
2020	65,070,203	–	(65,070,203)	–	–	2025
	<b>₱340,536,766</b>	<b>₱–</b>	<b>(₱71,368,931)</b>	<b>(₱58,309,537)</b>	<b>₱142,307,823</b>	

On September 30, 2020, BIR issued the 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 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	Balance at beginning of year	Incurred	Expired	Balance at end of year	Expiry Date
2025	₱–	₱2,525,589	₱–	₱2,525,589	2028
2024	24,000	–	–	24,000	2027
2023	20,700	–	–	20,700	2026
2022	3,000	–	(3,000)	–	2025
	<b>₱47,700</b>	<b>₱2,525,589</b>	<b>(₱3,000)</b>	<b>₱2,570,289</b>	

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:

	2025	2024
Income tax at statutory rate	P17,790,630	P11,727,388
Change in unrecognized deferred tax assets	(47,285,993)	13,204,189
Add (deduct) income tax effects of:		
Applied NOLCO	(17,842,233)	-
Expired NOLCO	14,577,384	-
Interest income subjected to final tax	(344,555)	(532,575)
Write-off of receivables	50,400	-
Expired MCIT	3,000	-
Dividend income not subject to tax	-	(24,375,002)
	<b>(P33,051,367)</b>	<b>P24,000</b>

## 17. Financial Risk Management Objectives and Policies ad Fair Value of Financial Instruments

### **Financial Risk Management Objectives and Policies**

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.

The Company's principal financial instruments consist 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 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.

The Company's exposure to credit risk relates to its cash in banks and cash equivalents, and dividends and other receivables (excluding advances to officers and employees), and advances to related parties with aggregate balance of P610.1 million and P538.2 million as at December 31, 2025 and 2024, respectively.

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 and other receivables (excluding advances to officers and employees) and advances to related parties are 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.

The Company's financial liabilities consist of the dividends and other current liabilities (excluding statutory payables) amounting to ₱19.9 million and ₱20.2 million as at December 31, 2025 and 2024, respectively.

**Fair Value of Financial Instruments**

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, and dividends payable and other current liabilities (excluding statutory payable), their carrying values approximate fair values at year-end.

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**18. Capital Management Objectives, Policies and Procedures**

The Company's capital management objectives are to ensure the Company'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 Company manages its capital structure and makes adjustments to it, whenever there are changes in economic conditions. The Company monitors its capital using debt to equity ratio. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or by conversion of related party advances to an equity component item.

The Company considers its equity amounting to ₱3,469.9 million and ₱3,366.4 million as at December 31, 2025 and 2024, respectively, as its core capital.

There were no changes in the Company's objectives, policies or processes in 2025 and 2024.



Jommel Ramos &lt;jommel.ramos@marcventures.com.ph&gt;

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1 message

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**eafs@bir.gov.ph** <eafs@bir.gov.ph>  
To: RENITASTY2000@gmail.com  
Cc: jommel.ramos@marcventures.com.ph

Thu, Apr 16, 2026 at 1:43 PM

Hi MARCVENTURES HOLINGS INC,

**Valid files**

- EAFS000104320AFSTY122025.pdf
- EAFS000104320TCRTY122025-02.pdf
- EAFS000104320RPTTY122025.pdf
- EAFS000104320TCRTY122025-01.pdf
- EAFS000104320ITRTY122025.pdf

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- <None>

Transaction Code: **AFS-0-68GE7AFC0BEHG9KA6PTPZ4P4M06555DJDF**  
Submission Date/Time: **Apr 16, 2026 01:43 PM**  
Company TIN: **000-104-320**

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- 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.

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# 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:** ICTD ERMD

**Receipt Date and Time:** April 16, 2026 03:26:42 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:** OST104162026811232681

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** December 31, 2025

**Submission Type:** Consolidated, Annual

**Remarks:** None

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Acceptance of this document is subject to review of forms and contents





## 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, 2025 and 2024, 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, 2025, 2024, and 2023, 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, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2025, 2024, and 2023 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), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated 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, 2025. 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 29% 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 management's assessment that the mining rights and deferred exploration costs have no indicators of impairment. We reviewed the Group's Mineral Production Sharing Agreement (MPSA), including permits and licenses for each exploration project, to determine that the period to which the Group has rights to explore in the contract areas have not expired and the Group has the right to renew the MPSA and permits after its expiration. We also 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.

#### Estimation of Depletion Rates and Recoverable Reserves

The Group applies the unit of production method in recognizing depletion expense. The determination of depletion rates for mining rights and mine and mining properties involve significant judgment and estimation. The estimates are based on management's assessment of projected production over the estimated remaining mining life and geological data interpretation, engineering evaluations, and economic assumptions. This is a key audit matter because of the level of complexity involved in these accounting estimates and the significance of the related underlying asset and depletion expense.

Our audit procedures included assessing the methodology used to estimate the projected production over the estimated mining life and performing independent recalculations of the depletion rate. We also reviewed the sensitivity analysis to understand the impact of the changes in key assumptions, evaluated the competence and objectivity of management's experts and reviewed the related 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 Annual Report for the year ended December 31, 2025, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A Annual Report for the year ended December 31, 2025 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, including independence requirements applicable to audits of public interest entities 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 Belinda B. Fernando.

**REYES TACANDONG & Co.**

BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782/P-005; Valid until June 6, 2026

SEC Accreditation No. 81207-SEC Group A

Issued January 30, 2020

Valid for Financial Periods 2023 to 2025

BIR Accreditation No. 08-005144-004-2025

Valid until August 10, 2028

PTR No. 10764017

Issued January 2, 2026, Makati City

March 26, 2026

Makati City, Metro Manila



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR  
CONSOLIDATED FINANCIAL STATEMENTS**

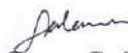
The Management of **Marcventures Holdings Inc. and Subsidiaries** (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, as at **December 31, 2025 and 2024** and for the years ended **December 31, 2025, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

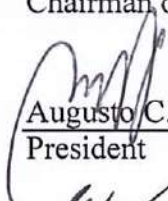
In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the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

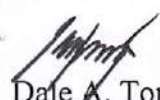
The Board of Directors is responsible in overseeing the Company's financial reporting process.

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 auditors appointed by the stockholders for years December 31, 2025, 2024 and 2023, have audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Signature:   
Cesar C. Zalamea  
Chairman of the Board

Signature:   
Augusto C. Serafica, Jr.  
President


Signature:   
Dale A. Tongco  
Treasurer

Signed this APR 16 2026

**SUBSCRIBED AND SWORN** to before me this APR 16 day of 2026  
affiant(s) exhibiting to their evidence of identity, as follows:

<b>NAMES</b>	<b>COMPETENT Evidence of Identity (TIN)</b>	<b>DATE OF ISSUE</b>	<b>PLACE OF ISSUE</b>
Cesar C. Zalamea	137-712-551		
Augusto C. Serafica Jr.	102-097-338		
Dale A. Tongco	125-401-967		

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Page no. 7  
Book II  
Series of 2024

  
**NOTARY PUBLIC**  
Notary Public for Makati City  
Appt. No. M-223 Until 31 Dec. 2028  
Roll of Attorneys No. 59087  
IBP Membership No. 480027; 12/01/2024  
PTR No. MKT-10769717AG; 01/12/2023  
MCLE Compliance No. VIII-0042253;  
3F ALPAP I Building, #140 Leviste Street  
Salcedo Village, Makati City

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		December 31	
	Note	2025	2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	₱1,221,480,579	₱567,105,076
Receivables	5	25,199,570	35,558,818
Advances to related parties	14	3,666,704	2,955,065
Inventories	6	103,424,922	119,834,699
Other current assets	7	112,244,900	88,055,766
Total Current Assets		1,466,016,675	813,509,424
<b>Noncurrent Assets</b>			
Property and equipment	8	122,275,369	134,538,564
Investment property	9	14,895,833	16,145,833
Mining rights and other mining assets	10	4,025,882,296	4,290,457,717
Net deferred tax assets	21	60,747,735	19,534,164
Other noncurrent assets	11	535,586,718	532,103,527
Total Noncurrent Assets		4,759,387,951	4,992,779,805
		<b>₱6,225,404,626</b>	<b>₱5,806,289,229</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	₱118,039,562	₱190,603,580
Current portion of loans payable	13	24,940,601	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		79,676,612	48,689,194
Total Current Liabilities		242,562,608	284,253,113
<b>Noncurrent Liabilities</b>			
Loans payable - net of current portion	13	25,728,730	51,828,569
Provision for mine rehabilitation and decommissioning	15	68,674,432	65,696,379
Net retirement benefit liability	16	71,218,973	49,330,830
Deferred tax liability	21	441,999,621	441,999,621
Total Noncurrent Liabilities		607,621,756	608,855,399
Total Liabilities		850,184,364	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		2,067,687,019	1,596,542,698
Cumulative remeasurement gains on net retirement benefit liability - net of deferred tax	16	23,513,150	32,617,926
Total Equity		5,375,220,262	4,913,180,717
		<b>₱6,225,404,626</b>	<b>₱5,806,289,229</b>

See accompanying Notes to Consolidated Financial Statements.

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Years Ended December 31		
		2025	2024	2023
<b>NET SALES</b>		<b>₱2,708,084,394</b>	₱1,716,215,975	₱2,050,416,186
<b>COST OF SALES</b>	18	<b>(1,651,112,224)</b>	(1,085,339,161)	(1,203,096,120)
<b>GROSS INCOME</b>		<b>1,056,972,170</b>	630,876,814	847,320,066
<b>OPERATING EXPENSES</b>	19	<b>(469,617,042)</b>	(429,175,241)	(507,165,400)
<b>INTEREST INCOME</b>	4	<b>17,565,331</b>	5,988,758	10,303,511
<b>INTEREST EXPENSE</b>	13	<b>(8,190,045)</b>	(12,834,248)	(15,055,521)
<b>OTHER INCOME – Net</b>	20	<b>11,640,455</b>	3,463,625	3,056,154
<b>INCOME BEFORE INCOME TAX</b>		<b>608,370,869</b>	198,319,708	338,458,810
<b>INCOME TAX EXPENSE</b>	21	<b>137,226,548</b>	80,202,463	106,322,304
<b>NET INCOME</b>		<b>471,144,321</b>	118,117,245	232,136,506
<b>OTHER COMPREHENSIVE LOSS</b>	16			
<i>Not to be reclassified to profit or loss -</i> Remeasurement loss on net retirement benefit liability - net of deferred income tax		<b>(9,104,776)</b>	(2,310,118)	(5,665,156)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>₱462,039,545</b>	₱115,807,127	₱226,471,350
<b>Basic and diluted earnings per share</b>	23	<b>₱0.156</b>	₱0.039	₱0.077

*See accompanying Notes to Consolidated Financial Statements.*

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Note	Years Ended December 31		
		2025	2024	2023
<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>	₱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 income		<b>471,144,321</b>	118,117,245	232,136,506
Dividends declared	17	-	-	(301,482,030)
Balance at end of year		<b>2,067,687,019</b>	1,596,542,698	1,478,425,453
<b>CUMULATIVE REMEASUREMENT GAIN ON NET RETIREMENT BENEFIT LIABILITY - NET OF DEFERRED TAX</b>	16			
Balance at beginning of year		<b>32,617,926</b>	34,928,044	40,593,200
Remeasurement loss		<b>(9,104,776)</b>	(2,310,118)	(5,665,156)
Balance at end of year		<b>23,513,150</b>	32,617,926	34,928,044
		<b>₱5,375,220,262</b>	₱4,913,180,717	₱4,797,373,590

*See accompanying Notes to Consolidated Financial Statements.*

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

		Years Ended December 31		
	Note	2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax		<b>₱608,370,869</b>	₱198,319,708	₱338,458,810
Adjustments for:				
Depletion	10	<b>267,669,244</b>	60,181,395	45,522,156
Depreciation	8	<b>23,401,570</b>	28,675,211	25,548,962
Interest income	4	<b>(17,565,331)</b>	(5,988,758)	(10,303,511)
Retirement benefit expense	16	<b>9,986,132</b>	9,130,564	8,214,000
Interest expense	13	<b>8,190,045</b>	12,834,248	15,055,521
Unrealized foreign exchange loss (gain)		<b>(32,772)</b>	(575,069)	84,244
Provision for (reversal of) mining supplies obsolescence	7	–	(450,575)	532,856
Provision for expected credit loss on receivables	5	–	201,600	–
Gain on disposal of property and equipment	8	–	(134,166)	–
Operating income before working capital changes		<b>900,019,757</b>	302,194,158	423,113,038
Decrease (increase) in:				
Receivables		<b>10,359,248</b>	(13,449,943)	78,886,845
Inventories		<b>16,409,777</b>	49,289,995	(18,010,433)
Other current assets		<b>(24,189,134)</b>	12,882,514	(9,280,905)
Decrease in trade and other payables		<b>(72,564,018)</b>	(32,709,864)	(57,896,120)
Net cash generated from operations		<b>830,035,630</b>	318,206,860	416,812,425
Income taxes paid		<b>(144,655,466)</b>	(65,193,205)	(76,525,726)
Interest received		<b>17,565,331</b>	5,988,758	10,303,511
Retirement contributions	16	–	(6,371,000)	(12,000,000)
Net cash provided by operating activities		<b>702,945,495</b>	252,631,413	338,590,210
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Additions to:				
Property and equipment	8	<b>(9,888,375)</b>	(21,321,622)	(4,225,667)
Mining rights and other mining assets	10	<b>(3,093,823)</b>	(10,797,853)	(58,105,559)
Decrease (increase) in:				
Other noncurrent assets		<b>(3,483,191)</b>	105,060,306	(152,679,276)
Advances to related parties	14	<b>(711,639)</b>	(571,812)	23,897,422
Proceeds from sale of property and equipment	8	–	419,918	–
Net cash provided by (used in) investing activities		<b>(17,177,028)</b>	72,788,937	(191,113,080)

(Forward)

		<b>Years Ended December 31</b>		
	Note	<b>2025</b>	2024	2023
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments of:				
Loans	13	<b>(₱26,209,994)</b>	(₱57,682,032)	(₱79,682,643)
Interest	26	<b>(5,211,992)</b>	(9,985,337)	(12,330,153)
Dividends	26	<b>(3,750)</b>	(297,057,292)	–
Proceeds from availment of loans	13	–	1,956,500	1,540,800
Increase in advances from related parties		–	–	63,285
<b>Net cash used in financing activities</b>		<b>(31,425,736)</b>	(362,768,161)	(90,408,711)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
		<b>654,342,731</b>	(37,347,811)	57,068,419
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>				
		<b>32,772</b>	575,069	(84,244)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>				
		<b>567,105,076</b>	603,877,818	546,893,643
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>				
		<b>₱1,221,480,579</b>	₱567,105,076	₱603,877,818
<b>NONCASH FINANCIAL INFORMATION</b>				
Accretion of interest on provision for mine rehabilitation and decommissioning				
	15	<b>₱2,978,053</b>	₱2,848,911	₱2,725,368
Dividend declaration				
	17	–	–	301,482,030
Reclassification of property and equipment to investment property				
		–	–	25,000,000

See accompanying Notes to Consolidated Financial Statements.

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**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025 and 2024**  
**AND FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, and 2023**

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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, 2025 and 2024, a total of 3,014,820,305 shares of the Parent Company’s shares of stock are listed in the PSE.

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, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023 were approved and authorized for issue by the Board of Directors (BOD) on March 26, 2026, as reviewed and recommended for approval by the Audit Committee on March 12, 2026.

**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 has been granted by the Department of Environment and Natural Resources (DENR) a Mineral Production Sharing Agreement (MPSA) No. 016-93-XI Surigao Mineral Reservation (SMR) 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). 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 of MMDC, covering previous lost term, for a period of 9 years starting 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 (BRC)**

BRC was incorporated and registered with the SEC on July 20, 1989 to engage in the mining business. The Parent Company acquired BRC from its merger with Brightgreen Resources Holdings, Inc. (BRHI) in 2017.

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. On February 7, 2019, the MGB approved the extension of the MPSA for a period of six years (covering the lost term) 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 BRC for another period of two years effective from July 2, 2022 until the expiration of the approved extended MPSA term to recover its unused term due to force majeure.

On July 13, 2023, BRC received from the MGB office a reply letter for intention to renew its MPSA agreement for another 25 years. On May 21, 2025, the DENR issued an order restoring the lost term of the BRC's MPSA for a period of two (2) years and 11 months starting from the expiration of its 25 years term on July 1, 2024, and now shall expire on June 1, 2027. The Group is currently in the process and anticipative of obtaining the following permits, licenses, and approvals:

- Free, Prior and Informed Consent and Certification Precondition from the National Commission on indigenous Peoples;
- Approval of the DMPF 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 January 19, 2026, BGRC submitted the Annual MPSA Status Report for the year 2025, which states that there were no major exploration activities during the year. Activities conducted focused on safety and health programs, implementation of its community development program, and other preparatory activities for exploration while waiting for the approval of the permits and licenses, as discussed above.

#### **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. AMPI will push for renewal of extension in the next year as its MPSA is set to expire on December 5, 2027.

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, until the situation becomes safe and favorable.

On January 19, 2026, AMPI submitted the Annual MPSA Status Report for the year 2025 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. BARI will push for renewal of extension in the next year as its MPSA is set to expire on December 5, 2027.

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, until the situation becomes safe and favorable.

On January 19, 2026, BARI submitted the Annual MPSA Status Report for the year 2025 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 the net retirement benefit liability which is measured at the present value of the defined benefit obligation and fair value of plan assets, and provision for mine rehabilitation and decommissioning which is measured at the present value of future cash outflows for the rehabilitation activities. 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 of Financial Instruments*.

#### **Adoption of Amendments to PFRS Accounting Standards**

The material accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*, effective for annual periods beginning on or after January 1, 2025.

The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of the consolidated financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

The adoption of the amendments to PFRS Accounting Standards did not materially affect the consolidated financial statements of the Group. Additional disclosures were included in the consolidated financial statements, as applicable.

**New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective or Adopted**

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2025 and have not been applied in preparing the consolidated financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendment provides to clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled through cash using an electronic payment system. The amendments also clarify the requirements of assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, and the characteristics of non-recourse loans and contractually linked instruments. The amendments also introduce additional disclosure requirements for equity instruments classified as financial asset measured at fair value through other comprehensive income (FVOCI) with contingent features. Earlier application is permitted.
- Annual Improvements to PFRS Accounting Standards Volume 11:
  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure.
  - Amendments to PFRS 9, *Financial Instruments* – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, *Financial Instruments*, the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments apply to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted.
  - Amendments to PFRS 10, *Consolidated Financial Statements* – The amendments clarify that when the investor considers its de facto agent’s decision-making rights and its indirect exposure, or rights, to variable returns is only an example in which judgement is required to determine whether a party is acting as a de facto agent.
  - Amendments to PAS 7, *Statement of Cash Flows* – The amendments clarify that when accounting for an investment in an associate, a joint venture or a subsidiary accounted for by use of the equity or at cost, an investor restricts its reporting in the statements of cash flows to the cash flows between itself and the investee, such as dividends and advances.

Effective for annual periods beginning on or after January 1, 2027 –

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard introduces new categories and sub-totals in the statements of comprehensive income, additional disclosures on management-defined performance measures, and enhanced requirements for grouping information. Full retrospective application is required. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards 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, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023.

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.

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. The ECL is based on the 12-month ECL, which pertains to the lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there is significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is indicative of significant increases in credit risk since initial recognition.

As at December 31, 2025 and 2024, the Group's cash and cash equivalents (excluding cash on hand), receivables (excluding advances to officers and employees), advances to related parties, final mine rehabilitation fund (FMRF), rehabilitation cash fund (RCF), monitoring trust fund (MTF), and rental deposit (included under "Other noncurrent assets") accounts are classified under this category (see Notes 4, 5, 11 and 14). Cash and cash equivalents at amortized cost in the consolidated statements of financial position comprise cash on hand, cash in banks and cash equivalents, excluding any restricted cash. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to an insignificant risk of change in value. Restricted cash, which includes FMRF, RCF and MTF, is not available for use by the Group and therefore is not considered highly liquid.

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, 2025 and 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 (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 primarily includes creditable withholding taxes, which represents 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.

*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. Otherwise, these are classified as noncurrent assets.

*Mining and Office Supplies.* Mining and office supplies are stated at the 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 the consolidated profit or loss upon use.

#### **Property and Equipment**

Property and equipment, except land, are stated at cost less accumulated depreciation and any accumulated impairment in value. Land is stated at cost less any accumulated 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.

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 is calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	<u>Number of Years</u>
Building and improvements	5-20
Office furniture, fixtures and equipment	2-5
Heavy and transportation equipment	4-10

The estimated useful lives and depreciation 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 consolidated profit or loss.

### **Investment Property**

Investment property is stated at cost less accumulated depreciation and any accumulated 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 sell.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount 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. Deferred exploration costs are assessed for impairment when facts and circumstances suggest that its carrying amount may exceed its recoverable amount. One or more of the following facts and circumstances indicate that exploration and evaluation assets require impairment test:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.
- Substantive expenditure on further exploration for and evaluation of reserves in the specific area is neither budgeted nor planned.

- Exploration for and evaluation of reserves in the specific area have not led to the discovery of commercially viable qualities of reserves and the Company has decided to discontinue such activities in the specific area.
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

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 cash-generating unit to which the asset belongs.

*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. This account also includes mine rehabilitation asset related to the obligation arising from mine rehabilitation and decommissioning.

Deferred development 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) and other financial assets (FMRF, RCF, rental deposit, and MTF).

*Input VAT.* Input VAT represents tax imposed on the Company by its suppliers for the acquisition of goods and services required under Philippine taxation laws and regulations. Input VAT is recognized as an asset, carried at cost less any impairment in value and will be used to offset the Company's current VAT liability.

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".

#### **Impairment of Other 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. The Company recognizes a liability, net of amounts already paid, and an expense for services rendered by employees during the accounting period.

*Retirement Benefits.* The Group has a funded, non-contributory defined benefit plan covering all qualified employees. The net retirement benefit 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 and interest cost in profit or loss.

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.

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.

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 net 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 net 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, net of dividend distributions. Cash dividends are deducted from retained earnings and recognized as liability when these are approved by the BOD.

*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 cumulative net remeasurement gain on the net 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 leases. 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**

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. 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**

PFRS Accounting Standards requires management to make judgment, accounting estimates and assumptions that affect the amounts reported in the consolidated financial statements. 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 the 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.

*Classifying 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, respectively.

*Determining 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.

*Determining 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 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, FMRF, RCF, MTF, and rental deposits 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.

The carrying amounts of the Group's financial assets at amortized cost subjected to ECL assessment are disclosed in Note 24.

*Estimating the NRV of Inventories.* The Group recognizes loss on inventory obsolescence 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 and Investment Property.* The Group estimates the useful lives of property and equipment and investment property based on the period over which these assets are expected to be available for use. The Group annually reviews the estimated useful lives of property and equipment and investment property 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 2025, 2024, and 2023. The carrying amounts of property and equipment and investment property are disclosed in Notes 8 and 9, respectively.

*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 climactic 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.

In 2025, the Group updated its long-range mine plan based on the updated pit design and considering current market conditions. Accordingly, the resulting change in depletion rate is applied prospectively starting 2025. The depletion expense, the related impact of the change, and 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 as part of “Mine and mining properties” under “Mining rights and other mining assets” account is disclosed in Note 10. Provision for mine 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 (pertaining to mining areas still under exploration phase) 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 either not expired or have just been extended, (b) the Group continues to conduct exploration and evaluation activities based on its approved Exploration Work Programs and Environmental Work Programs, and (c) based on the Mineral Resource Validation Report by the MGB, the Group has measured and indicated resources 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, which include the Group’s advances to officers and employees, other current assets, property and equipment, investment property, mine and mining properties, and other noncurrent assets (excluding financial 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 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 other nonfinancial assets are disclosed in Notes 5, 7, 8, 9, 10 and 11, respectively.

*Estimating the Net Retirement Benefit Liability.* The determination of the Group's net retirement benefit liability and costs is dependent on the 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 the net 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.

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#### 4. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	<b>₱118,048</b>	₱101,255
Cash in banks	<b>276,282,595</b>	294,244,333
Cash equivalents	<b>945,079,936</b>	272,759,488
	<b>₱1,221,480,579</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:

	Note	2025	2024	2023
Cash in banks and cash equivalents		<b>₱17,518,566</b>	₱5,942,481	₱10,098,015
Other noncurrent assets	11	<b>46,765</b>	46,277	205,496
		<b>₱17,565,331</b>	₱5,988,758	₱10,303,511

## 5. Receivables

This account consists of:

	2025	2024
Advances to officers and employees	P24,028,360	P34,722,589
Others	1,171,210	1,037,829
	<b>25,199,570</b>	35,760,418
Allowance for ECL	–	(201,600)
	<b>P25,199,570</b>	P35,558,818

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	2025	2024
Balance at beginning of year		P201,600	P–
Provision	19	–	201,600
Write-off		(201,600)	–
Balance at end of year		P–	P201,600

## 6. Inventories

This account consists of beneficiated nickel ore amounting to P103.4 million and P119.8 million as at December 31, 2025 and 2024, respectively. All inventories are stated at cost, which is lower than their NRV.

Cost of inventories charged to the “Cost of sales” account in the consolidated statements of comprehensive income amounted to P1,651.1 million, P1,085.3 million and P1,203.1 million in 2025, 2024, and 2023, respectively (see Note 18).

## 7. Other Current Assets

This account consists of:

	2025	2024
Prepaid income tax	P49,599,444	P49,986,362
Advances to contractors and suppliers	45,447,334	23,883,848
Mining and office supplies - net of allowance for obsolescence	6,682,887	4,913,745
Prepaid expenses	3,428,877	1,639,703
Others	7,086,358	7,632,108
	<b>P112,244,900</b>	P88,055,766

Prepaid income tax represents creditable withholding taxes 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. Movements in the allowance for obsolescence follows:

	2025	2024
Balance at beginning of year	P15,640,373	P16,090,948
Reversal	-	(450,575)
Balance at end of year	P15,640,373	P15,640,373

The reversal of provision for obsolescence is presented as part of "Others" in the "Operating expenses" account in the consolidated statements of comprehensive income.

Prepaid expenses pertain to insurance, excise tax and rent.

Others include advances made to the National Commission on Indigenous Peoples (NCIP).

## 8. Property and Equipment

Movements in this account are as follows:

	2025				Total
	Land	Building and Improvements	Office Furniture, Fixtures and Equipment	Heavy and Transportation Equipment	
<b>Cost</b>					
Balance at beginning of year	P58,597,484	P149,313,770	P154,874,496	P395,260,130	P758,045,880
Additions	-	-	6,848,197	3,040,178	9,888,375
Balance at end of year	58,597,484	149,313,770	161,722,693	398,300,308	767,934,255
<b>Accumulated Depreciation</b>					
Balance at beginning of year	-	103,367,613	139,324,227	380,815,476	623,507,316
Depreciation	-	4,848,793	10,691,082	6,611,695	22,151,570
Balance at end of year	-	108,216,406	150,015,309	387,427,171	645,658,886
<b>Carrying Amount</b>	P58,597,484	P41,097,364	P11,707,384	P10,873,137	P122,275,369

	2024				Total
	Land	Building and Improvements	Office Furniture, Fixtures and Equipment	Heavy and Transportation Equipment	
<b>Cost</b>					
Balances at beginning of year	P58,597,484	P149,313,770	P140,377,210	P394,315,753	P742,604,217
Additions	-	-	14,874,047	6,447,575	21,321,622
Disposals	-	-	(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
<b>Accumulated Depreciation</b>					
Balance at beginning of year	-	97,660,884	124,673,180	379,342,248	601,676,312
Depreciation	-	5,706,729	15,027,808	6,690,674	27,425,211
Disposals	-	-	(376,761)	(5,217,446)	(5,594,207)
Balance at end of year	-	103,367,613	139,324,227	380,815,476	623,507,316
<b>Carrying Amount</b>	P58,597,484	P45,946,157	P15,550,269	P14,444,654	P134,538,564

Depreciation recognized in the consolidated profit or loss is broken down as follows:

	Note	2025	2024	2023
Property and equipment		<b>₱22,151,570</b>	₱27,425,211	₱24,298,962
Investment property	9	<b>1,250,000</b>	1,250,000	1,250,000
		<b>₱23,401,570</b>	₱28,675,211	₱25,548,962

Depreciation is charged to consolidated profit or loss as follows:

	Note	2025	2024	2023
Cost of sales	18	<b>₱15,958,425</b>	₱20,842,780	₱17,047,551
Operating expenses	19	<b>7,443,145</b>	7,832,431	8,501,411
		<b>₱23,401,570</b>	₱28,675,211	₱25,548,962

The portion of the Group's property and equipment with carrying amounts of ₱41.1 million and ₱45.9 million as at December 31, 2025 and 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 ₱518.8 million and ₱517.0 million as at December 31, 2025 and 2024 are still being used by the Group.

## 9. Investment Property

The Group's investment property pertains to the portion of its office space that is leased to a third party (see Note 22). The property was previously classified under property and equipment but was subsequently reclassified as investment property in 2023 upon commencement of the lease contract.

Movements in the account follows:

	Note	2025	2024
<b>Cost</b>			
Balance at beginning and end of year		<b>₱25,000,000</b>	₱25,000,000
<b>Accumulated Depreciation</b>			
Balance at beginning of year		<b>8,854,167</b>	7,604,167
Depreciation	8	<b>1,250,000</b>	1,250,000
Balance at end of year		<b>10,104,167</b>	8,854,167
<b>Carrying Amount</b>		<b>₱14,895,833</b>	₱16,145,833

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 in 2025 and 2024, and ₱1.4 million in 2023 (see Note 20).

The Group has assessed that the fair value of the investment property approximates its carrying amount. This assessment was based on observable market data for comparable properties. The fair value measurement is classified under Level 2 of the fair value hierarchy based on observable inputs such as prices of similar properties in active markets.

## 10. Mining Rights and Other Mining Assets

Movements in this account are as follows:

2025						
Mine and Mining Properties						
Note	Mining Rights	Deferred Exploration Costs	Mine Development Costs	Mine Rehabilitation Asset	Total Mine and Mining Properties	Total
<b>Cost</b>						
	₱2,935,579,522	₱177,724,999	₱2,575,790,226	₱44,167,841	₱2,619,958,067	₱5,733,262,588
	–	3,093,823	–	–	–	3,093,823
	2,935,579,522	180,818,822	2,575,790,226	44,167,841	2,619,958,067	5,736,356,411
<b>Accumulated Depletion</b>						
	582,302,020	–	842,446,540	18,056,311	860,502,851	1,442,804,871
18	77,148,447	–	188,372,655	2,148,142	190,520,797	267,669,244
	659,450,467	–	1,030,819,195	20,204,453	1,051,023,648	1,710,474,115
	₱2,276,129,055	₱180,818,822	₱1,544,971,031	₱23,963,388	₱1,568,934,419	₱4,025,882,296

2024						
Mine and Mining Properties						
Note	Mining Rights	Deferred Exploration Costs	Mine Development Costs	Mine Rehabilitation Asset	Total Mine and Mining Properties	Total
<b>Cost</b>						
	₱2,935,579,522	₱176,228,529	₱2,566,488,843	₱44,167,841	₱2,610,656,684	₱5,722,464,735
	–	1,496,470	9,301,383	–	9,301,383	10,797,853
	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>						
	564,956,355	–	799,778,032	17,889,089	817,667,121	1,382,623,476
18	17,345,665	–	42,668,508	167,222	42,835,730	60,181,395
	582,302,020	–	842,446,540	18,056,311	860,502,851	1,442,804,871
	₱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:

	2025	2024
Mining rights on explored resources of MMDC	₱635,315,690	₱712,464,137
Mining rights of BRC, AMPI and BARI	1,640,813,365	1,640,813,365
	₱2,276,129,055	₱2,353,277,502

*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 BRC, AMPI and BARI.* This represents the mining rights resulting from the merger of the Parent 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).

In 2025, the Group updated its long-range mine plan based on the updated pit design and considering current market conditions. The resulting change in depletion rate is applied prospectively and, combined with the effect of higher production units in 2025, resulted in an increase in depletion expense by ₱207.5 million and a decrease in net income after tax by ₱170.6 million from 2024. The impact on future periods is not estimable because the calculation is highly dependent on future actual production.

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### **11. Other Noncurrent Assets**

This account consists of:

	Note	2025	2024
Input VAT		<b>₱351,341,278</b>	₱340,927,381
FMRF		<b>90,652,742</b>	89,916,041
Input VAT for refund		<b>81,045,634</b>	88,389,809
RCF	22	<b>5,723,700</b>	5,677,795
Rental deposit	22	<b>1,133,050</b>	1,133,050
MTF		<b>169,149</b>	168,289
Others		<b>5,521,165</b>	5,891,162
		<b>₱535,586,718</b>	₱532,103,527

Input VAT represents tax imposed on the Group by its suppliers for the acquisition of goods and services required under Philippine taxation laws and regulations. These will be used to offset the Group's current VAT liability.

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	2025	2024
Trade payables		<b>₱83,834,408</b>	₱125,997,983
Excise tax and other statutory payables		<b>18,225,125</b>	45,050,036
Accrued expenses:			
Compliance		<b>11,743,759</b>	11,747,307
Interest	13	<b>746,409</b>	972,009
Salaries and rent		<b>355,144</b>	319,347
Others		<b>3,134,717</b>	6,516,898
		<b>₱118,039,562</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.

Other statutory payables include other taxes payable and mandatory contributions. These are normally settled within one (1) month after the reporting period.

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.

## 13. Loans Payable

Movements in this account are as follows:

	2025	2024
Balance at beginning of year	<b>₱76,879,325</b>	₱132,604,857
Payments	<b>(26,209,994)</b>	(57,682,032)
Availments	–	1,956,500
Balance at end of year	<b>50,669,331</b>	76,879,325
Less: Current portion	<b>24,940,601</b>	25,050,756
Noncurrent portion	<b>₱25,728,730</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 property and equipment with carrying amounts of ₱41.1 million and ₱45.9 million as at December 31, 2025 and 2024, respectively (see Note 8), and its investment property with carrying amount of ₱14.9 million and ₱16.1 million as at December 31, 2025 and 2024, respectively (see Note 9). The loan is subject to an interest floor rate of 6% or prevailing interest rate at loan drawdown, whichever is higher.

Interest expense of the Group was incurred from the following sources:

	Note	2025	2024	2023
Loans payable		<b>₱5,211,992</b>	₱9,985,337	₱12,330,153
Provision for mine rehabilitation and decommissioning	15	<b>2,978,053</b>	2,848,911	2,725,368
		<b>₱8,190,045</b>	₱12,834,248	₱15,055,521

Accrued interest payable amounted to ₱0.7 million and ₱1.0 million as at December 31, 2025 and 2024, respectively (see Note 12).

The maturity of the long-term loans are as follows:

	2025	2024
Not later than one (1) year	<b>₱24,940,601</b>	₱25,050,756
Later than one year but not more than five (5) years	<b>25,728,730</b>	51,828,569
	<b>₱50,669,331</b>	₱76,879,325

#### 14. Related Party Transactions

Significant transactions with related parties include the following:

	Transaction Amounts		Outstanding Balances		Nature and Terms
	2025	2024	2025	2024	
Advances to related parties under common management	<b>₱711,639</b>	₱571,812	<b>₱3,666,704</b>	₱2,955,065	Working fund; unsecured; noninterest-bearing; Collectible on demand
Advances from related parties under common management	<b>₱-</b>	₱-	<b>₱5,000,000</b>	₱5,000,000	Working fund; unsecured; noninterest-bearing; payable on demand

As at December 31, 2025 and 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. There are no guarantees provided to any related party receivables or payables.

#### **Compensation of Key Management Personnel**

Compensation of key management personnel, which consists of salaries and other benefits, amounted to ₱63.8 million, ₱53.7 million, and ₱48.6 million in 2025, 2024, and 2023, respectively. Net retirement benefit expense of key management personnel amounted to ₱2.7 million, ₱2.6 million, and ₱8.9 million in 2025, 2024, and 2023, respectively.

## 15. Provision for Mine Rehabilitation and Decommissioning

Movements in this account are as follows:

	Note	2025	2024
Balance at beginning of year		<b>₱65,696,379</b>	₱62,847,468
Accretion of interest	13	<b>2,978,053</b>	2,848,911
Balance at end of year		<b>₱68,674,432</b>	₱65,696,379

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. Net 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 net retirement benefit liability using the projected unit credit method. The latest actuarial valuation is for the year ended December 31, 2025.

The principal actuarial assumptions used to determine the net retirement benefit liability are as follows:

	2025	2024
Discount rates	<b>6.27%</b>	6.26%
Salary increase rates	<b>6.00%</b>	5.00%

The components of the net retirement benefit expense presented under "Operating expenses" account in profit or loss are as follows (see Note 19):

	2025	2024	2023
Current service cost	<b>₱6,972,019</b>	₱6,362,524	₱5,591,927
Net interest cost	<b>3,014,113</b>	2,768,040	2,622,073
	<b>₱9,986,132</b>	₱9,130,564	₱8,214,000

The components of net retirement benefit liability presented in the consolidated statements of financial position are as follows:

	2025	2024
Present value of defined benefit obligation	<b>₱88,366,596</b>	₱64,288,966
Fair value of plan asset	<b>17,147,623</b>	14,958,136
	<b>₱71,218,973</b>	₱49,330,830

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

	2025	2024
Balance at beginning of year	<b>₱64,288,966</b>	₱51,901,439
Retirement benefits expense recognized in profit or loss:		
Current service cost	<b>6,972,019</b>	6,362,524
Interest cost	<b>3,928,055</b>	3,248,104
Remeasurement losses (gains) recognized in OCI:		
Deviations of experience from assumptions	<b>6,415,460</b>	2,198,264
Changes in financial assumptions	<b>6,005,250</b>	787,291
Changes in demographic assumptions	<b>1,186,544</b>	-
Benefits paid	<b>(429,698)</b>	(208,656)
Balance at end of year	<b>₱88,366,596</b>	₱64,288,966

Movements in the fair value of plan assets are as follows:

	2025	2024
Balance at beginning of year	<b>₱14,958,136</b>	₱7,672,955
Remeasurement gain	<b>1,705,243</b>	642,773
Interest income	<b>913,942</b>	480,064
Benefits paid	<b>(429,698)</b>	(208,656)
Contributions	-	6,371,000
Balance at end of year	<b>₱17,147,623</b>	₱14,958,136

The components of the Group's plan assets as a percentage as at December 31, 2025 and 2024 are as follows:

	2025	2024
Cash	<b>1.52%</b>	1.49%
Investment in debt securities	<b>98.23%</b>	93.60%
Investments in unit investment trust fund	<b>0.25%</b>	4.91%
	<b>100.00%</b>	100.00%

On March 26, 2026, the Group's BOD approved the additional contribution of ₱16.0 million to the Group's retirement plan.

The retirement plan exposes the Group to the following risks:

*Salary risk.* Any increase in the retirement plan participants' salary will increase the retirement liability.

*Interest rate risk.* A decrease in the bond interest rate will increase the present value of the net retirement liability. However, this is partially counterbalanced by an increase in the return on the plan assets.

Sensitivity analysis on defined benefit obligation as at December 31, 2025 and 2024 are as follows:

	Change in basis points	Effect on defined benefit obligation	
		2025	2024
Salary increase rate	+1%	<b>₱8,703,989</b>	₱5,685,597
	-1%	<b>(7,465,885)</b>	(4,968,362)
Discount rate	+1%	<b>(₱7,319,809)</b>	(₱4,785,804)
	-1%	<b>8,804,694</b>	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.

*Investment risk.* The retirement plan exposes the Group to investment risk, as plan assets are concentrated primarily in debt securities, with minor holdings in cash and unit investment trust funds. While debt instruments generally provide stable returns, they are sensitive to changes in interest rates and credit quality. A decline in bond values or issuer defaults could reduce the fair value of plan assets. If actual returns on plan assets are lower than the discount rate applied to the obligation, the net retirement benefit liability will increase, requiring additional contributions from the Group. Conversely, higher returns reduce the liability.

The Group manages investment risk through monitoring of asset-liability matching, periodic review of credit exposures, and oversight by the investment committee. The investment policy emphasizes capital preservation and predictable cash flows, consistent with the plan's funding objectives and risk tolerance.

The cumulative remeasurement gains recognized in OCI are as follows:

	2025		
	Cumulative Remeasurement Gains	Deferred Tax Liability (see Note 21)	Net Remeasurement Gain
Balance at beginning of year	<b>₱44,242,463</b>	<b>(₱11,624,537)</b>	<b>₱32,617,926</b>
Remeasurement loss	<b>(11,902,012)</b>	<b>2,797,236</b>	<b>(9,104,776)</b>
Balance at end of year	<b>₱32,340,451</b>	<b>(₱8,827,301)</b>	<b>₱23,513,150</b>

	2024		
	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
Remeasurement 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 16 years.

## 17. Equity

Details of the Group's capital stock are as follows:

	Shares	Amount
<b>Authorized – ₱1 par value</b>	4,000,000,000	₱4,000,000,000
<b>Issued and Outstanding</b>	3,014,820,305	₱3,014,820,305
<b>Additional Paid-in Capital</b>		₱269,199,788

The following summarizes the information on the Parent Company's issued and subscribed shares as at December 31, 2025 and 2024:

	Number of Shares Issued and Subscribed	Percentage of Shares
Non-public shareholdings		
a. Related parties	1,518,763,946	50.38%
b. Affiliates, directors and officers*	257,407,602	8.53%
Public shareholdings	1,238,648,757	41.09%
	3,014,820,305	100.00%

The total number of shareholders of the Parent Company is 2,175 and 2,174 as at December 31, 2025 and 2024, respectively.

### 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
February 2, 2026	February 16, 2026	March 10, 2026	0.13	400,000,000

Dividends payable amounted to ₱14.9 million as at December 31, 2025 and 2024.

## 18. Cost of Sales

This account consists of:

	Note	2025	2024	2023
Contractual services		<b>₱871,478,210</b>	₱600,455,077	₱683,239,017
Depletion	10	<b>267,669,244</b>	60,181,395	45,522,156
Production overhead		<b>202,773,882</b>	155,956,763	252,582,330
Salaries and allowances	19	<b>170,138,249</b>	131,441,774	142,405,268
Excise taxes		<b>106,684,437</b>	67,171,377	80,310,231
Depreciation	8	<b>15,958,425</b>	20,842,780	17,047,551
		<b>1,634,702,447</b>	1,036,049,166	1,221,106,553
Net inventory movement		<b>16,409,777</b>	49,289,995	(18,010,433)
		<b>₱1,651,112,224</b>	₱1,085,339,161	₱1,203,096,120

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 taxes pertain to the Government's share in the MPSA which is equivalent to 4.0% of gross output on mineral products.

## 19. Operating Expenses

This account consists of:

	Note	2025	2024	2023
Salaries and allowances		<b>₱81,563,998</b>	₱71,198,250	₱76,214,379
Representation		<b>74,464,927</b>	27,158,581	22,890,225
Environmental expenses	22	<b>67,720,507</b>	47,499,472	64,549,954
Professional fees		<b>67,334,437</b>	61,682,800	57,686,868
Taxes and licenses		<b>58,816,815</b>	87,327,557	71,320,235
Royalties	22	<b>28,004,665</b>	17,632,486	21,054,988
Fines and penalties		<b>16,678,597</b>	32,225,974	14,819,074
Social development programs	22	<b>16,351,663</b>	19,052,076	26,831,606
Community relations		<b>13,792,829</b>	9,177,665	16,466,498
Net retirement benefit expense	16	<b>9,986,132</b>	9,130,564	8,214,000
Outside services		<b>8,892,226</b>	11,166,526	20,837,443
Depreciation	8	<b>7,443,145</b>	7,832,431	8,501,411
Communication, light and water		<b>2,920,078</b>	3,054,121	3,840,888
Repairs and maintenance		<b>1,722,585</b>	8,074,166	41,179,908
Transportation and travel		<b>1,480,358</b>	2,053,290	1,669,864
Rent	22	<b>1,033,644</b>	1,995,927	7,048,675
Provision for ECL	5	–	201,600	–
Others		<b>11,410,436</b>	12,711,755	44,039,384
		<b>₱469,617,042</b>	₱429,175,241	₱507,165,400

Others include dues and subscriptions, regulatory fees, and office supplies expense, among others.

The Group's salaries and employee benefits consists of:

	Note	2025	2024	2023
Included in "Cost of sales" -				
Salaries and allowances	18	<b>₱170,138,249</b>	₱131,441,774	₱142,405,268
Included in "Operating expenses":				
Salaries and allowances		<b>81,563,998</b>	71,198,250	76,214,379
Net retirement benefit expense	16	<b>9,986,132</b>	9,130,564	8,214,000
		<b>₱261,688,379</b>	₱211,770,588	₱226,833,647

## 20. Other Income – Net

This account consists of:

	Note	2025	2024	2023
Net foreign exchange gain		<b>₱10,051,457</b>	₱10,726	₱1,117,682
Rental income	22	<b>1,200,000</b>	1,200,000	1,380,000
Others		<b>388,998</b>	2,252,899	558,472
		<b>₱11,640,455</b>	₱3,463,625	₱3,056,154

Others pertain to penalties charged to contractors for certain delays and gain on disposal of property and equipment.

## 21. Income Taxes

The components of income tax expense (benefit) are shown below:

	2025	2024	2023
Current:			
RCIT	<b>₱173,117,294</b>	₱83,413,736	₱88,703,659
MCIT	<b>2,525,589</b>	24,000	20,700
Deferred	<b>(38,416,335)</b>	(3,235,273)	17,597,945
	<b>₱137,226,548</b>	₱80,202,463	₱106,322,304

The Group's net deferred tax assets arising from temporary differences are summarized as follows:

	2025	2024
Deferred tax assets:		
NOLCO	<b>₱35,576,956</b>	₱–
Net retirement benefit liability	<b>15,049,804</b>	10,152,192
Provision for mine rehabilitation and decommissioning	<b>6,219,076</b>	5,474,562
Allowance for obsolescence on mining supplies	<b>3,910,092</b>	3,910,092
	<b>60,755,928</b>	19,536,846
Deferred tax liability -		
Unrealized foreign exchange gain	<b>(8,193)</b>	(2,682)
	<b>₱60,747,735</b>	₱19,534,164

The presentation of net deferred tax assets are as follows:

	Note	2025	2024
Through profit or loss		<b>₱69,575,036</b>	₱31,158,701
Through other comprehensive income	16	<b>(8,827,301)</b>	(11,624,537)
		<b>₱60,747,735</b>	₱19,534,164

The Group's deferred tax liability amounting to ₱442.0 million as at December 31, 2025 and 2024, is attributable to the mining rights of BRC, AMPI and BARI, as a result of business combination.

The Group has the following unrecognized deferred tax assets. Management has assessed that it may not be probable that there will be sufficient future taxable profits against which the benefits of these deferred tax assets can be utilized:

	2025	2024
Net retirement benefit liability	<b>₱2,012,751</b>	₱2,147,432
Excess MCIT over RCIT	<b>2,570,289</b>	47,700
NOLCO	<b>9,600,149</b>	84,026,932
Provision for ECL	–	50,400
	<b>₱14,183,189</b>	₱86,272,464

Details of NOLCO of the Group are as follows:

Year	Balance at beginning of year	Incurred	Applied	Expired	Balance at end of year	Expiry Date
2025	₱–	₱5,343,270	₱–	₱–	₱5,343,270	2028
2024	60,565,897	–	–	–	60,565,897	2027
2023	55,501,652	–	–	–	55,501,652	2026
2022	66,025,714	–	–	(66,025,714)	–	2025
2021	69,189,004	–	(6,298,728)	–	62,890,276	2026
2020	89,254,499	–	(65,070,203)	(24,184,296)	–	2025
	<b>₱340,536,766</b>	<b>₱5,343,270</b>	<b>(₱71,368,931)</b>	<b>(₱90,210,010)</b>	<b>₱184,301,095</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	Balance at beginning of year	Incurred	Applied	Expired	Balance at end of year	Expiry Date
2025	₱-	₱2,525,589	₱-	₱-	₱2,525,589	2028
2024	24,000	-	-	-	24,000	2027
2023	20,700	-	-	-	20,700	2026
2022	3,000	-	-	(3,000)	-	2025
	<b>₱47,700</b>	<b>₱2,525,589</b>	<b>₱-</b>	<b>(₱3,000)</b>	<b>₱2,570,289</b>	

The reconciliation of income tax computed at the statutory income tax rate to the income tax expense recognized in the consolidated statements of comprehensive income are as follows:

	2025	2024	2023
Income tax at statutory rate	<b>₱152,092,717</b>	₱49,579,927	₱84,614,702
Changes in unrecognized deferred tax assets	<b>(53,716,203)</b>	14,931,047	14,825,384
Add (deduct) income tax effects of:			
Expired NOLCO	<b>22,171,291</b>	-	-
Effect of consolidation	<b>19,562,308</b>	4,677,719	3,292,227
Nondeductible expenses	<b>19,346,959</b>	12,508,447	6,198,789
Applied NOLCO	<b>(17,842,233)</b>	-	-
Interest income subjected to final tax	<b>(4,391,291)</b>	(1,497,148)	(2,608,798)
Expired MCIT	<b>3,000</b>	2,471	-
Income tax at effective tax rate	<b>₱137,226,548</b>	₱80,202,463	₱106,322,304

The income tax rates used in preparing the consolidated financial statements are as follows:

Years ended	RCIT	MCIT
2025	25%	2.0%
2024	25%	2.0%
2023	25%	1.5%

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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 ₱16.4 million, ₱19.1 million and ₱26.8 million in 2025, 2024, and 2023, 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, 2025 and 2024 (see Note 11).

The Group implemented projects amounting to ₱67.7 million, ₱47.5 million and ₱64.5 million in 2025, 2024, and 2023, 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 ₱28.0 million, ₱17.6 million, ₱21.1 million in 2025, 2024, and 2023, 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 (recorded as part of "Prepaid expenses" under "Other current assets" account) amounted to ₱0.6 million as at December 31, 2025 and 2024. Rental deposit amounted to ₱1.1 million as at December 31, 2025 and 2024 (see Note 11).

Rental expense arising from short-term leases amounted to ₱1.0 million, ₱2.0 million and ₱7.0 million in 2025, 2024, and 2023, 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 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 scheduled escalation over the ten-year period.

In 2025, the parties agreed to execute a new lease contract for the same office space. The lease agreement has a term of three (3) years and will supersede the previous contract. The Group 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 earned from investment property amounted to ₱1.2 million in 2025 and 2024, and ₱1.4 million in 2023 (see Notes 9 and 20).

**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. Earnings Per Share**

Earnings per share are computed as follows:

	2025	2024	2023
Net income shown in the consolidated statements of comprehensive income (a)	<b>₱471,144,321</b>	₱118,117,245	₱232,136,506
Weighted average number of common shares (b)	<b>3,014,820,305</b>	3,014,820,305	3,014,820,305
<b>Basic earnings per share (a/b)</b>	<b>₱0.156</b>	₱0.039	₱0.077

The Group does not have potentially dilutive common shares.

**24. Financial Risk Management Objectives and Policies and Fair Value of Financial Instruments**

**Financial Risk Management Objectives and Policies**

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic 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.

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 that 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, 2025 and 2024:

	2025		2024	
	Philippine Peso	US Dollar	Philippine Peso	US Dollar
Cash in banks	<b>₱31,797,169</b>	<b>\$540,860</b>	₱17,768,477	\$254,568

For purposes of restating the outstanding balances of the Group's US dollar-denominated financial assets as at December 31, 2025 and 2024, the exchange rates applied were ₱58.79 per US\$1 and ₱57.85 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, 2025, 2024, and 2023 (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, 2025</b>	<b>+1.63%</b>	<b>₱519,463</b>
	<b>-1.63%</b>	<b>(519,463)</b>
December 31, 2024	+4.47%	₱794,238
	-4.47%	(794,238)
December 31, 2023	+0.69%	₱177,939
	-0.69%	(177,939)

*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 carrying amount of financial assets. With respect to credit risk arising from the 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, FMRF, 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.

	2025						
	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-	P-	P1,171,210	P-	P1,171,210
12-month ECL:							
Cash in banks and cash equivalents	1,221,362,531	-	-	-	-	-	1,221,362,531
Advances to related parties	-	3,666,704	-	-	-	-	3,666,704
FMRF, RCF, and MTF	96,545,591	-	-	-	-	-	96,545,591
Rental deposit	-	1,133,050	-	-	-	-	1,133,050
	<b>1,317,908,122</b>	<b>4,799,754</b>	-	-	-	-	<b>1,322,707,876</b>
	<b>P1,317,908,122</b>	<b>P4,799,754</b>	<b>P-</b>	<b>P-</b>	<b>P1,171,210</b>	<b>P-</b>	<b>P1,323,879,086</b>

\*Excluding advances to officers and employees amounting to P24.0 million as at December 31, 2025.

	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-	P-	P836,229	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
	<b>662,765,946</b>	<b>4,088,115</b>	-	-	-	-	<b>666,854,061</b>
	<b>P662,765,946</b>	<b>P4,088,115</b>	<b>P-</b>	<b>P-</b>	<b>P836,229</b>	<b>P201,600</b>	<b>P667,891,890</b>

\*Excluding advances to officers and employees amounting to P34.7 million as at December 31, 2024.

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, 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 manages credit risk based on the Group's policy and uses judgment in making assumptions for estimating the risk of default and expected loss rates. This is based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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. 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, 2025 and 2024, based on contractual undiscounted payments. Loans payable consist of principal and estimated future interest payments.

	2025					Total
	On Demand	Less than three months	Three to six months	More than six months to one year	More than one year	
Trade and other payables*	₱15,233,620	₱746,409	₱83,834,408	₱-	₱-	₱99,814,437
Dividends payable	14,905,833	-	-	-	-	14,905,833
Loans payable	-	7,004,635	6,921,870	13,455,480	26,575,652	53,957,637
Advances from related parties	5,000,000	-	-	-	-	5,000,000
	<b>₱35,139,453</b>	<b>₱7,751,044</b>	<b>₱90,756,278</b>	<b>₱13,455,480</b>	<b>₱26,575,652</b>	<b>₱173,677,907</b>

\*Excluding excise tax and other statutory payables aggregating to ₱18.2 million as at December 31, 2025.

	2024					Total
	On Demand	Less than three months	Three to six months	More than six months to one year	More than one year	
Trade and other payables*	₱18,583,552	₱972,009	₱125,997,983	₱-	₱-	₱145,553,544
Dividends payable	14,909,583	-	-	-	-	14,909,583
Loans payable	-	7,386,094	7,311,819	14,322,319	53,957,637	82,977,869
Advances from related parties	5,000,000	-	-	-	-	5,000,000
	<b>₱38,493,135</b>	<b>₱8,358,103</b>	<b>₱133,309,802</b>	<b>₱14,322,319</b>	<b>₱53,957,637</b>	<b>₱248,440,996</b>

\*Excluding excise tax and other statutory payables aggregating to ₱45.0 million as at December 31, 2024.

### **Fair Value of Financial Instruments**

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:

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	₱1,221,480,579	₱1,221,480,579	₱567,105,076	₱567,105,076
Receivables*	1,171,210	1,171,210	836,229	836,229
Advances to related parties	3,666,704	3,666,704	2,955,065	2,955,065
FMRF, RCF, and MTF	96,545,591	96,545,591	95,762,125	95,762,125
Rental deposit	1,133,050	1,133,050	1,133,050	1,133,050
	<b>₱1,323,997,134</b>	<b>₱1,323,997,134</b>	<b>₱667,791,545</b>	<b>₱667,791,545</b>

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities</b>				
Trade and other payables**	<b>₱99,814,437</b>	<b>₱99,814,437</b>	₱145,553,544	₱145,553,544
Dividends payable	<b>14,905,833</b>	<b>14,905,833</b>	14,909,583	14,909,583
Loans payable	<b>50,669,331</b>	<b>51,089,690</b>	76,879,325	77,736,510
Advances from related parties	<b>5,000,000</b>	<b>5,000,000</b>	5,000,000	5,000,000
	<b>₱170,389,601</b>	<b>₱170,809,960</b>	₱242,342,452	₱243,199,637

\*Excluding advances to officers and employees amounting to ₱24.0 million and ₱34.7 million as at December 31, 2025 and 2024, respectively.

\*\*Excluding excise tax and other statutory payables amounting to ₱18.2 million and ₱45.0 million as at December 31, 2025 and 2024, respectively.

*Cash and Cash Equivalents, Receivables (excluding advances to officers and employees), Advances to Related Parties, FMRF, RCF, MTF (classified as other noncurrent assets), Trade and Other Payables (excluding excise tax and other statutory payable), Dividends Payable and Advances from Related Parties.* Due to the short-term nature and demand feature of transactions, the fair values approximate the amount of consideration at reporting period.

*Rental Deposit.* The fair value of rental deposit has been determined using observable market data and 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).

As at December 31, 2025 and 2024, there were no transfers between fair value hierarchy levels.

## 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.

The Group considers its total equity amounting to ₱5,375.2 million and ₱4,913.2 million as at December 31, 2025 and 2024, respectively, as its capital. There were no changes in the Company's objectives, policies or processes in 2025 and 2024.

## 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.

	2025			Total
	Loans Payable (see Note 13)	Dividends Payable	Accrued Interest (see Note 12)	
Balance at beginning of year	<b>₱76,879,325</b>	<b>₱14,909,583</b>	<b>₱972,009</b>	<b>₱92,760,917</b>
Cash flows from financing activities:				
Payments of:				
Loans payable	<b>(26,209,994)</b>	–	–	<b>(26,209,994)</b>
Interest	–	–	<b>(5,211,992)</b>	<b>(5,211,992)</b>
Dividends	–	<b>(3,750)</b>	–	<b>(3,750)</b>
Noncash changes:				
Interest expense	–	–	<b>5,211,992</b>	<b>5,211,992</b>
Offset against advances to related parties	–	–	<b>(225,600)</b>	<b>(225,600)</b>
Balance at end of year	<b>₱50,669,331</b>	<b>₱14,905,833</b>	<b>₱746,409</b>	<b>₱66,321,573</b>

	2024			Total
	Loans Payable (see Note 13)	Dividends Payable	Accrued Interest (see Note 12)	
Balance at beginning of year	<b>₱132,604,857</b>	<b>₱311,966,875</b>	<b>₱972,009</b>	<b>₱445,543,741</b>
Cash flows from financing activities:				
Availments	1,956,500	–	–	1,956,500
Payments of:				
Loans payable	<b>(57,682,032)</b>	–	–	<b>(57,682,032)</b>
Interest	–	–	<b>(9,985,337)</b>	<b>(9,985,337)</b>
Dividends	–	<b>(297,057,292)</b>	–	<b>(297,057,292)</b>
Noncash changes:				
Interest expense	–	–	<b>9,985,337</b>	<b>9,985,337</b>
Balance at end of year	<b>₱76,879,325</b>	<b>₱14,909,583</b>	<b>₱972,009</b>	<b>₱92,760,917</b>

	2023			Total
	Loans Payable (see Note 13)	Dividends Payable	Accrued Interest (see Note 12)	
Balance at beginning of year	<b>₱210,746,700</b>	<b>₱10,484,845</b>	<b>₱972,009</b>	<b>₱222,203,554</b>
Cash flows from financing activities:				
Availments	1,540,800	–	–	1,540,800
Payments of:				
Loans payable	<b>(79,682,643)</b>	–	–	<b>(79,682,643)</b>
Interest	–	–	<b>(12,330,153)</b>	<b>(12,330,153)</b>
Dividends	–	–	–	–
Noncash changes:				
Interest expense	–	–	<b>12,330,153</b>	<b>12,330,153</b>
Dividends	–	<b>301,482,030</b>	–	<b>301,482,030</b>
Balance at end of year	<b>₱132,604,857</b>	<b>₱311,966,875</b>	<b>₱972,009</b>	<b>₱445,543,741</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, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023 and have issued our report thereon dated March 26, 2026. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole.

The following supplementary schedules are the responsibility of the Group's management. These are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 Part II, and are not part of the basic consolidated financial statements:

- Reconciliation of the Parent Company's Retained Earnings Available for Dividend Declaration as at December 31, 2025
- Schedules required by Annex 68-J as at December 31, 2025
- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2025 and 2024
- Conglomerate Map as at December 31, 2025

The supplementary schedules have been subjected to the audit procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material aspects, the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

The 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. The financial soundness indicators are not measures of operating performance defined by the Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024.

**REYES TACANDONG & Co.**

BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782/P-005; Valid until June 6, 2026

SEC Accreditation No. 81207-SEC Group A

Issued January 30, 2020

Valid for Financial Periods 2023 to 2025

BIR Accreditation No. 08-005144-004-2025

Valid until August 10, 2028

PTR No. 10764017

Issued January 2, 2026, Makati City

March 26, 2026

Makati City, Metro Manila

**PARENT COMPANY'S RECONCILIATION OF  
RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION  
FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2025**

**MARCVENTURES HOLDINGS, INC.**

4th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Makati City

		Amount
<b>Unappropriated retained earnings available for dividend declaration, beginning of reporting year</b>		<b>₱84,666,651</b>
Add: <u>Category A</u> : Items that are directly credited to unappropriated retained earnings		-
Less: <u>Category B</u> : Items that are directly debited to unappropriated retained earnings		-
<b>Unappropriated retained earnings available for dividend declaration, as adjusted</b>		<b>84,666,651</b>
Add: Net income for the current year	104,213,888	
Less: <u>Category C.1</u> : Unrealized income recognized in the profit or loss during the reporting period (net of tax)	-	
Add: <u>Category C.2</u> : Unrealized income recognized in profit or loss in prior periods but realized in the current reporting period (net of tax)	-	
Add: <u>Category C.3</u> : Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	-	
<b>Adjusted net income</b>	<b>104,213,888</b>	<b>104,213,888</b>
Add: <u>Category D</u> : Non-actual losses recognized in profit or loss during the reporting period (net of tax)	-	
Add/less: <u>Category E</u> : Adjustments related to relief granted by the SEC	-	
Add/less: <u>Category F</u> : Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(35,576,956)	(35,576,956)
<b>Total retained earnings, end of the reporting year available for dividend declaration</b>		<b>₱153,303,583</b>

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**

**Supplementary Schedules of External Auditor Fee Related Information  
DECEMBER 31, 2025 AND 2024**

	<b>2025</b>	2024
Total Audit Fees	<b>₱2,510,000</b>	₱2,290,000
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-Audit Fees	-	-
Total Audit and Non-audit Fees	<b>₱2,510,000</b>	₱2,290,000

Audit and Non-audit Fees of Other Related Entities

	<b>2025</b>	2024
Audit Fees	<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>	₱-

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**

**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**

**FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024**

<b>Ratio</b>	<b>Formula</b>	<b>2025</b>	<b>2024</b>
Current ratio	Total Current Assets	<b>₱1,466,016,675</b>	₱813,509,424
	Divided by: Total Current Liabilities	<b>242,562,608</b>	284,253,113
	Current ratio	<b>6.04:1</b>	2.86:1
Acid test ratio	Total Current Assets less Inventory	<b>₱1,362,591,753</b>	₱693,674,725
	Divided by: Total Current Liabilities	<b>242,562,608</b>	284,253,113
	Current ratio	<b>5.62:1</b>	2.44:1
Solvency ratio	Net Income Before Depreciation and Amortization, and Depletion	<b>₱762,215,135</b>	₱206,973,851
	Divide by: Total liabilities	<b>850,184,364</b>	893,108,512
	Solvency ratio	<b>0.90:1</b>	0.23:1
Debt-to-equity ratio	Total Liabilities	<b>₱850,184,364</b>	₱893,108,512
	Divide by: Total equity	<b>5,375,220,262</b>	4,913,180,717
	Debt-to-equity ratio	<b>0.16:1</b>	0.18:1
Asset-to-equity ratio	Total Assets	<b>₱6,225,404,626</b>	₱5,806,289,229
	Divide by: Total equity	<b>5,375,220,262</b>	4,913,180,717
	Asset-to-equity ratio	<b>1.16:1</b>	1.18:1
Interest rate coverage ratio	Pretax income before interest	<b>₱616,560,914</b>	₱211,153,956
	Divided by: Interest expense	<b>8,190,045</b>	12,834,248
	Interest rate coverage ratio	<b>75.28:1</b>	16.45:1
Return on asset	Net income	<b>₱471,144,321</b>	₱118,117,245
	Divide by: Total average assets	<b>6,015,846,928</b>	5,928,034,116
	Return on asset ratio	<b>0.08:1</b>	0.02:1
Return on equity	Net income	<b>₱471,144,321</b>	₱118,117,245
	Divide by: Total average equity	<b>5,144,200,490</b>	4,855,277,154
	Return on equity ratio	<b>0.09:1</b>	0.02:1
Net profit margin ratio	Net income	<b>₱471,144,321</b>	₱118,117,245
	Divide by: Total revenue	<b>2,708,084,394</b>	1,716,215,976
	Net profit margin ratio	<b>0.17:1</b>	0.07:1

**MARCVENTURES HOLDINGS, INC. AND SUBSIDIARIES**  
**SCHEDULES REQUIRED UNDER ANNEX 68-J OF THE REVISED**  
**SECURITIES REGULATION CODE RULE 68**  
**DECEMBER 31, 2025**

**Table of Contents**

<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, 2025

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.	₱-	₱528,047	(₱528,047)	₱-	₱-	₱-	₱-
BrightGreen Resources Corporation	5,628,288	-	-	-	-	-	5,628,288
Alumina Mining Philippines Inc.	220,253,346	4,244,487	(152,589)	-	-	-	224,345,244
Bauxite Resources Inc.	61,561,016	1,342,018	-	-	-	-	62,903,034
	₱287,442,650	₱6,114,552	(₱680,636)	₱-	₱-	₱-	₱292,876,566

*Schedule D. Long - term Debt*  
December 31, 2025

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 portion"
<i>Notes Payable</i> China Banking Corporation	₱24,940,601	₱25,728,730

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	–	1,518,763,946	257,407,602	1,238,648,757

MARVENTURES HOLDINGS, INC. AND SUBSIDIARIES

CONGLOMERATE MAP

DECEMBER 31, 2025

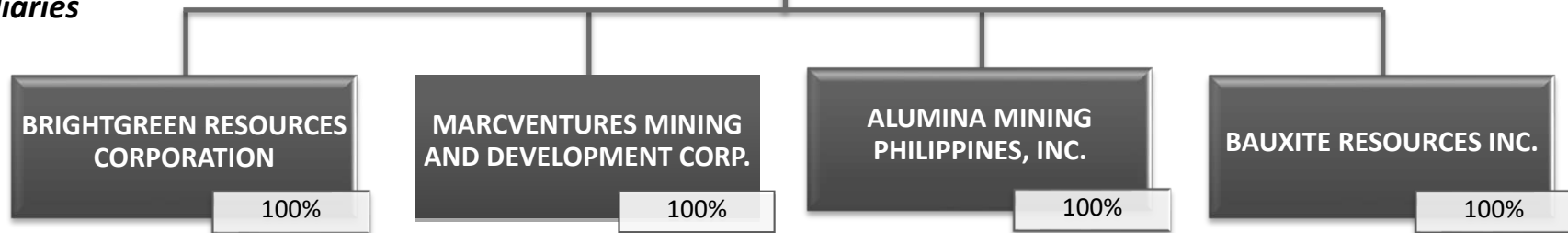
*Stockholders*



*Parent Company*



*Subsidiaries*







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- 5 Group Structure
- 6 Subsidiaries
- 7 Materiality Process
- 8 Highlights of 2025 Material Topics
- 10 Responsible Mining
- 11 Environmental Initiatives
- 16 Strengthening Community Engagement
- 20 Good Corporate Governance
- 21 Index of Material Topics

## OUR SUSTAINABILITY VISION

**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 2025. 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 COMMITMENT

*“Responsible mining is contingent to community development and comprehensive environmental restoration.”*

Sustainable development in mining merges mineral extraction with strict environmental protection and community benefits. The key initiative is the integration of United Nations (UN) Sustainable Development Goals (SDGs) in the social programs, and strengthening fiscal regimes to ensure accountability.

This year marks a significant milestone in our sustainability journey. The Mines and Geosciences Bureau (MGB) under the Department of Environment and Natural Resources has approved the 2026 Annual Social Development and Management Program (ASDMP) of Marcventures Mining and Development Corporation.

The program is guided by the 17 UNSDGs and clearly demonstrate the Company's commitment to the different communities beyond the life of mine. The program illustrates the plan support for health, education, livelihood, and infrastructure projects for implementation this year.

We narrowed it down to the four c's – consistency, continuity, and commitment to our host and neighboring communities. Our consistency in adhering to policies and guidelines and continuity of our engagement to our stakeholders signify our drive for social and economic development in the various communities even after the mining activities.

Long before the directive from DENR the Company has been very proactive in adopting sustainability principles. A yearly report on sustainability initiatives is submitted annually since 2019.

Responsible mining is contingent to community development and comprehensive environmental restoration. We rehabilitate mined-out areas, pay close attention to optimal land use and apply mitigation measures to reduce impact.

We prioritize initiatives that support the education of students from low-income families and members of indigenous communities.

Together with our support to local suppliers which directly contributes to the growth of the local economy, we provide resources for our host communities so they can start their enterprise.

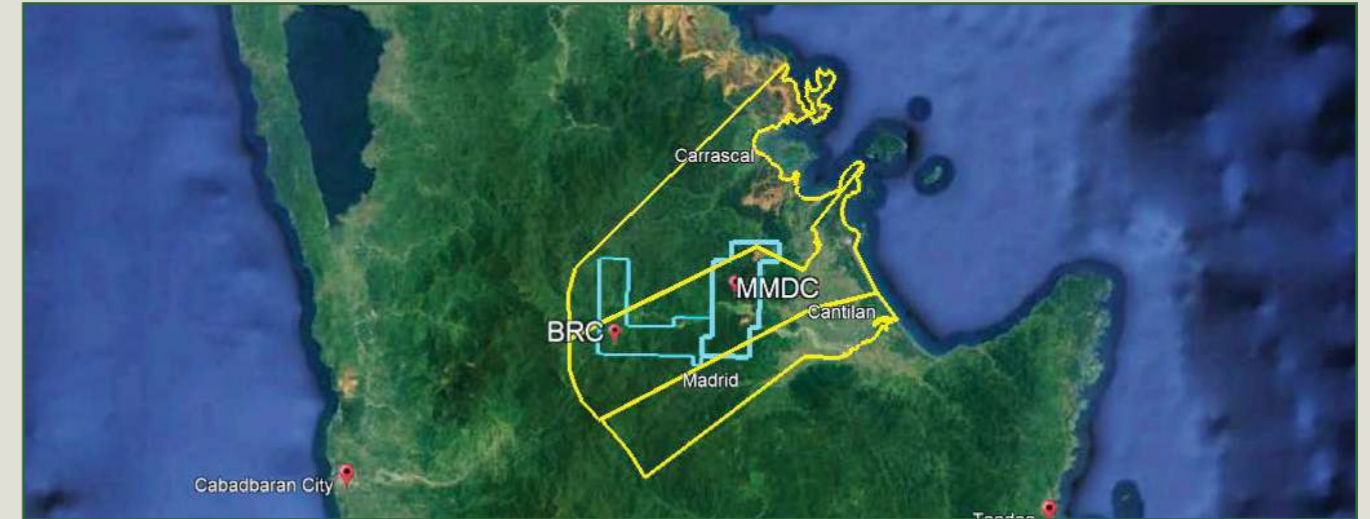
With the achievement of our goals, we generate value for our employees, suppliers, and our shareholders.

Challenges inspire us to always do better, and we thank God almighty for another productive year.



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, 2025:

- Total Measured and Indicated Saprolite Mineral Resource: 11.3 Million Wet Metric Tonnes (WMT) with an average grade of 1.29% Ni and 12.80% Fe
- Total Measured and Indicated Limonite Mineral Resource: 47.9 Million Wet Metric Tonnes (WMT) with an average grade of 0.95% Ni and 43.93% Fe

## BRIGHT GREEN RESOURCES CORPORATION

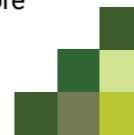
**Location:** Surigao del Sur (Carrascal, Cantilan, and Madrid)  
**Ownership:** 100% MHI  
**MPSA No.:** 015-93-XIII was approved on July 01, 1993, with MPSA extension valid up to June 30, 2024  
**Area:** 4,860 hectares  
**Mining Method:** Contour Mining  
**Ore Type:** Nickel (Saprolite and Limonite)

### 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 saprolite 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.



## 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 set to resume 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 2025 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.



# 2025 MATERIAL TOPICS

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

9 12 16

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

8 9 12 17

By achieving its financial goals, MHI can create and generate value for its employees, suppliers, stockholders, community, and government.

### Climate-related Risks and Opportunities

7 11 13

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

6 7 13 14 15

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

8 9 12 16

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

6 7 13 14 15

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

6 7 13 14 15

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

7 13 15

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

6 7 11 13 14 15 16 17

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

1 3 5

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 (Ps) 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

1 3 4 5 9 10 16

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

10 12 16

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

1 3 4 8

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

9 16

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

# REDUCING ECOLOGICAL FOOTPRINTS



- Land Resources Management
- Water Conservation
- Sustainable Production
- Material Management Capability
- Air Quality
- Energy Conservation




- Health & Medical Program
- Scholarships & Educational Assistance
- Economic Value
- Host Community Procurement Practices
- Nurturing Labor Relations
- Diversity & Equal Opportunities



- 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.



**LAND RESOURCES MANAGEMENT**  
Biodiversity measures are part of the Company's work program. The Temporary Revegetation Program utilizes fast-growing cover crops to help restore and stabilize land area, improve wildlife habitats, and mitigate climate change.

In the first quarter of 2025, revegetated areas measuring 50.02 hectares (ha) in Cabangahan, 37.73 ha in Sipangpang and 0.53 ha Pili continues to be maintained. The process includes fertilization, cultivation, weeding, and regular irrigation to keep the seedlings healthy. Revegetated portions have been converted to active areas and some mined out areas are now ancillary facilities.

Additional 14.32 ha of Sipangpang is now under the Temporary Revegetated Program. And has been covered assorted grasses, creeping vines, such as Wedelia, Sugarcane, and Napier grass. This will serve as soil erosion control measure and nitrogen fixation of the topsoil.

The Mining Forest Program promotes ecological restoration, biodiversity protection, and sustainable land use. For 2025, 22.14 hectares of mined-out areas were rehabilitated. A total of 43,271 seedlings of Agoho, Narra, Bani, Magkono, Malatambis, White lauan, Ylang-ylang, and Kape were planted to cover the area.

Existing plantation measuring 62.17 ha was further maintained for optimal plant growth. Organic fertilizer like Vermi was applied for nutrient support, burnt rice hull for good aeration and cocopeat for moisture retention. Cultivation was conducted to improve soil fertility. This includes amelioration, weeding, and irrigation.

Planted trees were kept healthy by regular pruning. This improves canopy shape, allows proper airflow, and adequate light exposure.

Enrichment and replanting programs are necessary to enhance plantation and to sustain the Company's ongoing greening program.


**Slope Stabilization**  
To stabilize river embankments, and in line with the Company's erosion control measure bamboo seedlings were planted along the Carac-an River and Alamio River. Planted area covering 8 ha was also maintained through ring weeding and application of fertilizer.

**Nursery Operations**  
As of December 2025, MMDC has planted a total of 175,217 seedlings of various species in the nurseries, located in Sipangpang and Banban areas.

**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**  
Effective water management is essential for sustainability as it focuses on sourcing, recycling, treating wastewater, and managing, to minimize environmental impact.

# REDUCING ECOLOGICAL FOOTPRINTS

## Silt Control

To mitigate potential water discoloration caused by run-off waters coming from the mine site, settling ponds were constructed to control the sediments and ensure effluents compliance with DENR standards.

For 2025, three (3) new settling ponds and three (3) collector sumps were constructed in the Sipangpang mine area. Sumps are engineered pits installed below ground level that manage groundwater and prevent flooding.

A total of 104,707 cu.m of silt materials were desilted as part of the maintenance and improvement of settling ponds. MMDC also desilted a 350-m stretch of NIA canal in Ave Maria as part of its commitment to the government unit. MMDC provides the materials e.g shovels and used sacks. Desilted materials were sacked and stocked beside the canal to serve as a protective berm.

## Water Usage

In 2025, the Company's total water consumption was 24,957.79 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.

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 2025, according to MMDC's in-house Water Quality Analysis, TSS for effluent/wastewater ranged from 2.59 to 9.31 mg/L which is within the DENR Standard of 100 mg/L.

TSS for ambient/open water ranged from 2.35 to 12.88 mg/L which is also within the DENR Standard of 80 mg/L.

## 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 (Cantilan). 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. Cantilan 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 Cantilan and the Lanuza Marine Park and Sanctuary in Lanuza.



## SUSTAINABLE PRODUCTION PRACTICES

Sustainable practices in mining help minimize waste, conserve energy and natural resources, and reduce environmental impact. 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.

For 2025, a total 4,858.70 kg. of solid wastes was collected from the campsite, residences, mine, site and stockyard area.



## SAFE AIR QUALITY

The Company supports the urgent action to combat climate change. Rising sea levels, changing weather patterns, and extreme weather events 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.

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 is 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.

# REDUCING ECOLOGICAL FOOTPRINTS

The 26-km road is regularly watered during the hot season to control the dust. Watering roads is a common, cost-effective dust suppression method that works by adding moisture to soil particles, making them stick together and reduce dust agitation.

The Company deploys 7 water trucks to maintain the road watering. Street sweepers are also hired to clear the streets of Ban-ban and Bon-ot crossing.

## 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. 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 2025, the maximum TSP reached 230 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 2025, MMDC consumed 405,052 liters of diesel fuel, 2,717 liters of gasoline and 100 units of LPG tanks, measuring 11. 5kg. each. Total electricity usage was at 539,191.10 kWh.

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.

## HEALTH AND MEDICAL PROGRAMS

The sustainable goal for health and well-being for all includes a bold commitment to end the epidemic 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 2025 MMDC spent a total of Php 16,118.229.72 million on social projects. Health and emergency assistance were given to beneficiaries in Cabangahan, Cabas-an, and Bon-ot.

Provided computer workstations for Barangays Bon-ot and Panikian. This will be used by barangay health workers for health database monitoring.

# FOSTERING SOCIAL COHESION

The Company also supported the renovation of the Bon-ot health center, purchased medical equipment for Barangay Bayogo, and established "Mining Meds" in Carrascal and Cantilan, a community pharmacy that provides access to affordable medicines.

A total of Php 832,849.72 million was utilized for health and medical assistance.

## SCHOLARSHIPS AND EDUCATIONAL ASSISTANCE

Quality education is fundamental to a stable and prosperous future. 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, Parang, Bon-ot, Babuyan, Gamutan, and Bayogo.

For 2025 a total of 153 students were given financial assistance throughout the school year. The Company also supported the college education of 23 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 21 volunteer teachers in Cabangahan, Bon-ot, Babuyan, Bacolod, Cabas-an, Parang, Panikian, and Gamutan.

The Company also provided resources and financed structural improvements of Panikian Elementary School and High School, Bon-ot Daycare and Elementary School Babuyan Elementary School and Bayogo Integrated School.

Under the SDMP a total of Php 5,264,589,14 million was utilized for education and educational support programs and Php 1,205,839.02 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 Mining and Technology Geosciences.

## 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 2.12 billion. Based on the results for the year in review, the Company paid interest to loan providers totaling Php 4.62 million. Profitability from enhanced business models in 2025 translated to over Php 392.35 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 16.35 million (SDMP).

MHI's consolidated income for 2025 was up by Php 353.03 million or 299% from Php 118.12 million in 2024 to Php 471.14 million in 2025. The significant change was due to higher volume of shipment and price in world the market.

MMDC's revenues increased by Php 991.87 million or 57.8% from Php 1.72 billion in 2024 to Php 2.71 billion in 2025.

MMDC completed a total of 35 shipments in 2025. Operationally, MMDC had a positive year generating a direct economic value of Php 469.90 million in net income in 2025, despite the unstable weather conditions, weakening ore market and the rise in fuel cost. Operating Costs and Expenses were at Php 2.08 billion in 2025. The increase was primarily due to additional operating costs incurred to produce ore and manage the increased number of shipments. The Company also spent over Php 225.14 million on employee wages and benefits in 2025.

**HOST COMMUNITY PROCUREMENT PRACTICES**  
The Company's procurement practices significantly benefit the businesses in the region. MHI believes in

# STRENGTHENING COMMUNITY ENGAGEMENT

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 2025, the Company procured approximately Php 1,259,568,803.30 million worth of goods and services from local suppliers. Carrascal topped the list with a total of Php 738,798,255.60 million or 58.65% worth of purchased goods and services, next is Cantilan with Php 139,903,732 million or 11.11%.

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 the mining 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 necessitate 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.

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 2025, MHI, through MMDC, had a total of two hundred sixty (260) regular employees: 70 female and 190 male employees all with SSS, PhilHealth, Pag-IBIG, and HMO benefits. During the mining season (March-November 2022), the Company hired an additional 455 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 2025, MMDC's attrition rate is 5%, this is attributed to implemented organizational changes to improve operational efficiency.



## EMPLOYEE DEVELOPMENT

For 2025, 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 seminar was held on October 24, 2025 for directors and key officers in compliance with SEC MC Nos. 20-2013 and 2-2015.

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, the employees took attending the trainings and seminars on ISO IMS Awareness, ICT4RM Refresher workshop, SDG Roll out, Safety Program and Audit Training for SO3, Safety Program Audit, Accident investigation and Behavioral Safety, Basic Occupational Safety & Health (BOSH) Training Program for Nurses Philippine Chemistry Congress, Radiation Protection for Radiation Protection Officers of Industrial X-ray Facilities, Good Laboratory Practices, Estimation of uncertainty of chemical measurement, CAC ISO/IEC 17025-2017, ISO/IEC 17025: Short Notes and Requirements Training, Internal Audit for Laboratories Training, PCO Training, Positive Vibes: Shaping Winning Work Attitude and Mental Health Seminar.

For the year 2025, a total of 1400 hours were spent on training and development, with an average of 3 hours for every employee.

# STRENGTHENING COMMUNITY ENGAGEMENT



## 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 (SRMMMDCALU-TUCP). The latter is the exclusive bargaining agent of MMDC's rank-and-file employees. For 2025, a total of 131 employees are members of SRMMMDCALU-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 2025. The CBA for Supervisory Union followed in July of the same year. The next CBA discussion will be in 2028.

## PROMOTING DIVERSITY AND EQUAL OPPORTUNITY

MHI provides equal opportunity in recruitment and career development regardless of gender. In 2025, female workers represented about twenty-seven percent (27%) 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 (Ps).

A total of four hundred nine (409) employees from indigenous communities are currently working in MMDC.

There are 202 employees from the IP community of Cabangahan, 120 from Pili, 43 from Bayogo, 14 from Lubo, 6 from Banban, 5 from Cantilan, 4 from Babuyan, 3 from Carmen and Antayan, 2 from Linintian and Magasang and 1 from Madrid, Lanuza, and Pantukan.

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 2025, the Company achieved a total of 1,233,725 safe man-hours. There were 15 reported no-lost-time accidents with zero fatalities. The Company remains unwavering in its commitment to achieve its vision of zero harm. The commitment to Good Corporate

# GOOD CORPORATE GOVERNANCE

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.

# INDEX OF MATERIAL TOPICS

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:

Topic	Page # in SEC Memorandum Circular #45 series of 2019	Page # in 2025 Sustainability Report
Air Emissions	27	11
Anti-Corruption	21	17
Climate-related Risks & Opportunities	20	14
Data Privacy & Security Protection	41	17
Diversity & Equal Opportunity	35	16
Economic Performance	19	13
Effluents	30	10
Employee Management	33	15
Employee Training	34	16
Energy	24	12
Environmental Compliance	31	12
Labor Laws	36	17
Labor Relations Management	34	16
Materials Management	25	11
Occupational Health & Safety	36	16
Procurement Practices	21	14
Relationship with Community	38	14
Solid & Hazardous Waste	29	11
Supply Chain Management	37	17
Watershed	26	10
Watershed Protection	26	10

## 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, 2025





**Marcventures Holdings, Inc. (MHI)**  
4th Floor BDO Towers Paseo  
(formerly Citibank Center)  
8741 Paseo de Roxas, Makati City



**To** : **All Concerned Stakeholders**  
**From** : **Jayvhel T. Guzman**  
**Subject** : **Reporting of Exploration Results for CY 2025 in SEC 17A (Annual Report Pursuant to Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code of the Philippines)**  
**Cc** : **ACS/RSS/EMF**  
**Date** : **22 April 2026**

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This Annual Report of Marcventures Holdings Inc. (MHI) pertains to the exploration activities conducted across its subsidiaries, namely Marcventures Mining and Development Corporation (MMDC), Brightgreen Resources Corporation (BRC), Alumina Mining Philippines Inc. (AMPI), and Bauxite Resources Inc. (BARI).

### **Marcventures Mining and Development Corporation**

For the 2025 reporting period, MMDC continuously implemented its development drilling program within the Cabangahan and Sipangpang areas, utilizing systematic grid spacings of 50 m × 50 m and 25 m × 25 m to support resource delineation and classification upgrading.

In the Cabangahan area, a total of 359 drill holes were completed, corresponding to an aggregate drilled depth of 3,122.85 meters. In the Sipangpang area, 200 drill holes were completed, totaling 1,160.62 meters. The drilling program was designed to improve geological confidence and continuity, with the primary objective of upgrading Mineral Resources from the Inferred category to Indicated, and from Indicated to Measured classification.

All drilling, data collection, and reporting protocols were conducted in accordance with the requirements of the Philippine Mineral Reporting Code (PMRC) 2020. The updated Mineral Resource estimates for the MMDC Surigao Nickel Laterite Project are presented in Annex A.

MMDC intends to complete an updated Mineral Resource estimation incorporating the results of the 2025 drilling campaign by the end of the current mining season.

### **Brightgreen Resources Corporation**

During the year 2025, no exploration activities were conducted within the tenement area of Brightgreen Resources Corporation (BRC). The Company's efforts during the year were directed toward advancing the project into the development phase, with a focus on completing the necessary preparatory work for mine development.

Key activities included the ongoing processing and finalization of required regulatory permits and approvals to enable the commencement of construction and subsequent mining operations.

BRC remains fully committed to complying with all applicable laws, rules, and regulations, and to ensuring that all project milestones are achieved in accordance with the approved implementation schedule.

### **Alumina Mining Philippines Inc. and Bauxite Resources Inc.**

Alumina Mining Philippines Inc. (AMPI) and Bauxite Resources Inc. (BARI) report that no exploration activities were undertaken within their respective tenement areas during the current reporting period. Both entities remain focused on advancing the projects toward the




development stage, with ongoing efforts directed at securing and completing the requisite regulatory permits and approvals.

In parallel, AMPI and BARI have initiated supplementary bauxite characterization programs to further refine the understanding of ore properties, support metallurgical assessment, and inform mine planning and resource optimization strategies.

Additionally, an independent technical consultant has been engaged to evaluate and identify potential processing facilities with the capability to treat the bauxite material from the tenement areas. This work includes preliminary assessments of processing routes and alignment with market specifications.

These activities form part of the companies' continuing efforts to enhance its technical and commercial viability and ensure a systematic and well-informed transition from exploration to development.

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 annual 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.*

### Annex A – MMDC Mineral Resource Estimates as of December 31, 2025

MEASURED AND INDICATED RESOURCE						
Area	Material	WMT	DMT	Ni	Fe	Ni Tonnes
<b>CABANGAHAN</b>	Saprolite High Nickel	1,283,000	796,000	1.74	13.75	14,000
	Saprolite Low Nickel	7,967,000	4,940,000	1.24	12.52	61,000
	<b>Sub-total/Ave.</b>	<b>9,250,000</b>	<b>5,735,000</b>	<b>1.31</b>	<b>12.69</b>	<b>75,000</b>
	Limonite High Iron	16,307,000	10,110,000	0.84	48.33	85,000
	Limonite Low Iron	9,521,000	5,903,000	1.15	33.61	68,000
	<b>Sub-total/Ave.</b>	<b>25,828,000</b>	<b>16,013,000</b>	<b>0.96</b>	<b>42.91</b>	<b>153,000</b>
	<b>TOTAL/AVE.</b>	<b>35,078,000</b>	<b>21,749,000</b>	<b>1.05</b>	<b>34.94</b>	<b>228,000</b>
<b>SIPANGPANG</b>	Saprolite High Nickel	92,000	57,000	1.72	14.99	1,000
	Saprolite Low Nickel	1,847,000	1,145,000	1.18	13.31	14,000
	<b>Sub-total/Ave.</b>	<b>1,939,000</b>	<b>1,202,000</b>	<b>1.21</b>	<b>13.39</b>	<b>15,000</b>
	Limonite High Iron	16,165,000	10,022,000	0.75	48.84	75,000
	Limonite Low Iron	5,640,000	3,497,000	0.97	34.44	34,000
	<b>Sub-total/Ave.</b>	<b>21,804,000</b>	<b>13,519,000</b>	<b>0.81</b>	<b>45.12</b>	<b>109,000</b>
	<b>TOTAL/AVE.</b>	<b>23,744,000</b>	<b>14,721,000</b>	<b>0.84</b>	<b>42.52</b>	<b>124,000</b>
<b>Pili</b>	Saprolite High Nickel	9,000	6,000	1.75	11.07	0
	Saprolite Low Nickel	47,000	29,000	1.16	10.31	0
	<b>Sub-total/Ave.</b>	<b>56,000</b>	<b>35,000</b>	<b>1.26</b>	<b>10.44</b>	<b>0</b>
	Limonite High Iron	215,000	133,000	0.73	49.57	1,000
	Limonite Low Iron	72,000	45,000	1.00	32.83	0
	<b>Sub-total/Ave.</b>	<b>287,000</b>	<b>178,000</b>	<b>0.80</b>	<b>45.36</b>	<b>1,000</b>
	<b>TOTAL/AVE.</b>	<b>344,000</b>	<b>213,000</b>	<b>0.82</b>	<b>43.28</b>	<b>1,000</b>
<b>TOTAL</b>	Saprolite High Nickel	1,385,000	859,000	1.74	13.81	15,000
	Saprolite Low Nickel	9,861,000	6,114,000	1.23	12.65	75,000
	<b>Sub-total/Ave.</b>	<b>11,246,000</b>	<b>6,972,000</b>	<b>1.29</b>	<b>12.80</b>	<b>90,000</b>
	Limonite High Iron	32,687,000	20,266,000	0.79	48.59	161,000
	Limonite Low Iron	15,233,000	9,444,000	1.08	33.92	102,000
	<b>Sub-total/Ave.</b>	<b>47,920,000</b>	<b>29,710,000</b>	<b>0.89</b>	<b>43.93</b>	<b>263,000</b>
	<b>TOTAL/AVE.</b>	<b>59,166,000</b>	<b>36,683,000</b>	<b>0.95</b>	<b>39.09</b>	<b>353,000</b>
INFERRED RESOURCE						
Area	Material	WMT	DMT	Ni	Fe	Ni Tonnes
<b>TOTAL</b>	Saprolite High Nickel	203,000	126,000	1.72	13.96	2,000
	Saprolite Low Nickel	4,067,000	2,522,000	1.10	12.50	28,000
	<b>Sub-total/Ave.</b>	<b>4,270,000</b>	<b>2,648,000</b>	<b>1.13</b>	<b>12.57</b>	<b>30,000</b>
	Limonite High Iron	11,253,000	6,977,000	0.76	49.27	53,000
	Limonite Low Iron	6,155,000	3,816,000	1.05	32.97	40,000
	<b>Sub-total/Ave.</b>	<b>17,408,000</b>	<b>10,793,000</b>	<b>0.86</b>	<b>43.50</b>	<b>93,000</b>
	<b>TOTAL/AVE.</b>	<b>21,678,000</b>	<b>13,440,000</b>	<b>0.95</b>	<b>39.09</b>	<b>123,000</b>

**Cut-off Grades:**

Saprolite High Nickel	≥ 1.6 Ni; ≤ 20 Fe
Saprolite Low Nickel	1.0-1.6 Ni; ≤ 20 Fe
Limonite High Iron	≥ 0.5 Ni ; ≥ 45 Fe
Limonite Low Iron	≥ 0.7 Ni; 20-45 Fe



## **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:  
**Reporting of Exploration Results for CY 2025 in SEC 17A (Annual Report Pursuant to Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code of the Philippines)**

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:  
**December 31, 2025**

Report Date:  
**April 22, 2026**



## 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 18 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 ***“Reporting of Exploration Results for CY 2025 in SEC 17A (Annual Report Pursuant to Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code of the Philippines)”***.
- This report is based on available data and information as of December 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 CY 2025 in SEC 17Q.

  
\_\_\_\_\_  
**Jayvhel T. Guzman**  
Accredited Competent Person

\_\_\_\_\_  
April 22, 2026  
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. 10767201 issued on 05 January 2026 at Makati City

**ACKNOWLEDGMENT**


REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) SS.

APR 22 2026

**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. 42 ;  
Page No. 10 ;  
Book No. II ;  
Series of 2026.

  
BEN CARLO O. GENERAL  
Notary Public for Makati City  
App. No. M-223 Until 31 Dec. 2026  
Phil. of Attorneys No. 59087  
IBP Membership No. 489027; 12/01/2024  
P.O. Box 1637017, 1637017 Street  
Salcedo 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)*

**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	<b>ORIGINAL</b>
DATE 01/05/2026	No. <b>MKT 10767201</b> 10767201AG

TRAN #: 0051699

**PAYOR**  
**GUZMAN, JAYVHEL TRIA**

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PROFESSIONAL TAX	Php	P 300.00
Sub-Total	Php	300.00
GEOLOGIST, 2026,		P
AMOUNT IN WORDS THREE HUNDRED PESOS		<b>PHP 300.00</b>
		12/31/2026

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>JENNIELYN M. VILLAS</b>
Treasury Warrant, Check, Money Order Number  Date of Treasury Warrant, Check, Money Order <b>Cash PHP 300.00</b>	<b>JESUSA E. CUNETA</b> City Treasurer City Treasurer Collecting Officer

**Note:** Write the number and date of this receipt on the back of treasury warrant, check or money order received



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**



**ACCREDITED COMPETENT PERSON**

**Geologist**

NAME **JAYVHEL T. GUZMAN**

ACP No.: **18-11-01**

PRC ID No.: **1653**

VALID UNTIL **January 18, 2027**

