

# COVER SHEET

S.E.C. Registration Number

P	W	0	0	0	0	1	1	5	A
---	---	---	---	---	---	---	---	---	---

Company Name

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

Principal Office (No./Street/Barangay/City/Town/Province)

F	I	V	E		E	-	C	O	M		C	E	N	T	E	R		P	A	L	M		C	O	A	S	T			
D	R	I	V	E		M	A	L	L		O	F		A	S	I	A		P	A	S	A	Y		C	I	T	Y		

Form Type

2	0	-	I	S
---	---	---	---	---

Department requiring the report

M	S	R	D
---	---	---	---

Secondary License Type, If Applicable

--	--	--	--

## COMPANY INFORMATION

Company's Email Address

<b>Atlas1@atlasmining.com. ph</b>
---------------------------------------

Company's Telephone Number/s

<b>8403-0813</b>
------------------

Mobile Number

-
---

No. of Stockholders

<b>20,657 (as of February 28, 2026)</b>
---

Annual Meeting  
Month/Day

<b>28 April 2026</b>
----------------------

Fiscal Year  
Month/Day

<b>12/31</b>
--------------

## CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

<b>Elmer B. Serrano</b>
-------------------------

Email Address

-
---

Telephone Number/s

<b>8479-2190</b>
------------------

Mobile Number

-
---

Contact Person's Address

<b>1105 Tower 2 High Street South Corporate Plaza, 26th St., BGC, Taguig City, Philippines 1634</b>
---

**Note:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.



## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

Dear Stockholders:

The Annual Stockholders' Meeting of **Atlas Consolidated Mining and Development Corporation (AT or the Company)** will be held virtually on **28 April 2026 at 10:00 a.m.** The proceedings will be livestreamed and voting will be conducted *in absentia* through the Company's secure online voting facility.

### AGENDA

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of the Annual Stockholders' Meeting held on 25 April 2025
4. Approval of the Annual Report and Audited Financial Statements for 2025
5. Election of Directors for 2026-2027
6. Ratification of Acts of the Board of Directors, Board Committees and Management
7. Appointment of External Auditor
8. Open Forum
9. Other Matters
10. Adjournment

**Annex A** provides a brief explanation of each agenda item for approval.

The Board of Directors has fixed the end of trading hours of the Philippine Stock Exchange on **30 March 2026** as the record date for the determination of stockholders entitled to receive notice of, participate and to vote at the meeting or any adjournment thereof.

Stockholders who intend to participate in the meeting via remote communication and exercise their vote *in absentia* must notify the Corporate Secretary by registering at <https://asmregister.atlasmining.com.ph> and submit the required information therein on or before 14 April 2026. All information received will be subject to verification and validation by the Corporate Secretary.

Successfully registered stockholders can then cast their votes in absentia through the Company's secure online voting facility and access the live streaming of the meeting. For the detailed registration and voting procedures, please refer to the "*Guidelines for Participating via Remote Communication and Voting in Absentia*" appended to the Information Statement, and posted on the Company's website and PSE EDGE.

Stockholders who wish to appoint a proxy must submit an advance electronic copy of their duly accomplished proxy forms (which need not be notarized) during registration, and send the originals on or before **14 April 2026** to the Office of the Corporate Secretary c/o Serrano Law at 1105 Tower 2 High Street South Corporate Plaza, 26th Street, Bonifacio Global City, Taguig City, for validation pursuant to the Company's By-laws. Sample formats of the proxy forms for individual and for corporate stockholders are attached.

Please visit <https://atlasmining.com.ph/investor-relations/annual-stockholders-meeting> for complete information on the meeting including electronic copy of the Information Statement.

Thank you.



**ELMER B. SERRANO**  
Corporate Secretary

## **ANNEX A: RATIONALE FOR AGENDA ITEMS**

### ***Approval of the Minutes of the Annual Stockholders' Meeting held on 25 April 2025***

The Minutes of the annual stockholders' meeting held on 25 April 2025 were posted on the Company's website and appended to the Information Statement. These minutes are subject to stockholders' approval during this meeting.

### ***Approval of the Annual Report and Audited Financial Statements for 2025***

The Company's financial and operating results for the year 2025 have been summarized in the Annual Report which includes the Audited Financial Statements (AFS) as of 31 December 2025, and will be presented for stockholders' approval. The AFS as audited by the external auditor, Sycip Gorres Velayo & Company (SGV), have been reviewed and approved by the Audit Committee and the Board of Directors, and will be appended to the Definitive Information Statement.

### ***Election of Directors for 2026-2027***

The Corporate Governance Committee has pre-qualified nominees for directors for 2026-2027 and confirmed by the Board of Directors. The list of nominees and their profiles are provided in the Information Statement. The nominees' proven competencies, expertise and qualifications will be invaluable to the Company's strong performance.

### ***Ratification of Acts of the Board of Directors, Board Committees and Management in 2025***

The ratification of acts and resolutions of the Board, Board Committees and Management of AT, from the date of the last meeting to the date of this meeting, which have been key to the successful performance of the Company, will be sought during the meeting. Significant acts and transactions are covered by appropriate disclosures with the Securities and Exchange Commission and the Philippine Stock Exchange.

### ***Appointment of External Auditor***

The Board, upon recommendation by the Audit Committee, approved and endorses the re-appointment of SGV as the Company's external auditor for 2026. The profile of the external auditor and the audit fee for 2026 are discussed in the Information Statement.

**PROXY**

(Sample Proxy Form for Individuals)

The undersigned Stockholder of Atlas Consolidated Mining and Development Corporation (**AT the Corporation**) hereby appoints \_\_\_\_\_ or in his/her absence, the Chairman of the meeting, as attorney and proxy, with power of substitution, to present and vote all shares registered in his/her name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Company on April 28, 2026 and any adjournments thereof for the purpose of acting on the following matters:

	YES/ RATIFY	NO	ABSTAIN
1. Approval of Minutes of the Annual Stockholders' Meeting held on 25 April 2025			
2. Approval of the Annual Report and Audited Financial Statements for 2025			
3. Ratification of the Acts of the Board of Directors, Board Committees and Management in 2025			
4. Appointment of External Auditor			
5. At their discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting			

*Election of Directors for 2026-2027*

Name of Nominee	No. of Votes
1. Frederic C. DyBuncio	_____
2. Isidro A. Consunji	_____
3. Adrian Paulino S. Ramos	_____
4. Gerard Anton S. Ramos	_____
5. Jose T. Sio	_____
6. Presentacion S. Ramos	_____
7. Emilio S. de Quiros, Jr. (Independent Director)	_____
8. Jose P. Leviste, Jr. (Independent Director)	_____
9. Gerardo S. Limlingan, Jr. (Independent Director)	_____

- \_\_\_ Equally vote for all nominees listed above
- \_\_\_ Withhold authority for all nominees listed above
- \_\_\_ Withhold authority to vote for the nominees listed below:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Printed Name and Signature of Stockholder/  
Authorized Signatory

\_\_\_\_\_  
Number of Shares Owned or Represented

\_\_\_\_\_  
Date

THIS PROXY SHOULD BE SUBMITTED TO THE CORPORATE SECRETARY ON OR BEFORE **14 April 2026**. VALIDATION OF PROXIES SHALL BE HELD ON 21 APRIL 2026 AT THE OFFICE OF THE CORPORATE SECRETARY AT 1105 TOWER 2 HIGH STREET SOUTH CORPORATE PLAZA, 26TH STREET, BONIFACIO GLOBAL CITY, TAGUIG CITY, UNDER THE SUPERVISION AND CONTROL OF THE CORPORATE SECRETARY.

THIS PROXY IS NOT REQUIRED TO BE NOTARIZED, AND WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF ALL NOMINEES AND "FOR" THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING PROXY HAS THE POWER TO REVOKE IT AT ANYTIME BEFORE THE RIGHT GRANTED IS EXERCISED.

**SECRETARY'S CERTIFICATE**  
(Sample Proxy Form for Corporations)

I, \_\_\_\_\_, Filipino, of legal age, with address at \_\_\_\_\_, after being duly sworn in accordance with law, hereby certify as follows:

1. I am the duly appointed Corporate Secretary of \_\_\_\_\_ (the Company), a corporation duly organized and existing in accordance with the laws of the Philippines, with office address at \_\_\_\_\_.
2. At the duly constituted meeting of the Board of Directors of the Company held on \_\_\_\_\_, during which a quorum was present and acting throughout, the following resolutions were passed and approved:

**“RESOLVED**, that \_\_\_\_\_ be authorized and appointed, as the Company’s proxy (the **Proxy**) to attend all meetings of the shareholders of Atlas Consolidated Mining and Development Corporation (**AT**) whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in AT and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Company.

**RESOLVED, FURTHER**, That the power and authority hereby granted shall remain valid and effective until such time as the same is withdrawn by the Company through notice in writing delivered to the Corporate Secretary of AT before the date of any such meeting or until the last day of the fifth year from the date hereof, whichever comes first, and that AT be furnished with a copy of this resolution and AT may rely on the continuing validity of this resolution until receipt of such written notice of its revocation.”

3. The foregoing resolution resolutions have not been amended, revoked or modified, is effective and valid up to this date, and contained in the corporate records in my possession.

IN WITNESS WHEREOF, I have signed this instrument in \_\_\_\_\_ on \_\_\_\_\_.

Printed Name and  
Signature of the Corporate Secretary

SUBSCRIBED AND SWORN TO before me in \_\_\_\_\_ on \_\_\_\_\_, Affiant exhibited to me his/her \_\_\_\_\_.

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

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

1. Check the appropriate box:  
 Preliminary Information Statement  
 Definitive Information Statement
2. Name of Registrant as specified in its charter: **Atlas Consolidated Mining and Development Corporation**
3. Province, country or other jurisdiction of incorporation or organization: **Philippines**
4. SEC Identification Number: **PW0000115A**
5. BIR Tax Identification Code: **000-154-572**
6. Address of principal office: **5th Floor Five E-com Center, Palm Coast Ave. corner Pacific Drive Mall of Asia Complex, Pasay City 1300**
7. Registrant's telephone number, including area code: **(632) 8403-0813 loc. 25001/25007**
8. Date, time and place of the meeting of security holders: **28 April 2026, 10:00am, Virtually, with proceedings livestreamed**
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **6 April 2026**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
<b><u>Common shares</u></b>	<b><u>3,559,532,774</u></b>

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

Yes  /  No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

**The Philippine Stock Exchange, Inc.**                      **Common shares**

**PART I**  
**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. BUSINESS AND GENERAL INFORMATION**

***Item 1. Date, Time and Place of Annual Stockholders' Meeting***

- (a) Date : 28 April 2026
- Time : 10:00 A.M.
- Place : The Meeting will be conducted virtually with proceedings livestreamed, and participation will be via remote participation.
- Mailing : **Atlas Consolidated Mining and Development Corporation**  
Address : *5F Five E-com Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex, Pasay City 1300*  
of Registrant
- (b) The approximate date on which the Information Statement (IS) will be sent or given to the stockholders is on **6 April 2026**.

**Statement that proxies are not solicited**

**WE ARE NOT REQUESTING YOU FOR A PROXY and YOU ARE REQUESTED NOT TO SEND US A PROXY.**

**Voting Securities**

The Board of Directors has adopted resolutions allowing stockholders to participate in the Annual Stockholders' Meeting via remote communication and to exercise their right to vote *in absentia* and has fixed the end of trading hours of The Philippine Stock Exchange, Inc. (PSE) on **30 March 2026** as the record date for the determination of stockholders entitled to receive notice of, participate and to vote at the meeting or any adjournment thereof.

Stockholders who intend to participate in the meeting via remote communication and exercise their vote *in absentia* must notify the Corporate Secretary by registering at <https://asmregister.atlasmining.com.ph> and submit the required information therein on or before 14 April 2026. All information received will be subject to verification and validation by the Corporate Secretary.

Successfully registered stockholders can then cast their votes *in absentia* through the Company's secure online voting facility and access the live streaming of the meeting. For the detailed registration and voting procedures, please refer to the "*Guidelines for Participating via Remote Communication and Voting in Absentia*" appended to the Information Statement, and posted on the Company's website and PSE EDGE.

Stockholders who wish to appoint a proxy must submit an advance electronic copy of their duly accomplished proxy forms (which need not be notarized) during registration, and send the originals on or before **14 April 2026** to the Office of the Corporate Secretary c/o Serrano Law at 1105 Tower 2 High Street South Corporate Plaza, 26th Street, Bonifacio Global City, Taguig City, for validation pursuant to the Company's By-laws. Sample formats of the proxy forms for individual and corporate stockholders are attached.

Registration details can be found at <https://atlasmining.com.ph/investor-relations/annual-stockholders-meeting>. The Company will record the proceedings and maintain a copy with the

office of the Corporate Secretary. The meeting will be broadcasted via livestreaming accessible to registered stockholders.

*The detailed guidelines for participation and voting for this Meeting are set forth in the “Guidelines for Participating via Remote Communication and Voting in Absentia” appended to this IS.*

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

Pursuant to Section 80 of the Code, a stockholder has the right to dissent and demand payment of the fair value of his shares of stock in the following instances:

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

Said appraisal right may be exercised by stockholders who have voted against the proposed corporate action, by making a written demand on the Corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of their shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or affected, AT shall pay to such Stockholders, upon surrender of the certificate or certificates of stock representing their shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

There are no matters to be discussed in this year’s Meeting which would give rise to the exercise of the dissenter’s right of appraisal.

### ***Item 3. Interest of Certain Persons In or Opposition to Matters to be acted upon***

No person who (i) has been a director or executive officer of AT or a nominee for election as a director, at any time since the beginning of the last fiscal year, or (ii) is an associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in the Meeting, other than election to office. No incumbent director of the Corporation has given notice of his intention to oppose any action and/or matter to be taken up at the Meeting.

## ***B. CONTROL AND COMPENSATION INFORMATION***

### ***Item 4. Voting Securities and Principal Holders thereof***

- a) Number of shares outstanding

As of 28 February 2026, AT has 3,559,532,774 issued and outstanding common shares, with the number of foreign-owned shares and local-owned shares stated below. Each common share

entitles the Stockholder to notice of and to one (1) vote at, the Meeting.

<i>Nationality</i>	<i>Class of Voting Shares</i>	<i>Number of Shares</i>	<i>Percentage (%)</i>
Filipino	Common	3,468,101,913	97.52%
Non-Filipino	Common	88,430,861	2.48%
<i>Total Number of Shares Entitled to Vote</i>		3,559,532,774	100.00%

b) Record Date

All stockholders of record as of 30 March 2026 who have successfully registered thru the online voting portal at <https://asmregister.atlasmining.com.ph> are entitled to notice, participate and vote remotely no later than **14 April 2026**.

c) Manner of voting

Each common share of AT is entitled to one (1) vote (each, a **Voting Share/s**) for each agenda item presented for stockholder approval, except in the election of directors where one (1) share is entitled to as many votes as there are directors to be elected. Each stockholder may cast the vote to which the number of shares he owns entitles him, for as many persons as there are to be elected as directors, or he may cumulate or give to one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected. Thus, since there are nine (9) directors to be elected, each Voting Share is entitled to nine (9) votes.

Stockholders may nominate directors, subject to pre-qualification by the Corporate Governance Committee, within the period of nomination set forth in the Company's By-laws and relevant regulations. Stockholders as of Record Date may then vote for nominees in accordance with the above rule.

For this year's meeting, the Board of Directors has adopted a resolution allowing stockholders entitled to notice of, and to attend, the meeting, to exercise their right to vote *in absentia*. AT provides and maintains its own online voting facility where registered stockholders can cast their votes.

Successfully registered Stockholders shall be provided access to the live streaming of the Meeting. Registered Stockholders may cast their votes in absentia through the Company's secure online voting facility, [asmvoting.atlasmining.com.ph](https://asmvoting.atlasmining.com.ph), subject to validation procedures. A Stockholder who will participate through remote communication or in absentia shall be deemed present for purposes of quorum. The detailed guidelines for participation and voting are provided in the "*Guidelines for Participating via Remote Communication and Voting in Absentia*" enclosed to this Information Statement (IS) and posted on the Company's website and PSE EDGE.

Registration and voting procedures are further detailed in Item 19.

d) Security Ownership of Certain Record and Beneficial Owners as of 28 February 2026.

i. Security Ownership of Certain Record and Beneficial Owners (of more than 5%) as of 28 February 2026:

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 <sup>1</sup>	Percentage Held (%)
Common	SM Investments Corporation (SMIC) 10th Floor, One E-Com Center Mall of Asia Complex, Pasay City (Shareholder)	SMIC <sup>2</sup>	Filipino	1,200,835,499	33.74
Common	Alakor Corporation (Alakor) Quad Alpha Centrum 125 Pioneer St., Mandaluyong City (Shareholder)	Alakor <sup>3</sup>	Filipino	139,450,000	3.92
Common	Anglo Philippine Holdings Corporation (Anglo) Quad Alpha Centrum 125 Pioneer St., Mandaluyong City (Shareholder)	Anglo <sup>4</sup>	Filipino	966,000,292	27.14
Common	PCD Nominee Corp. (Filipino) <sup>5</sup> (PCNC) 37F Tower 1, The Enterprise Center, Ayala Ave., Makati City	PCD Participants <sup>6</sup>	Filipino	1,116,821,505	31.38

ii. Security Ownership of Directors and Executive Officers of AT as of 28 February 2026:

Title of Class	Name of Beneficial Owner and Position	Citizenship	Amount and Nature of Beneficial Ownership	Percentage of Ownership
Common	Frederic C. DyBuncio (Director/Chairman)	Filipino	1,001 (D/I)	0.00
Common	Isidro A. Consunji (Director)	Filipino	95,991,305 (D/I)	2.70
Common	Adrian Paulino S. Ramos (Director/President and CEO)	Filipino	5,288,010 (D/I)	0.15
Common	Gerard Anton S. Ramos (Director)	Filipino	102,000 (D/I)	0.00
Common	Jose T. Sio (Director)	Filipino	1,001 (D/I)	0.00
Common	Presentacion S. Ramos (Director)	Filipino	4,818,000 (D)	0.13
Common	Gerardo S. Limlingan, Jr. (Independent Director)	Filipino	1,000 (D)	0.00
Common	Jose P. Leviste, Jr. (Independent Director)	Filipino	100,000 (D)	0.00

<sup>1</sup> The number of shares of SMIC, Alakor and Anglo as indicated in this table also include their indirect shareholdings lodged with the PCD Nominee Corp. The listed beneficial or record owner has no right to acquire within thirty (30) days, from options, warrants, rights, privileges or similar obligations or otherwise coming from AT.

<sup>2</sup> The Board of Directors of SMIC has the power to decide how the shares held by SMIC are to be voted. The President and/or Executive Director of SMIC have been named and appointed as proxy to exercise the voting power of SMIC.

<sup>3</sup> The Board of Directors of Alakor has the power to decide how the shares held by Alakor are to be voted. The Chairman of the Board of Directors/President of Alakor has the power to vote the common shares of Alakor in AT.

<sup>4</sup> The Board of Directors of Anglo has the power to decide how the shares held by Anglo are to be voted. The Chairman of the Board of Directors/President of Anglo has been appointed to exercise the voting power of Anglo.

<sup>5</sup> PCD Nominee Corporation is not related to the Company. PCNC is a nominee company which holds legal title to shares of lodged in Philippine Depository & Trust Corp.

<sup>6</sup> There are no beneficial owners under PCNC which own more than 5% shares of stock of the Company, other than: (i) SMIC with 604,288,435 shares; (ii) Anglo with 53,570,500 shares and (ii) Alakor with 245,406,600 shares. PCNC beneficial owners have the power to decide how their shares are to be voted.

<b>Title of Class</b>	<b>Name of Beneficial Owner and Position</b>	<b>Citizenship</b>	<b>Amount and Nature of Beneficial Ownership</b>	<b>Percentage of Ownership</b>
Common	Emilio S. de Quiros, Jr. (Independent Director)	Filipino	20,100 (D)	0.00
Common	Elmer B. Serrano (Corporate Secretary)	Filipino	0	0.00
Common	Ma. Lorina Canillo (OIC – VP Finance / Chief Financial Officer)	Filipino	0	0.00
Common	Axel G. Tumulak (Asst. Corp. Sec./ Asst. Compliance Officer / Head, Corporate Legal Affairs & Corporate Governance)	Filipino	0	0.00
Common	Leila Marie P. Cabañes (Treasurer)	Filipino	0	0.00
Common	Feliciano B. Alvarez (Chief Audit Executive)	Filipino	0	0.00
<b>TOTAL</b>			108,174,417	3.04

There are no persons holding more than 5% of a class under a voting trust or any similar agreements as of 28 February 2026.

As previously disclosed, on 23 January 2026, the Board of Directors of AT approved the cancellation of the authority to issue approximately 5.6 billion warrants, which entitle its holders to issuance of common shares (**Warrants**) of AT. Issuance of the Warrants was authorized as consideration for the holders to guarantee the financial obligations of Atlas. The cancellation is with the consent of the shareholders entitled to the issuance of warrants namely major Atlas shareholders, SM Investments Corporation, Anglo Philippine Holdings Corporation and Alakor Corporation. In consideration for the cancellation of the Warrants, AT will cause to pay the above-named shareholders an aggregate of approximately Php 1 billion pesos, translating to 1.0625% per annum guarantee fee over a period of five years.

The Corporation has no parent company. AT's substantial stockholders with the percentage of voting securities are discussed in Clause VIII, Part IV Management Report.

#### **Item 5. Directors and Executive Officers**

##### a) Information regarding Directors and Officers

The incumbent Directors and key Officers of the Company are as follows:

<b>Name</b>	<b>Position</b>	<b>Citizenship</b>	<b>Age</b>
Frederic C. DyBuncio	Chairman of the Board of Directors	Filipino	67
Adrian Paulino S. Ramos	Director/ President	Filipino	47
Isidro A. Consunji	Director	Filipino	78
Gerard Anton S. Ramos	Director	Filipino	51
Jose T. Sio	Director	Filipino	86
Presentacion S. Ramos	Director	Filipino	85
Jose P. Leviste, Jr.	Independent Director	Filipino	81
Emilio S. de Quiros, Jr.	Independent Director	Filipino	77
Gerardo S. Limlingan, Jr.	Independent Director	Filipino	85
Elmer B. Serrano	Corporate Secretary	Filipino	58
Ma. Lorina Canillo	OIC VP-Finance / Chief Financial Officer	Filipino	38
Leila Marie P. Cabañes	Treasurer	Filipino	48
Axel G. Tumulak	Asst. Compliance Officer/Asst. Corporate Secretary / Head, Corporate Legal Affairs & Corporate Governance	Filipino	46
Feliciano B. Alvarez	Chief Audit Executive	Filipino	47

### Board of Directors

**Frederic C. DyBuncio** has been a member of the Board of Directors since August 2011, and has served as its Chairman since January 17, 2023 and as its Vice-Chairman since August 2012. He is concurrently the President and Chief Executive Officer of SM Investments Corporation and 2GO Group, Inc. He was formerly a career banker who spent over 20 years with JP Morgan Chase and its predecessor institutions. During his stint in the banking industry, he was assigned to various executive positions where he gained substantial professional experience in the areas of credit, relationship management and origination, investment banking, capital markets, and general management. He has worked and lived in several major cities including New York, Seoul, Bangkok, Hong Kong, and Manila. He graduated from Ateneo de Manila University with a Bachelor of Science degree in Business Management and finished a Master's degree in Business Administration program at the Asian Institute of Management.

**Adrian Paulino S. Ramos** has been a member of the Board of Directors since July 2007, and has served as its President since April 2015. He is concurrently the President/Chief Executive Officer and Director of i) NBS Group, Anglo Philippine Holdings Inc., The Philodrill Corporation, Alakor Corporation, United Paragon Mining Corporation; (ii) Director of Carmen Copper Corporation and Berong Nickel Corporation. He graduated from Ateneo de Manila University with a Bachelor of Science Degree in Management (Honors Program), Cum Laude and a Master's Degree in Business Administration (with Distinction) from the Kellogg School of Management, Northwestern University, Majors in Decision Sciences, Analytical Consulting and Accounting Information and Management.

**Isidro A. Consunji** has been a member of the Board of Directors of AT and CCC since April 2012. He is concurrently the Chairman and President of DMCI Holdings, Inc. and Chairman of the Semirara Mining and Power Corp. He graduated with a degree in Bachelor of Science and Engineering from the University of the Philippines, and obtained his Master of Business Economics from Center for Research and Communication and Master of Business Management from the Asian Institute of Management (AIM). He took up Advance Management Program from IESE School in Barcelona, Spain.

**Gerard Anton S. Ramos** has been a member of the Board of Directors since July 2007. He is concurrently holding the positions of (i) Director/President of UPMC and Alakor Securities Corp.; (ii) Director/Vice-President of Alakor; (ii) Director/Vice-President/Corporate Secretary of NBSI; (iii) EVP/ Investments of Anglo; and (iv) Director of CCC and The Philodrill Corporation. He obtained his Bachelor of Science Degree in Management from the Ateneo de Manila University.

**Jose T. Sio** has been a member of the Board of Directors since 12 August 2011. He is the Chairman Emeritus of SM Investments Corporation. He is also a Director of China Banking Corporation, NLEX Corporation, Ortigas Land Corporation, Carmen Copper Corporation, First Asia Realty Development Corporation. He is also a Trustee of Far Eastern University, Incorporated, Adviser to the Board of BDO Unibank, Inc., Belle Corporation and Premium Leisure Corporation, and the Chairman, President and Trustee of SM Foundation, Inc. Mr. Sio holds a Bachelor of Science degree in Commerce, major in Accounting, from the University of San Agustin, and a master's degree in Business Administration (MBA) from New York University, U.S.A. Mr. Sio is a certified public accountant, and is a former Senior Partner of SyCip Gorres Velayo & Co. (SGV). He was voted CFO of the Year in 2009 by the Financial Executives of the Philippines. He was also awarded as Best CFO (Philippines) in various years by several Hong Kong-based publications. In June 2022, he received Parangal San Mateo, the highest honor that can be conferred upon an accounting professional by the Philippine Institute of Certified Public Accountants (PICPA). In March 2023, he was honored by the Professional Regulatory Board of Accountancy with the Accountancy Centenary Award of Excellence. He is actively engaged in continuous trainings, having attended seminars/trainings on investments, loans and financial instruments, structured

products, debt and equity financing, anti-money laundering updates, advanced corporate governance, risks and opportunities in sustainable finance, and exclusive economic briefing conducted by Moody's Analytics. He has been a speaker in various fora and trainings, such as the webinar organized by the Association of CPAs in Commerce & Industry entitled, Addressing Perceived Competency Gap: From Classroom to Workplace.

**Presentacion S. Ramos** has been a member of the Board of Directors since 17 January 2023. She is currently the Chairman of the Board of Alakor Securities Corporation. She also holds various positions in private institutions, specifically as President in Peakpres Corporation, as Vice-President in Abacus Book & Card Corporation, National Bookstore, Inc. National Book Express, Inc. and Power Books, Inc.; as Vice-President and Treasurer in Alakor Corporation; and as Treasurer in Zenith Holdings Corporation; as a director of Anglo Philippine Holdings Corporation, The Philodrill Corporation and United Paragon Mining Corporation; and Governor in Philippine Red Cross. Ms. Ramos obtained a Bachelor of Arts degree in 1962 from the Maryknoll College (now Miriam College).

**Emilio S. de Quiros, Jr.** has served as an Independent Director of AT since July 2017. He is currently an ID of Crown Equities, Inc., Sunlife Investments Management & Trust Corporation, and Capital Markets Integrity Corporation. He has served as President and CEO of the Social Security System and as Chairman of the Board of Directors of Belle Corporation. He was also a Vice Chairman/Director of the PSE Market Integrity Board, Director of Union Bank of the Phil., Philex Mining Corp., Philhealth Insurance Corporation, ALFM Peso Mutual Fund, ALFM Euro Mutual Fund, ALFM Growth Fund, Phil. Stock Index Fund. Prior to his appointment as President and CEO of SSS, he served as Executive Vice President (EVP) of Bank of the Philippine Islands (BPI) and President of Ayala Life Insurance Inc., Ayala Plans and a Director of BPI Bancassurance Inc. Mr. De Quiros graduated from Ateneo de Naga with a Bachelor of Arts in Economics Degree (Cum Laude), and holds a Master of Arts in Economics Degree from the University of the Philippines.

**Jose P. Leviste, Jr.** has served as an Independent Director of AT since May 2019. Dr. Leviste is the Chairman of Constellation Energy Corporation. He is also the Chairman of the Philippine-Israel Business Council. He is also (i) an Independent Director of Pico De Loro Beach & Country Club and Investment Capital Corporation of the Philippines (ICCP); (ii) Member of the Chamber of Mines of the Philippines (COMP); and (iii) Chairman of Environment and Climate Change Committee of the Philippine Chamber of Commerce and Industry (PCCI). Dr. Leviste is a Governor of the Canadian Chamber of Commerce, Senior Adviser of Itaipinas Development Corporation (IDC) and the Asia Advisor of the Board for the Philippines of Sindicatum Sustainable Resources of Singapore, and a member of the Governing Council of the Philippine Council for Agriculture Aquatic and Natural Resources Research and Development (PCAARRD) of the Department of Science and Technology (DOST) representing the private sector.

He completed his Bachelor of Arts Degree in Economics (with academic honors) from the Ateneo de Manila University and holds two (2) masters degrees: Economics from Fordham University, New York, and Business Administration from Columbia University, New York. He completed the Pacific Rim Management Program, Doing Business in Japan at the University of Southern California and he was a Fellow of the Asia Program of the Woodrow Wilson International Center in Washington DC. He was also a Business Associate of Asia Pacific Research Center of Stanford University. In 2007, he received his Doctor of Humanities, Honoris Causa from the Nueva Vizcaya State University for being an Outstanding Business and Technocrat.

**Gerardo S. Limlingan, Jr.** was elected as an Independent Director of AT in 15 September 2022. He is currently a director of Sagittarius Mines, Inc. and the President of Greenlight Holdings, Inc. He is also a director of Page Enterprises, Inc. and a member of the Board of Trustees of the JC Binay Foundation, Inc. where he previously served as President from 2012 to 2014. He is also a consultant to Metrostore since 2016 and was previously a consultant to the Makati City

Government from 1986 to 2015 and to the Housing and Urban Development Coordinating Council from 2010 to 2014. He previously held various positions in private institutions, specifically as managing director in Corporate Solutions, Inc. from 2000 to 2020, director or treasurer of Eastridge Gold and Country Club from 1996 to 2017, director or treasurer of Monarch Insurance Corporation, an insurance brokerage, from 2003 to 2007, director of Guagua National Colleges from 2004 to 2005, director of Aquaventure Philippines, Inc. from 1995 to 2000, President and director of Sarmiento Securities Corp. until 1997, director of Vitarich Corporation from 1990 to 1995, director of Antipolo Properties, and Chairman or director of Regina Capital Development Corporation, a stock brokerage, from 1990 to 1992. Mr. Limlingan Jr. obtained a Bachelor of Arts, major in Economics degree in 1961 from the Ateneo de Manila University. He also took units for the Master of Arts in Economics degree from the same university from 1962 to 1963.

The Board also established the Committees for the effective performance of its policy-making and oversight functions. The different Committees and their respective chairpersons and members for 2026-2027:

*Executive Committee*

Frederic C. DyBuncio (Chairman)  
Adrian Paulino S. Ramos  
Jose T. Sio  
Isidro A. Consunji  
Gerard Anton S. Ramos  
Presentacion S. Ramos

*Audit Committee*

Emilio S. de Quiros, Jr. (Lead ID) (Chairman)  
Frederic C. DyBuncio  
Gerard Anton S. Ramos  
Jose P. Leviste, Jr. (ID)  
Gerardo S. Limlingan, Jr. (ID)

*Board Risk Oversight Committee (BROC)*

Gerardo S. Limlingan, Jr. (ID)(Chairman)  
Emilio S. de Quiros, Jr. (Lead ID)  
Jose P. Leviste, Jr. (ID)

*Corporate Governance Committee (CGC)*

Jose P. Leviste, Jr. (ID) (Chairman)  
Emilio S. de Quiros, Jr. (Lead ID)  
Gerardo S. Limlingan, Jr. (ID)

*Related Party Transactions (RPT) Committee*

Jose P. Leviste, Jr. (ID) (Chairman)  
Emilio S. de Quiros, Jr. (Lead ID)  
Gerardo S. Limlingan, Jr. (ID)

The Chairpersons and members of the CGC, RPTC and BROC are all Independent Directors (ID), while majority of the Audit Committee, including the Chairman, are IDs.

Directorships in other Reporting Companies

<i>Name of Director</i>	<i>Reporting Company</i>	<i>Position</i>
Frederic C. DyBuncio	SM Investments Corporation 2GO Group, Inc.	President/CEO Chairman/President/CEO
Adrian Paulino S. Ramos	Anglo Philippine Holdings Corporation Vulcan Industrial & Mining Corporation United Paragon Mining Corporation The Philodrill Corporation	President/COO Director Director President
Isidro A. Consunji	Semirara Mining and Power Corporation DMCI Holdings, Inc.	Chairman/CEO Chairman/President
Gerard Anton S. Ramos	United Paragon Mining Corporation The Philodrill Corporation Anglo Philippine Holdings	President/CEO Chairman Chairman
Jose T. Sio	China Banking Corporation Far Eastern University, Incorporated	Director Trustee
Presentacion S. Ramos	Anglo Philippine Holdings The Philodrill Corporation United Paragon Mining Corporation	Director Director Director
Emilio S. de Quiros, Jr.	Crown Equities, Inc.	Independent Director

*Attendance in Board Meetings, Board Committee Meetings and Annual Stockholders' Meeting*

For 2025, below is the summary of attendance of incumbent directors, indicating their attendance in each of the meetings of the board and its committees and in the last regular stockholders' meeting:

Name of Director	% of Attendance In Board Meetings	% of Attendance in Board Committee Meetings			
		Audit Committee (AC)	Board Risk Oversight Committee (BROC)	Corporate Governance Committee (CGC)	Related Party Transactions Committee (RPTC)
Frederic C. DyBuncio	100	100	N/A	N/A	N/A
Adrian Paulino S. Ramos	100	N/A	N/A	N/A	N/A
Jose T. Sio	100	N/A	N/A	N/A	N/A
Isidro A. Consunji	100	N/A	N/A	N/A	N/A
Gerard Anton S. Ramos	100	100	N/A	N/A	N/A
Presentacion S. Ramos	100	N/A	N/A	N/A	N/A
Emilio S. de Quiros, Jr. (Lead ID)	75	100	100	75	100
Jose P. Leviste, Jr. (ID)	100	100	100	100	100
Gerardo S. Limlingan, Jr. (ID)	100	100	100	100	100

All directors nominated for re-election at the 2025 Annual Stockholders' Meeting of the Company were present during said annual meeting.

*Nomination of Directors for 2026-2027*

The Corporate Governance Committee, confirmed by the Board, pre-qualified the following nominees for election as directors for 2026-2027 at the Meeting:

FREDERIC C. DYBUNCIO  
ADRIAN PAULINO S. RAMOS  
ISIDRO A. CONSUNJI  
GERARD ANTON S. RAMOS  
JOSE T. SIO  
PRESENTACION S. RAMOS  
EMILIO S. DE QUIROS, JR. (ID)  
JOSE P. LEVISTE, JR. (ID)  
GERARDO S. LIMLINGAN, JR. (ID)

The nominees were selected through the nomination process determined and implemented by the CGC.

Mr. Jasper Jimenez, among others, nominated to the Board for inclusion in the Final List of Candidates for Independent Directors, the following nominees:

EMILIO S. DE QUIROS, JR. (ID)  
JOSE P. LEVISTE, JR. (ID)  
GERARDO S. LIMLINGAN, JR. (ID)

Mr. Jasper Jimenez is not related to Messrs. De Quiros, Leviste and Limlingan.

Under the 2017 Code of Corporate Governance of AT, all new directors will undergo an 8-hour orientation program soon after election. This is intended to familiarize the new directors on their responsibilities to the Board and its Committees and the policies of AT.

The Company has complied with the Guidelines set forth by SRC Rule 38, as amended, regarding the Nomination and Election of Independent Directors. No Independent Director nominee has exceeded the term limit as stated in *SEC MC No. 4 Series of 2017 re: Term Limit of ID*. Based on the information provided to the Corporation and to the best of the Corporation's knowledge, none of its incumbent Directors and Officers or nominees for directors' and officers' positions is working for or with the government.

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

The CGC in pre-screening the qualifications of the nominees, considered the nomination letters for IDs submitted by Stockholders of record. Taking into consideration the qualifications and disqualifications provided in the Code of Corporate Governance, the Corporation's By-Laws, CGC Charter, SRC and the criteria prescribed in the SRC Rule 38, the CGC has determined that the nominees for independent directors are qualified to sit in the BOD as IDs.

The members of the Corporation's CGC, all of whom including the Chairman are IDs, are the following: (i) Jose P. Leviste, Jr. (ID) – Chairman; (ii) Emilio S. de Quiros, Jr. (ID) - Member; and (iii) Gerardo S. Limlingan, Jr. – Member.

### *Significant Employees*

The Corporation has no employee who is not an executive officer but is expected to make a significant contribution to the business.

### *Family Relationship*

Other than those between Ms. Presentacion S. Ramos and her sons, Messrs. Adrian Paulino S. Ramos and Gerard Anton S. Ramos, all other directors and officers are not related to each other either by consanguinity or affinity.

### *Involvement in Certain Legal Proceedings*

Except those disclosed in the certifications of IDs, the Company is not aware of any of the following events having occurred during the past five (5) years up to the date of this report that are material to an evaluation of the ability or integrity of any director or any member of senior management of the Company:

- (a) any bankruptcy petition filed by or against any business of which such person 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, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, 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 a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

### *Executive Officers of the Company*

**Elmer B. Serrano** was first appointed Corporate Secretary of AT and CCC on July 2021. Atty. Serrano is a practicing lawyer specializing in corporate law and is the Managing Partner and founder of the law firm SERRANO LAW. He has been awarded “Asia Best Lawyer” by the International Financial Law Review (IFLR) after being consistently recognized as a “Highly Regarded-Leading Lawyer” by IFLR and constantly named “Leading Individual” and now included in the “Hall of Fame” by the Legal 500 Asia Pacific.

Atty. Serrano is the Chairman of Dominion Holdings, Inc. (formerly, BDO Leasing and Finance, Inc.), a director of EEI Corporation and DFNN, Inc. and an Independent Director of Philippine Telegraph and Telephone Corporation and Benguet Corporation. He is also a director of 2GO Group, Inc. Atty. Serrano is also Corporate Secretary of SM Investments Corporation, SM Prime Holdings, Inc., Premium Leisure Corp., as well as subsidiaries of DFNN Inc. He is also the Corporate Information Officer of BDO Unibank, Inc. and serves as the corporate secretary of the bank’s subsidiaries and affiliates. He is also Corporate Secretary of, or counsel to, prominent financial industry organizations, such as the Bankers Association of the Philippines, the Philippine Payments Management, Inc. and the PDS Group of Companies.

Atty. Serrano is a Certified Associate Treasury Professional and was among the top graduates

of the Trust Institute of the Philippines in 2001. Atty. Serrano holds a Juris Doctor degree from the Ateneo de Manila University and a BS Legal Management degree from the same university.

**Ma. Lorina E. Canillo** has served as the OIC VP-Finance and OIC Chief Financial Officer of AT since November 2025, Miss Canillo joined Carmen Copper Corporation on August 2, 2010 as Financial Auditor of Internal Audit Department then worked as the Senior Operating and Management Reporting Officer in 2015. She was promoted as Management Accounting Department Head in July 2018 and as Division Head of the same group in May 2022. She gained most of her more than 15 years of experience in the fields of Audit and Finance while in Carmen Copper Corporation. She obtained her degree in Bachelor of Science in Accountancy from the University of San Carlos in year 2009 and passed the CPA Licensure Exam (CPALE) in October of the same year.

**Leila Marie P. Cabañes** has served as the Treasurer of AT since April 2015. She has more than a decade of experience in the local banking industry where she specialized in trust banking and fund management. Prior to joining AT, she spent 14 years of her career in several financial institutions such as Metropolitan Bank & Trust Company, Land Bank of the Philippines and the United Coconut Planters Bank. She obtained her Bachelor of Commerce in Applied Economics and her Master in Business Administration-Finance (with honors/distinction) degrees from the De La Salle University.

**Feliciano B. Alvarez** has served as the Chief Audit Executive of AT since 2013. Mr. Alvarez is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and holds a master's degree in business administration with more than 20 years of experience in the field of internal audit, quality control, risk management, project management and corporate planning within the mining and metals industry. Prior to joining AT, Mr Alvarez was the Head for Risk Management, Project Management and Corporate Planning in Rapu-Rapu Mining Inc., Audit Manager in KPMG, Internal Audit Head in Figaro Coffee Company, and a Senior Assurance Auditor in Ernst & Young (SGV & Co.)

**Axel G. Tumulak** has served as Assistant Corporate Secretary/Head, Legal Affairs and Corporate Governance and Assistant Compliance Officer of AT and CCC since August 2021. He has more than a decade experience in the mining industry and he was with TVI Resources Development Corporation, as its Senior Legal Manager, and with Silangan Mindanao Mining Co. Inc., a subsidiary of Philex Mining Corporation, as its Corporate – Legal Affairs Head and Mine Site Administrator of the Silangan Copper and Gold Project in Surigao del Norte, Philippines. He obtained his Bachelor of Arts Degree in Political Science and Bachelor of Commerce Degree in Legal Management at the De La Salle University and his Bachelor of Laws Degree from the Xavier University - Ateneo de Cagayan College of Law.

#### b) Certain Relationships and Related Transactions

A summary on the proposed issuance of warrants and the underlying common shares as a result of the exercise of the warrants, as previously disclosed since 2017, is reiterated below.

There are no known related party transactions aside from the warrants issuance and those stated in *Note 23 (Related Party Disclosures)* of the *Notes to the AT and Subsidiaries (the "AT Group") Audited Consolidated Financial Statements (AFS)* for the year ended 31 December 2025.

In the normal course of business, transactions of AT with related parties consist mainly of payments by AT for various expenses and non-interest-bearing short-term cash advances for working capital requirements. These are non-material transactions and arrangements in the ordinary course of

business. The AT Group's related party transactions are under terms that are no less favorable than those arranged with third parties.

Material related party transactions, if any, are reviewed by the RPT Committee of the Board and are disclosed. The members of the Related Party Transactions Committee are:

- a. Mr. Jose P. Leviste, Jr. – Chairman (Independent Director)
- b. Mr. Gerardo S. Limlingan, Jr. – Member (Independent Director)
- c. Mr. Emilio S. De Quiros, Jr. – Member (Independent Director)

No complaint was received by the Corporation regarding any related party transactions. No director has entered into self-dealing and related party transactions in 2025. There are no other transactions undertaken or to be undertaken by the Company in which any director or executive officer, nominee for election as director, or any member of their immediate family was or will be involved or had or will have a direct or indirect material interest. There are likewise no material related party transactions undertaken or to be undertaken by the Company.

There are no third parties (not related parties) with whom the Company or its related parties have a relationship that enable the parties to negotiate terms of material transactions that may not be available from other, more clearly independent, parties on an arm's length basis.

**Item 6. Compensation**

1) *Executive Compensation of Executive Officers.* Aggregate cash compensation paid during the last three (3) fiscal years ended 31 December 2025 to the five (5) most highly compensated officers and to all other officers as a group, including the estimate for 2025 are shown below.

2) *Summary Compensation Table*

<i>Aggregate annual cash compensation (Php)</i>				
<i>Name and Principal Position</i>	<i>Year</i>	<i>Salaries</i>	<i>Bonuses</i>	<i>Other compensation</i>
<i>President/Chief Executive Officer (CEO) &amp; four (4) Most Highly Compensated Officers</i>	2026 (estimate)	28,202,192	-0-	-0-
	2025	28,202,192	-0-	-0-
	2024	28,202,192	-0-	-0-
<i>(1) Adrian Paulino S. Ramos, CEO/President</i>				
<i>(2) Rodyardo B. Rañada, Chief Financial Officer (CFO), VP-Finance, Chief Risk Officer (CRO)</i>				
<i>(3) Feliciano B. Alvarez, Chief Audit Executive (CAE), AVP-Internal Audit</i>				
<i>(4) Leila C. Cabañes, Treasurer, AVP-Treasury &amp; Commercial Development</i>				
<i>(5) Axel G. Tumalak, AVP-Legal Affairs, Compliance and Corporate Governance, Asst. Corporate Secretary</i>				
	2025 (estimate)	-0-	-0-	-0-
All other officers as a group	2024	-0-	-0-	-0-
	2023	-0-	-0-	-0-

Each director is entitled to receive *per diem* allowance for attending board and committee meetings. The Board approves all compensation and remuneration schemes for the senior officers of the Company.

<b>in pesos</b>	<b>Year</b>	<b>Salary Bonuses</b>	<b>Other Annual Compensation</b>
Aggregate Officers & Directors	2026 (estimate)	34,002,192	None
	2025	34,002,192	None
	2024	34,002,192	None

In 2025, the Directors as a group received a total of Php5.800 million. There are no other arrangements pursuant to which any Director was compensated, or is to be compensated, directly or indirectly, during the Corporation's last completed fiscal year and the ensuing year, for any service provided as a director. Below amounts include total fees and per diems received by the directors for their attendance in meetings of the Board.

<b><i>Name</i></b>	<b><i>Total Amount (Php)</i></b>
<b><i>Independent Directors</i></b>	
Emilio S. de Quiros, Jr.	1,800,000
Jose P. Leviste, Jr.	1,800,000
Gerardo S. Limlingan, Jr.	1,800,000
<b><i>Regular Directors</i></b>	
Adrian Paulino S. Ramos	50,000
Frederic C. DyBuncio	100,000
Gerard Anton S. Ramos	100,000
Isidro A. Consunji	50,000
Jose T. Sio	50,000
Presentacion S. Ramos	50,000

Each regular director receives a per diem amounting to ten thousand pesos (Php 10,000.00) for each of the committee and board meeting that they attended throughout the year.

The total amount of fees for 2025 allocated among directors does not exceed 10% of the total income of the Company before tax for 2025 in accordance with relevant laws and regulations.

3) *Employment Contracts, Termination of Employment and Change-in-Control Arrangements.*

There is no compensatory plan or arrangement, including payments to be received from the Corporation, with respect to a named executive officer, if such plan or arrangement results or will result from the resignation, retirement or any other termination of such executive officer's employment with the Corporation and its subsidiaries or from a change-in-control of the Corporation or a change in the named executive officer's responsibilities following a change-in-control.

There were no changes in employment and control arrangements as of 28 February 2026.

- 4) *Stock Options*: On 18 July 2007, the Corporation's Stockholders approved a Comprehensive Stock Option Plan (CSOP) covering directors, officers, managers and key consultants of AT and its significant subsidiaries.

Salient terms/features of the CSOP: (i) *Number of underlying shares*: 50,000,000 shares to be taken out of the unissued portion of the Corporation's ACS; 25,000,000 shares earmarked for the first-tranche optionees. (ii) *Option Period*: Three (3) years from the date the stock option is awarded to the optionees, 14 July 2011. (iii) *Vesting Period*: Subscription rights covering 1/3 of shares of stock will vest during each year of the 3-year option period. (iv) *Exercise Price*: Php10 per share.

Extent of stock option award under the CSOP as of 2014 to the three most highly compensated officers at that time and to all other directors and officers collectively:

<u>Name</u>	<u>Position</u>	<u>No. of Shares</u>
Alfredo C. Ramos	Chairman & previous President	4,385,970
Martin C. Buckingham	EVP and Director	3,508,770
Adrian Paulino S. Ramos	President	2,631,570
Other officers and directors as a group		3,491,236
<i>Total</i>		<i>14,017,546</i>

Qualified employees who were previously granted stock option awards exercised their subscription rights with respect to: 1,183,604 shares with total subscription price of Php11,836,040 in the year 2014, 1,754,190 shares with total subscription price of Php17,541,900 in 2013 and 2,215,788 shares with total subscription price of Php22,157,880 in 2012.

For the last completed fiscal year and 3 years prior, no movement/adjustment on the exercise price of stock options previously awarded to any of the officers/directors covered, whether through amendment, cancellation or replacement, or any means.

- 5) *Board Evaluation and Assessment*: To ensure optimum Board performance, the CGC provides that the Company shall ensure that all its Directors are provided with comprehensive training, including an 8-hour orientation program for first-time Directors and 4-hour relevant annual continuing training for all Directors. Directors of AT complied with the annual corporate governance training requirement of four (4) hours for 2025. Directors attended a corporate governance training seminar conducted last 03 October 2025 by Institute of Corporate Directors (ICD) at Conrad Manila, Pasay City and through zoom Webinars.

The Board, guided by AT's Performance Evaluation Policy and Guidelines, also regularly carries out evaluations to appraise its performance as a body, measure the Board's effectiveness through a guided process, evaluate whether it possesses the right mix of backgrounds and competencies to foster the long-term success of AT, and to sustain its competitiveness and profitability in the manner consistent with its corporate objectives and the long-term best interests of its Shareholders and other Stakeholders. The Board conducts an annual self-assessment of its performance, including performance of the Chairman, individual Members and Committees. Every three (3) years, the assessment is conducted by an external facilitator in accordance with the Company's Code of Corporate Governance.

#### **Item 7. Independent Public Accountants**

- a) *Sycip Gorres Velayo & Company* (SGV) is the external auditor for the current year. SGV will be recommended to the Stockholders for re-appointment as external auditor at the scheduled

Meeting. The Board, upon the recommendation of the Audit Committee, approved the appointment of SGV as the external auditor based on its performance and qualifications, and the fixing of audit fees.

The Corporation has engaged SGV as the external auditor with Ms. Elanore A. Layug as the Partner In-Charge beginning audit year 2025. SRC Rule 68, as Amended, Part 3 (b) (ix), *Rotation of External Auditors*, states that the key audit partners, which include the engagement partner or signing partner, shall comply with the provisions on long association of personnel (including partner rotation) with an audit client as prescribed in the Code of Ethics for Professional Accountants in the Philippines (the Code). The Code allows for the engagement partner or signing partner for any audit client, to act in such capacity for a maximum of seven years. AT has always faithfully complied with the seven (7)-year rotation requirement with respect to its external auditor’s certifying partner.

- b) Representatives of SGV are expected to be present at the Meeting and they will have the opportunity to make a statement if they desire to do so, and are expected to be available to respond to questions raised whenever appropriate or necessary.
- c) SGV has been the Corporation’s independent accountant since 1958. No independent accountant engaged by the Corporation has resigned, or has declined to stand for re-election, or was dismissed, and the Corporation has engaged no new independent accountant. The Corporation has not had any disagreement on accounting and financial disclosures with its current independent accountant/external auditor for the same periods or any subsequent interim period.
- d) The aggregate fees paid to SGV for the years ended 31 December 2025, 2024, and 2023 for the following services: (i) audit of the AT Group’s annual financial statements, (ii) tax compliance and advice, and (ii) other related services involving the examination of AT’s or CCC’s books of account:

<u>Particulars</u>		<u>2025</u>	<u>2024</u>	<u>2023</u>
Audit	Php	4,025,000	3,727,500	3,727,500
Tax compliance/advice related services	Php	-	-	1,700,000
Total	Php	4,025,000	3,727,500	5,427,500

- e) During the period, the Corporation did not engage SGV for non-audit services or any other firm for tax accounting, compliance, advice, planning and any form of tax services covering the year 2025.
- f) SGV presented to the Audit Committee and Board their Audit Plan prior to the commencement of the audit services. The Audit Plan, as reported, covered the audit scope and objectives, methodology, applicable accounting standards and timetable among others.
- g) The members of the Audit Committee, majority of whom, including the Chairman, are IDs, are the following: (i) Emilio S. de Quiros, Jr. (ID) - Chairman; (ii) Gerardo S. Limlingan, Jr. (ID) (iii) Jose P. Leviste, Jr. (ID); (iv) Frederic C. DyBuncio, and (v) Gerard Anton S. Ramos.

**Item 8. Compensation Plans**

No action with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed shall be presented for approval during the Meeting, hence not applicable.

**C. ISSUANCE AND EXCHANGE OF SECURITIES**

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

No action is to be taken and presented at the Meeting with respect to any authorization or issuance of securities.

***Item 10. Modification or Exchange of Securities***

No action is to be taken with respect to the modification or exchange of any class of the Corporation's securities or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

***Item 11. Financial and other information***

AT consolidated financial statements for the year ended 31 December 2025 is incorporated herein by reference.

There are no significant changes in and disagreements with accountants on accounting and financial disclosure.

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

No action involving any of the following will be presented to the stockholders for approval during the Meeting: (i) merger or consolidation; (ii) acquisition by AT or any of its security holders of securities of another person; (iii) acquisition by the Corporation of any other going business or of the assets thereof; (iv) sale or other transfer of all or any substantial part of the assets of AT; or (v) liquidation or dissolution.

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

No action with respect to the acquisition or disposition by the Company of any property shall be presented to the Stockholders for approval.

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

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

***D. OTHER MATTERS***

***Item 15. Action with respect to Reports***

There is no action to be taken with respect to any report of the Corporation or of its Directors, Officers, Committees, except for the approval and/or ratification of the following reports/matters:

- a. Minutes of the ASM held on 25 April 2025;
- b. Audited Financial Statements and Annual Report for the year ended 31 December 2025;
- c. Acts of the Board of Directors, Board Committees & Management beginning 26 April 2025 and ending on the date of the ASM; and
- d. Appointment of SGV as external auditor for fiscal year 2026

For item (a) above, any action on the part of the stockholders will not constitute approval or disapproval of the matters referred to in said minutes as the same are deemed to have been approved. The following were approved during the 2025 ASM: (i) Minutes of the ASM held on 19

April 2024; (ii) Annual Report and AFS for the fiscal year ended 31 December 2024; (iii) Election of Directors for 2025-2026; (iii) Acts and Resolutions of the Board, Board Committees and Management ending from 20 April 2024 to 24 April 2025; (iv) Election of SGV as the Corporation's external auditor for the fiscal year 2025; and (v) amendment of AT's Articles of Incorporation. Minutes of the 25 April 2025 ASM are available for inspection by any stockholder at the Office of the Company during business hours. The same are likewise uploaded to the Company's website and may be viewed through the following link: <https://www.atlasmining.com.ph/company-disclosures/minutes-asm>

As to the nomination of directors, as earlier mentioned, the Board, guided by AT's Performance Evaluation Policy and Guidelines, also regularly carries out evaluations to appraise its performance as a body, measure the Board's effectiveness through a guided process, evaluate whether it possesses the right mix of backgrounds and competencies to foster the long-term success of AT, and to sustain its competitiveness and profitability in the manner consistent with its corporate objectives and the long-term best interests of its Shareholders and other Stakeholders. The Board conducts an annual self-assessment of its performance, including performance of the Chairman, individual Members and Committees. Every three (3) years, the assessment is conducted by an external facilitator in accordance with the Company's Code of Corporate Governance.

Appended to this IS are the abovementioned minutes of the 2025 Annual Stockholders' Meeting of the Company which fully reflect the proceedings during the meeting in accordance with Section 49 of the Revised Corporation Code, including:

- (i) description of the voting and vote tabulation procedures used in the meeting including the engagement and presence of the third-party validator for the meeting,
- (ii) description of the opportunity given to stockholders to ask questions,
- (iii) the list of directors and officers and stockholders who participated in the meeting, as duly certified by the Corporate Secretary and verified by the Stock and Transfer Agent and further validated by the third-party validator. The office of the Corporate Secretary has in its custody the full list and names of stockholders who participated in the virtual 2025 Annual Stockholders' Meeting.

For item (b), the AT Group's AFS as of 31 December 2025 are attached to the IS for the review and approval of the Stockholders.

For item (c), no material corporate action was approved by the Company's Board during the period beginning 25 April 2025 and ending on the date of this IS<sup>7</sup> other than those disclosed to the SEC and PSE. In compliance with the *PSE Disclosure Rules, SRC* and its *IRR*, AT promptly discloses material actions and resolutions taken by the Board.

For item (d), please see Item 7 (Independent Public Accountants).

For the period ended 31 December 2025, there are no self-dealing or related party transactions by any Director which require disclosure.

The affirmative vote of a majority of the votes cast by stockholders shall be necessary for the approval of items (a), (b), (c), and (d).

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

No other action is to be taken with respect to any other matter which is not required to be submitted to a vote of the Stockholders.

---

<sup>7</sup> Any material action to be taken by the Corporation's BOD during the period between the date of this information statement and the date of the Meeting shall be presented for ratifications at the Meeting.

**Item 17. Amendment of Charter, By-Laws or Other Documents**

No other action is to be taken with respect to the amendment of the. Articles of Incorporation, By-Laws, or other Documents of AT at this year's Meeting.

**Item 18. Other Proposed Actions**

Other than the matters indicated in the Notice and Agenda included in this Information Statement, there are no other actions proposed to be taken at this year's Meeting.

**Item 19. Voting Procedures**

AT's By-Laws do not prescribe a manner of voting. Each Shareholder entitled to vote may cast the vote to which the numbers of shares he/she owns entitles him/her. All matters to be brought for approval of the Stockholders at this year's Meeting require for approval only a majority of the shares present or represented by Proxy provided a quorum is present. Except as to the election of directors, the manner of voting shall be non-cumulative. All votes cast shall be counted under the supervision and control of the Corporate Secretary and/or the Assistant Corporate Secretary.

This year's meeting will continue to be conducted virtually to ensure the safety and welfare of stockholders and everyone involved. Stockholders may participate in the virtual meeting either by remote communication by themselves or by Proxy or by casting their votes *in absentia* as authorized by the Board of Directors.

To participate and vote in the virtual meeting, Stockholders must register and/or cast their votes by registering at [asmregister.atlasmining.com.ph](http://asmregister.atlasmining.com.ph) until 14 April 2026.

Successfully registered Stockholders shall be provided access to the livestream of the Meeting. Registered Stockholders may cast their votes *in absentia* through the Company's secure online voting facility, subject to validation procedures. Stockholders who have registered, participated through remote communication and voted *in absentia* shall be deemed present for purposes of quorum. The detailed guidelines for participation and voting are provided in the "Guidelines for Participating via Remote Communication and Voting in Absentia" appended to this IS and posted on the Company's website and PSE EDGE.

Comments and question on the agenda items may be submitted in advance via email bearing the subject "ASM 2026 Open Forum" to [asm@atlasmining.com.ph](mailto:asm@atlasmining.com.ph).

Please visit <https://www.atlasmining.com.ph/investor-relations/annual-stock-holders-meeting> for complete information on the ASM.

**PART II**  
**Information required in proxy form**

The Corporation is not making any solicitation of proxies. Statement that proxies are not solicited:

*We are not asking you for a proxy and you are requested not to send a proxy.*

**PART III**  
**Signature**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Taguig City on 13 March 2026.

**ATLAS CONSOLIDATED MINING AND  
DEVELOPMENT CORPORATION**

By:

  
**ELMER B. SERRANO**  
*Corporate Secretary*

**PART IV**  
**Management Report**

**I. Consolidated Audited Financial Statements**

The AT Group Consolidated AFS for the year ended 31 December 2025 is incorporated herein for reference.

**II. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

Please refer to *Item 7, B. Control and Compensation Information, Part I. Information Required* of the Information Statement (IS) for the discussion on and profile of SGV and the identity of its partner who examined the Corporation's financial statements for the past years.

There has been no disagreement between AT and SGV on any matter of accounting principles or practices, auditing scope or procedure, or accounting and financial statement disclosures. No independent accountant who was engaged to audit the Corporation or a significant subsidiary has resigned or was dismissed or otherwise ceased performing services for the Corporation.

**III. Management's Discussion and Analysis or Plan of Operation**

(1) Calendar Years Ended December 31, 2025, 2024 and 2023

	<b>2025</b>	<b>Δ%</b>	<b>2024</b>	<b>Δ%</b>	<b>2023</b>	<b>Δ%</b>
Consolidated net income/(loss)	(246,218)	7%	(231,073)	-121%	1,117,556	-65%
Consolidated gross revenues	16,599,277	-12%	18,762,643	-6%	19,909,950	13%
Consolidated net revenues	17,192,348	-8%	18,634,220	-1%	18,865,013	12%
Costs and operating expenses	16,503,300	-11%	18,508,243	11%	16,620,105	15%

- AT reported a net loss of Php246 million for the year 2025 compared to the net loss of Php231 million for the same period in 2024. Revenues decreased by 8% and operating costs decreased by 11%. The summary points year-on-year:
- Copper concentrate shipped in 2025 decreased by 18% from 151,800 tonnes to 124,300 tonnes. Copper metal content also decreased by 23% to 53.044 million pounds as well as gold content by 35% to 14,771 ounces.
- Average copper price for 2025 higher by 9% to \$4.50/lb and gold price from USD2,358/ounce to USD3,408/ounce compared to the same period last year.
- Average cost per pound decreased by 6% from US\$2.48/lb in 2024 to US\$2.32/lb in 2025. Moreover, cash costs decreased by 20% year-on-year from Php13.4 billion in 2024 to Php10.7 billion in 2025, due to lower consumption in support to lowel total material moved (TMM) accompanied with strengthened operation's efficiency initiatives to manage major cost drivers such as fuel, explosives, and power.
- Equity in net earnings of associates increased to Php45 million loss as compared to net loss of Php30 million recognized in 2024.

*Gross revenue* for the year reached Php16.599 billion, 12% lower year-on-year. Copper revenues decreased by 15% from Php15.28billion to Php13.5 billion in 2025.

- CCC shipped 124,300 dmt and 151,800 dmt of copper concentrates in 2025 & 2024, respectively. Copper metal content for the year is 53.044 million lbs. while gold metal content is 14,771 oz., representing a decrease of 23% and 35%, respectively vis-à-vis last year.
- Due to operational disruptions arising from inclement weather and low equipment availability, milling tonnage in 2024 of 49,668 tonnes per day or 18.2 million tonnes had decreased in 2025 to 42,739 tonnes per day or 15.6 million tonnes. Realized copper grade decreased by 10% from 0.205% to 0.186%. Copper concentrates produced in 2025 decreased by 18% to 124,449 dmt from 151,636 dmt in 2024. Gold yield decreased by 35% to 15,894 ounces from 24,545 ounces production volume last year.
- Average copper prices increased by 9% to USD4.50/lb while average gold prices increased to 3,408/oz from 2,358/oz.

*Cost and operating expenses* (96% of net revenues) were lower by 3% due to lower consumption of fuel and energy as a result of efficiency initiatives and lower production. Finance charges (4% of net revenue) was maintained in 2025 as loan settlement amounting to \$0 and \$22.4 million was made in 2024 and 2025, respectively. Other income (charges) (0% of net revenues) primarily due the effect of foreign exchange gains and losses and fair value gains (losses) on provisionally priced receivables and net derivatives.

*USD:Php Exchange rate* closed at USD1.00:Php58.79 as at 31 December 2025 against USD1.00:Php57.845 as at 31 December 2024. This triggered the recognition of net foreign exchange loss of Php132.4 million primarily from the restatement of Philippine Peso denominated receivables as CCC has adopted the US dollar as its functional currency. *Benefit from (provision for) income tax* increased by 286% due to higher unrealized MTM on derivatives in 2024 realized in 2025 and lower loss on foreign exchange transactions.

#### Changes in Financial Position

Highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Assets	68,372,825	69,859,286	68,228,758
Liabilities	21,846,065	23,576,446	22,886,068
Retained Earnings	21,548,640	21,796,790	22,027,841

*Audited consolidated financial condition of the Group as of 31 December 2025 vis-à-vis 31 December 2024:*

*Cash and cash equivalents* decreased by 55% mainly from reclassification to short-term investment. Short-term investments increased by 100% arising from reclassification from cash and cash equivalents. Receivables arise from its shipments of copper concentrates and advances to related parties and officers and employees. Inventories registered a decrease of 6% mainly due to shipment on mine product inventory and materials inventory management.

*Derivative assets and liabilities* represent the hedging component of shipments covered by the hedging agreement, but which remained unshipped as at December 31, 2025. *Other Current Assets* are other resources with probability to bring future economic benefits to the

Company. These were investment in pooled funds, creditable withholding taxes, advances to suppliers, prepaid taxes, and various prepayments in 2025 operations. It increased by 4% in 2025 due to reclassification of accounts. *Property, plant and equipment* (48% of total assets) decreased by 5% due to retirement of assets. *Movement in Mining Rights* (9% of total assets) was due to production-driven depletion during the year.

*Goodwill* (28% of total assets) pertains to the allocated provisional fair values of identifiable assets and liabilities of CCC. *Investment in Associate* pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively, increased to Php45M or 25.2% representing its share in the net income of the Nickel Corporations. *Deferred tax assets* (1% of total assets) increased by 6% due to the net effect of the unrealized foreign exchange gains and losses and recognition of future tax deductible.

*Other Noncurrent Assets* (4% of total assets) decreased by 11% due to application of VAT in all purchases.

*Accounts payable and accrued liabilities* (13% of total liabilities) decreased by 27.2% mostly due to settlement of payable to vendors for the purchases of materials to support the production requirements. *Leased Liability* which decreased by 54%, was due to rental payments. It pertains to rent on office space under 5-year lease contracts. *Current portion of long-term debt* (74% of total liabilities) increased by 1147% due to reclassification from non-current portion as the remaining balance of the loan becomes due in 2026.

*Income tax payable* pertains to the income tax liability for the year. *Other current liabilities* has no balance for both years 2025 and 2024 due to reversal of financial guarantee obligation in 2022 related to CCC's term loan which has fully settled.

*Retirement benefits liability* decreased by 0.3% due actuarial valuation adjustment for 2025. *Liability for mine rehabilitation cost* increased by 35% due to change in estimate of asset retirement obligation. *Deferred tax liabilities (DTL)* decreased by 4% mainly due to the implementation of Corporate Recovery and Tax Incentives for Enterprises (CREATE) which reduced the regular corporate income tax (RCIT) rate from 30% to 25%. *Re-measurement gain on retirement benefits liability* increased by 21% due to actuarial gain and losses on retirement benefits liability. No increase in Authorized Capital, hence Capital Stock, *Additional Paid-In Capital and Subscription Receivable* (8%, 42% and 10% respectively of the Total Equity) remained the same in 2025. Movement in *Retained Earnings* pertain to the net loss for the year amounting to Php 246 million. Cumulative translation adjustments relate to the impact of changes in foreign exchange rates.

***Material Changes to the Company's Balance Sheet as of December 31, 2025 compared to December 31, 2024 (increase/decrease of 5% or more)***

Atlas Consolidated Mining and Development Corporation ended 2025 with a consolidated Net Loss After Tax (NLAT) of Php 246 million, lower by 6% from a net loss of Php 231 million in 2024. The NLAT was mainly due to lower copper head grade and copper metal production in 2025 due to continuous pit development work at the Carmen Pit and the recognition on the unrecoverability of input vat claims.

Copper metal price this year averaged at \$4.50/pound, higher by 9% from previous year's equivalent of \$4.14/pound (inclusive of hedging gains).

Earnings before interest, tax, depreciation and amortization (EBITDA) was Php5.8 billion for the year, 10% higher compared to Php5.3 billion in 2024.

ATLAS MINING SUMMARY OF FINANCIAL RESULTS			
Year-on-Year (In Million Pesos)	FY 2024	FY 2025	Change
Revenues-gross	18,763	16,580	-12%
Cash Cost	13,422	10,701	-20%
EBITDA	5,310	5,853	10%
Core Income	(820)	(5)	-99%
Net Income (Loss)	(231)	(246)	6%

CARMEN COPPER SUMMARY OF OPERATIONS			
Year-on-Year	FY 2024	FY 2025	Change
<b>Production</b>			
Milling Tonnage ('000 dmt)	18,178	15,600	-14%
Daily Milling Average (dmt per day)	49,668	42,739	-14%
Ore Grade	0.205%	0.186%	-10%
Copper Concentrate ('000 dmt)	152	124	-18%
Copper Metal Gross (in million lbs)	70.19	54.03	-23%
Gold (ounces)	24,545	15,894	-35%
<b>Shipment</b>			
Number of Shipments	30.2	24.9	-18%
Copper Concentrate ('000 dmt)	152	124	-18%
Copper Metal Gross (in million lbs)	69.28	53.04	-23%
Gold (payable ounces)	22,736	14,771	-35%

CARMEN COPPER SUMMARY OF COSTS			
Year-on-Year (US\$/lb Cu)	FY 2024	FY 2025	Change
C1	2.48	2.32	-6%
C2	3.79	3.92	4%
C3	4.13	4.36	6%

*C1 = Production cost, G&A, smelting and related charges less by-product credits, C2 = C1 + depreciation and depletion costs, C3 = C2+ mine product tax and royalties, financing charges net of interest income and other charges*

METAL PRICES (AVERAGE INVOICED PRICE)			
Year-on-Year	FY 2024	FY 2025	Change
Copper (US\$/lb)	4.14	4.50	9%
Gold (US\$/ounce)	2,358	3,408	44.52%

### Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	<u>2025</u>	<u>2024</u>	<u>2023</u>
Current ratio	0.36:1	0.69:1	0.61:1
Debt to equity	0.55:1	0.57:1	0.55:1
Return on equity	-0.53%	-0.50%	2.51%
Return on assets	-0.36%	-0.33%	1.65%
Net profit margin	-1.43%	-1.24%	5.92%

Current Ratio	=	Current Assets / Current Liabilities
Debt-to-Equity	=	Total Liabilities / Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Equity	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Assets	=	Equity Holders of Parent Company Net Income Attributable to Equity Holders of Parent

$$\text{Return on Sales} = \frac{\text{Company / Average Total Assets Net Income Attributable to Equity Holders of Parent Total}}{\text{Company / Total Consolidated Net Revenues}}$$

The *Current Ratio* (computed as current assets divided by current liabilities) decreased to 0.36:1 from last year's 0.69:1. An increase in Current Ratio was brought about by the increase in Current Assets due to short-term placements and trade receivables.

*Debt to equity ratio* (computed as total liabilities divided by total shareholders' equity) decreased to 0.55:1. An increase in debt to equity ratio was due to non-payment of shareholder loans.

*Return on Equity*, which is net income over average equity, increased to -0.53% in 2025. Return on Equity has decreased due to the net loss for the year.

*Return on Assets* (computed as net income over average total assets) increased to -0.36%. A decrease in the Return on Assets was brought by the net loss for the year. Total Assets has increased due to acquisition of additional mining equipment and the processing and sortation plant.

*Net Profit Margin* which is computed as net income over total consolidated net revenues declined to -1.43%. Net Profit Margin has decreased due to the net loss for the year. Lower revenue, higher cost and expenses, unrecoverability of input tax refunds contributed to the net loss.

#### Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2025:

<u>Particulars (in Php million)</u>	
Net cash flow from operating activities	1,504
Net cash flows used in investing activities	(1,423)
Net cash flows used for financing activities	(1,319)
Net increase in cash and cash equivalents	(1,239)

Cash from operating activities resulted from positive results of operations and from interest received on its cash placements. Net cash used in investing activities was a result of the acquisition of property, plant and equipment. Net cash used in financing activities pertains to the settlement of loans.

#### **Material Changes to the Company's Balance Sheet as of December 31, 2024 compared to December 31, 2023 (increase/decrease of 5% or more)**

Atlas Consolidated Mining and Development Corporation ended 2024 with a consolidated Net Loss After Tax (NLAT) of Php 234 million, lower by 121% from Php 1.1 billion in 2023. The NLAT was mainly due to lower copper head grade in 2024 and higher expenses and the previous year's higher copper head grade and lower expenditures.

Copper metal price this year averaged at \$4.14/pound, higher by 7% from previous year's equivalent of \$3.85/pound (inclusive of hedging gains).

Earnings before interest, tax, depreciation and amortization (EBITDA) was Php5.3 billion for the year, 21% lower compared to Php6.7 billion in 2023.

<b>ATLAS MINING SUMMARY OF FINANCIAL RESULTS</b>			
<b>Year-on-Year (In Million Pesos)</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Change</b>
Revenues-gross	18,763	19,910	-6%
Cash Cost	13,422	13,174	2%
EBITDA	5,310	6,703	-21%
Core Income	(820)	865	-195%
Net Income (Loss)	(231)	1,118	-121%
<b>CARMEN COPPER SUMMARY OF OPERATIONS</b>			
<b>Year-on-Year</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Change</b>
<b>Production</b>			
Milling Tonnage ('000 dmt)	18,178	16,801	8%
Daily Milling Average (dmt per day)	49,668	46,030	8%
Ore Grade	0.205%	0.265%	-22%
Copper Concentrate ('000 dmt)	152	152	0%
Copper Metal Gross (in million lbs)	70.19	84.10	-17%
Gold (ounces)	24,545	26,818	-8%
<b>Shipment</b>			
Number of Shipments	30.23	30.49	-1%
Copper Concentrate ('000 dmt)	152	152	0%
Copper Metal Gross (in million lbs)	69.28	83.57	-17%
Gold (payable ounces)	22,736	25,366	-10%
<b>CARMEN COPPER SUMMARY OF COSTS</b>			
<b>Year-on-Year (US\$/lb Cu)</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Change</b>
C1	2.48	2.11	18%
C2	3.79	3.07	23%
C3	4.13	3.39	22%
<i>C1 = Production cost, G&amp;A, smelting and related charges less by-product credits, C2 = C1 + depreciation and depletion costs, C3 = C2+ mine product tax and royalties, financing charges net of interest income and other charges</i>			
<b>METAL PRICES (AVERAGE INVOICED PRICE)</b>			
<b>Year-on-Year</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Change</b>
Copper (US\$/lb)	4.14	3.85	7%
Gold (US\$/once)	2,358	1,949	21.00%

### Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

<b>Particulars</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Current ratio	0.69:1	0.61:1	0.59:1
Debt to equity	0.57:1	0.55:1	0.59:1
Return on equity	-0.50%	2.51%	7.81%
Return on assets	-0.33%	1.65%	4.82%
Net profit margin	-1.24%	5.92%	19.13%

Current Ratio	=	Current Assets / Current Liabilities
Debt-to-Equity	=	Total Liabilities / Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Equity	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Assets	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Assets
Return on Sales	=	Net Income Attributable to Equity Holders of Parent Total Company / Total Consolidated Net Revenues

*Current Ratio* (computed as current assets divided by current liabilities) increased to 0.69:1 from last year's 0.61:1. An increase in Current Ratio was brought about by the increase in Current Assets due to short-term placements and trade receivables.

*Debt to equity ratio* (computed as total liabilities divided by total shareholders' equity) increased to 0.57:1. An increase in debt to equity ratio was due to non-payment of shareholder loans.

*Return on Equity*, which is net income over average equity, decreased to -0.51% in 2024. Return on Equity has decreased due to the net loss for the year.

*Return on Assets* (computed as net income over average total assets) decreased to -0.33%. A decrease in the Return on Assets was brought by the net loss for the year. Total Assets has increased due to acquisition of additional mining equipment.

*Net Profit Margin* which is computed as net income over total consolidated net revenues declined to -1.24%. Net Profit Margin has decreased due to the net loss for the year. Lower revenue, higher cost and expenses, lower share in net loss of associates contributed to the net loss.

#### Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2024:

##### Particulars (in Php million)

Net cash flow from operating activities	4,225
Net cash flows used in investing activities	(3,666)
Net cash flows used for financing activities	(3)
Net increase in cash and cash equivalents	556

Cash from operating activities resulted from positive results of operations and from interest received on its cash placements. Net cash used in investing activities was a result of the acquisition of property, plant and equipment. Net cash used in financing activities pertains to the settlement of loans.

Material Plans, Trends, Events or Uncertainties:

- In 2024, CCC paid a total of US\$15 million of its debt.

*(2) Calendar Years Ended December 31, 2023 and 2022*

	<u>2024</u>	<u>Δ%</u>	<u>2023</u>	<u>Δ%</u>	<u>2022</u>	<u>Δ%</u>
Consolidated net income/(loss)	(231,073)	-121%	1,117,556	-65%	3,218,085	-17%
Consolidated gross revenues	18,762,643	-6%	19,909,950	13%	17,679,906	8%
Consolidated net revenues	18,634,220	-1%	18,865,013	12%	16,822,495	-6%
Costs and operating expenses	18,508,243	11%	16,620,105	15%	14,469,546	18%

- AT reported a net loss of Php231 million for the year 2024 compared to the net income of Php1.12 billion for the same period in 2023. Revenues decreased by 6% and operating costs increased by 11%. The summary points year-on-year:
- Copper concentrate shipped in 2024 decreased by 0.1% from 151,863 tonnes to 151,766 tonnes. Copper metal content also decreased by 17% to 69.278 million pounds as well as gold content by 10% to 22,736 ounces.
- Average copper price for 2024 higher by 7% to \$4.14/lb and gold price from USD1,949/ounce to USD2,358/ounce compared to the same period last year.
- Average cost per pound increased by 18% from US\$2.11/lb in 2023 to US\$2.48/lb in 2024. Moreover, cash costs increased by 2% year-on-year from Php13.2 billion in 2023 to Php13.4 billion in 2024, due to higher consumption of major cost drivers such as fuel and explosives in support to higher total materials moved (TMM).
- Equity in net earnings of associates decreased to Php30 million loss as compared to net loss of Php34 million recognized in 2023.

*Gross revenue* for the year reached Php18.8 billion, 6% lower year-on-year. Copper revenues decreased by 8% from Php17.2 billion to Php15.8 billion in 2024.

- CCC shipped 151,800 dmt and 151,900 dmt of copper concentrates in 2024 & 2023, respectively. Copper metal content for the year is 69.278 million lbs. while gold is 22,736 oz., representing a decrease of 17% and 10%, respectively vis-à-vis last year.
- Despite operational disruptions arising from inclement weather and low equipment availability, milling tonnage in 2024 of 49,668 tonnes per day or 18.2 million tonnes was sustained in 2024. Realized copper grade decreased by 22% from 0.265% to 0.205%. Copper concentrates produced in 2024 decreased by 0.01% to 151.636dmt from 151.987dmt in 2023. Gold yield decreased by 8% to 24,545 ounces from 26,818 ounces production volume last year.
- Average copper prices increased by 7% to USD4.14/lb while average gold prices increased to 2,358/oz from 1,949/oz.

*Cost and operating expenses* (99% of net revenues) were higher by 11% due to spikes in the consumption of fuel and energy prices. Finance charges (3% of net revenue) was maintained in 2024 as no settlement of loans was made in both years. Other income (charges) (3% of net revenues) primarily due the effect of foreign exchange gains and losses and fair value gains (losses) on provisionally priced receivables and net derivatives.

*USD:Php Exchange rate* closed at USD1.00:Php57.845 as at 31 December 2024 against USD1.00:Php55.37 as at 31 December 2023. This triggered the recognition of net foreign exchange loss of Php136 million primarily from the restatement of Philippine Peso denominated receivables as CCC has adopted the US dollar as its functional currency.

Benefit from (provision for) income tax decreased by 92% due to lower gross revenue, unrealized MTM on derivatives in 2023 realized in 2024 and loss on foreign exchange transactions.

### Changes in Financial Position

Highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets	69,859,286	68,228,758	67,448,802
Liabilities	23,576,447	22,886,068	23,637,910
Retained Earnings	21,797,319	22,027,841	20,910,285

*Audited consolidated financial condition of the Group as of 31 December 2024 vis-à-vis 31 December 2023:*

*Cash and cash equivalents* increased by 20% mainly from collection of trade receivables and other non-trade receivables. Short-term investments decreased by 100% arising from reclassification to cash and cash equivalents. Receivables arise from its shipments of copper concentrates and advances to related parties and officers and employees. Inventories registered a increase of 4% mainly due to shipment on mine product inventory and impact of forex translation.

*Derivative assets and liabilities* represent the hedging component of shipments covered by the hedging agreement, but which remained unshipped as at December 31, 2024. *Other Current Assets* are other resources with probability to bring future economic benefits to the Company. These were investment in pooled funds, creditable withholding taxes, advances to suppliers, prepaid taxes, and various prepayments in 2024 operations. It increased by 14% in 2024 due to reclassification of accounts. *Property, plant and equipment* (49% of total assets) increased by 0.1% due to purchase of new assets used in operation. *Movement in Mining Rights* (9% of total assets) was due to production-driven depletion during the year.

*Goodwill* (27% of total assets) pertains to the allocated provisional fair values of identifiable assets and liabilities of CCC. *Investment in Associate* pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively, decreased to Php30M or 10% representing its share in the net income of the Nickel Corporations. *Deferred tax assets* (1% of total assets) increased by 26.48% due to the net effect of the unrealized foreign exchange gains and losses and recognition of future tax deductible.

*Other Noncurrent Assets* (6% of total assets) increased by 38% due to application of VAT in all purchases.

*Accounts payable and accrued liabilities* (16% of total liabilities) increased by 9% mostly due to unsettled payable to vendors for the purchases of materials to support the production requirements. *Leased Liability* which decreased by 11% and 57%, respectively, was due to rental payments. It pertains to rent on office space under 5-year lease contracts. *Current and non-current portions of long-term debts* (11% and 62% of total liabilities) increased by 5% due to non-payment of term loan and shareholder loan.

*Income tax payable* pertains to the income tax liability for the year. *Other current liabilities* has no balance for both years 2024 and 2023 due to reversal of financial guarantee obligation in 2022 related to CCC's term loan which has fully settled.

*Retirement benefits liability* decreased by 7% due actuarial valuation adjustment for 2024. *Liability for mine rehabilitation cost* increased by 19% due to change in estimate of asset retirement obligation. *Deferred tax liabilities (DTL)* decreased by 4% mainly due to the implementation of Corporate Recovery and Tax Incentives for Enterprises (CREATE) which reduced the regular corporate income tax (RCIT) rate from 30% to 25%. *Re-measurement gain on retirement benefits liability* increased by 5% due to actuarial gain and losses on retirement benefits liability. No increase in Authorized Capital, hence Capital Stock, *Additional Paid-In Capital and Subscription Receivable* (8%, 45% and 10% respectively of the Total Equity) remained the same in 2024. Movement in *Retained Earnings* pertain to the net income for the year amounting to Php 231 million. Cumulative translation adjustments relate to the impact of changes in foreign exchange rates.

### Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	2024	2023	2022
Current ratio	0.69:1	0.61:1	0.59:1
Debt to equity	0.57:1	0.55:1	0.59:1
Return on equity	-0.50%	2.51%	7.81%
Return on assets	-0.33%	1.65%	4.82%
Net profit margin	-1.24%	5.92%	19.13%
Current Ratio =	Current Assets / Current Liabilities		
Debt-to-Equity =	Total Liabilities / Total Shareholders' Equity Attributable to Equity Holders of Parent Company		
Return on Equity =	Net Income Attributable to Equity Holders of Parent Company / Average Total Shareholders' Equity Attributable to Equity Holders of Parent Company		
Return on Assets =	Net Income Attributable to Equity Holders of Parent Company / Average Total Assets		
Return on Sales =	Net Income Attributable to Equity Holders of Parent Total Company / Total Consolidated Net Revenues		

The *Current Ratio* (computed as current assets divided by current liabilities) increased to 0.69:1 from last year's 0.61:1. An increase in Current Ratio was brought about by the increase in Current Assets due to short-term placements and trade receivables.

*Debt to equity ratio* (computed as total liabilities divided by total shareholders' equity) increased to 0.57:1. An increase in debt to equity ratio was due to non-payment of shareholder loans.

*Return on Equity*, which is net income over average equity, decreased to -0.51% in 2024. Return on Equity has decreased due to the net loss for the year.

*Return on Assets* (computed as net income over average total assets) decreased to -0.33%. A decrease in the Return on Assets was brought by the net loss for the year. Total Assets has increased due to acquisition of additional mining equipment.

*Net Profit Margin* which is computed as net income over total consolidated net revenues declined to -1.24%. Net Profit Margin has decreased due to the net loss for the year. Lower revenue, higher cost and expenses, lower share in net loss of associates contributed to the net loss.

*Liquidity and Capital Resources*

Below is a summary of the Group’s audited consolidated cash flow as of 31 December 2023:

<u>Particulars (in Php million)</u>	
Net cash flow from operating activities	4,263
Net cash flows used in investing activities	(2,672)
Net cash flows used for financing activities	(837)
Net increase in cash and cash equivalents	757

Cash from operating activities resulted from positive results of operations and from interest received on its cash placements. Net cash used in investing activities was a result of the acquisition of property, plant and equipment. Net cash used in financing activities pertains to the settlement of loans.

*Material Plans, Trends, Events or Uncertainties:*

- In 2023, CCC paid a total of US\$15 million of its debt.

*(3) Calendar Years Ended December 31, 2022 and 2021*

	<u>2022</u>	<u>Δ%</u>	<u>2021</u>	<u>Δ%</u>	<u>2020</u>	<u>Δ%</u>
Consolidated net income/(loss)						
Consolidated gross revenues	3,218,085	-17%	3,861,585	3181%	117,693	121%
Consolidated net revenues	17,679,906	-4%	18,502,930	1%	18,316,157	7%
Costs and operating expenses	16,822,495	-6%	17,937,583	2%	17,509,200	8%

***Material Changes to the Company’s Balance Sheet as of December 31, 2023 compared to December 31, 2022 (increase/decrease of 5% or more)***

Atlas Consolidated Mining and Development Corporation (“Atlas Mining”) ended 2023 with a consolidated Net Income After Tax (NIAT) of Php 1.1 billion, lower by 65% from Php 3.2 billion in 2022. The lower NIAT was mainly due to lower copper prices in 2023 and the previous year’s recognition of one time gain on early payment of loan.

Copper metal price this year averaged at \$3.81/pound, lower by 15% from previous year’s equivalent of \$4.51/pound (inclusive of hedging gains).

Earnings before interest, tax, depreciation and amortization (EBITDA) was Php6.7 billion for the year, 23% higher compared to Php5.4 billion in 2022.

*Gross revenue* for the year reached Php19.9 billion, 13% higher year-on-year. Copper revenues increased by 9% from Php15.7 billion to Php17.2 billion in 2023.

- CCC shipped 151,900 dmt and 141,200 dmt of copper concentrates in 2023 & 2022, respectively. Copper metal content for the year is 83.567 million lbs. while gold is 25,366

- oz., representing an increase of 9% and 20% respectively vis-à-vis last year.
- Despite operational disruptions arising from high rainfall levels that affected our mining area, milling tonnage in 2023 of 45,900 tonnes per day or 16.8 million tonnes was sustained in 2023. Realized copper grade increased by 10% from 0.241% to 0.265%. Copper concentrates produced in 2023 increased by 11% to 151.987dmt from 136.759dmt in 2022. Gold yield increased by 20% to 26,818 ounces from 22,339 ounces production volume last year.
  - Average copper prices decreased by 4% to USD3.85/lb while average gold prices increased to 1,949/oz from 1,804/oz.

*Cost and operating expenses* (88% of net revenues) were higher by 15% due to spikes in fuel and energy prices. Finance charges (3% of net revenue) decreased by 33% due to settlement of loans last year. Other income (charges) (3% of net revenues) primarily due the effect of foreign exchange gains and losses, hedging gain and fair value gain (loss) on provisionally priced receivables.

*USD:Php Exchange rate* closed at USD1.00:Php55.37 as at 31 December 2023 against USD1.00:Php55.755 as at 31 December 2022. This triggered the recognition of net foreign exchange gain of Php168 million primarily from the restatement of Philippine Peso denominated receivables as CCC has adopted the US dollar as its functional currency. *Benefit from (provision for) income tax* increased by 154% due to *Unrealized MTM on derivatives in 2022 realized in 2023 and gain on loan extinguishment in 2022*.

#### Changes in Financial Position

Highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assets	68,228,758	67,448,802	66,193,514
Liabilities	22,886,068	23,637,910	27,589,503
Retained Earnings	22,027,841	20,910,285	17,692,199

*Audited consolidated financial condition of the Group as of 31 December 2023 vis-à-vis 31 December 2022:*

*Cash and cash equivalents* increased by 80% mainly from collection of trade receivables and other non-trade receivables. Short-term investments decreased by 100% arising from reclassification to cash and cash equivalents. Receivables arise from its shipments of copper concentrates and advances to related parties and officers and employees. It increased by 815% due to receivable from sales and hedging on copper price. Inventories registered a decrease of 4% mainly due to shipment on mine product inventory and impact of forex translation.

*Derivative assets and liabilities* represent the hedging component of shipments covered by the hedging agreement, but which remained unshipped as at December 31, 2023. *Other Current Assets* are other resources with probability to bring future economic benefits to the Company. These were investment in pooled funds, creditable withholding taxes, advances to suppliers, prepaid taxes, and various prepayments in 2023 operations. It increased by 22.8% in 2023 due to reclassification of accounts. *Property, plant and equipment* (50% of total assets) increased by 167% due to purchase of new assets used in operation. *Movement in Mining Rights* (10% of total assets) was due to production-driven depletion during the year.

*Goodwill* (28% of total assets) pertains to the allocated provisional fair values of identifiable

assets and liabilities of CCC. *Investment in Associate* pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively, decreased by Php34M or 10% representing its share in the net income of the Nickel Corporations. *Deferred tax assets* (1% of total assets) decreased by 1.5% due to the net effect of the unrealized foreign exchange gains and losses and recognition of future tax deductible.

*Other Noncurrent Assets* (3% of total assets) increased by 57% due to application of VAT in all purchases.

*Accounts payable and accrued liabilities* (15% of total liabilities) increased by 2% mostly due to unsettled payable to vendors for the purchases of materials to support the production requirements. *Leased Liability* which increased by 5% due to rental payments. It pertains to rent on office space under 5-year lease contracts. *Current and non-current portions of long-term debts* (11% and 61% of total liabilities) decreased by 11% due to full payment in BDO Unibank, Inc. (BDO) term loan and shareholder loan.

*Income tax payable* pertains to the income tax liability for the year. *Other current liabilities* has no balance for both years 2023 and 2022 due to reversal of financial guarantee obligation in 2021 related to CCC's term loan which has fully settled.

*Retirement benefits liability* decreased by 2% due actuarial valuation adjustment for 2023. *Liability for mine rehabilitation cost* increased by 10% due to change in estimate of asset retirement obligation. *Deferred tax liabilities* increased (DTL) by 8% mainly due to the implementation of Corporate Recovery and Tax Incentives for Enterprises (CREATE) which reduced the regular corporate income tax (RCIT) rate from 30% to 25%. *Re-measurement gain on retirement benefits liability* decreased by 28% due to actuarial gain and losses on retirement benefits liability. No increase in Authorized Capital, hence Capital Stock, *Additional Paid-In Capital and Subscription Receivable* (8%, 45% and 11% respectively of the Total Equity) remained the same in 2023. Movement in *Retained Earnings* pertain to the net income for the year amounting to Php 1.118 million. Cumulative translation adjustments relate to the impact of changes in foreign exchange rates.

### Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	2023	2022	2021
Current ratio	0.61:1	0.59:1	0.54:1
Debt to equity	0.55:1	0.59:1	0.76:1
Return on equity	2.51%	7.81%	11.19%
Return on assets	1.65%	4.82%	5.78%
Net profit margin	5.92%	19.13%	21.53%
	=	Current Assets / Current Liabilities	
Current Ratio			
Debt-to-Equity	=	Total Liabilities / Total Shareholders' Equity Attributable to Equity Holders of Parent Company	
Return on Equity	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Shareholders' Equity Attributable to Equity Holders of Parent Company	
Return on Assets	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Assets	
Return on	=	Net Income Attributable to Equity Holders	

Sales

of Parent Total Company / Total  
Consolidated Net Revenues

The *Current Ratio* (computed as current assets divided by current liabilities) increased to 0.61:1 from last year's 0.59:1. An increase in Current Ratio was brought about by the increase in Current Assets due to short-term placements and trade receivables.

*Debt to equity ratio* (computed as total liabilities divided by total shareholders' equity) decreased to 0.55:1. A decrease in debt to equity ratio was due to settlement of advances from buyers and partial payments of shareholder loans.

*Return on Equity*, which is net income over average equity, decreased to 2.51% in 2023. Return on Equity has decreased due to the lower net income for the year.

*Return on Assets* (computed as net income over average total assets) decreased to 1.65%. A decrease in the Return on Assets was brought by decrease in Net Income for the year. Total Assets has increased due to acquisition of additional mining equipment.

*Net Profit Margin* which is computed as net income over total consolidated net revenues decline to 5.92%. Net Profit Margin has decreased due to lower Net Income for the year. Lower revenue, higher cost and expenses due to spike in energy prices, lower share in net loss of associates contributed to the lower Net Income.

#### Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2023:

#### Particulars (in Php million)

Net cash flow from operating activities	4,263
Net cash flows used in investing activities	(2,672)
Net cash flows used for financing activities	(837)
Net increase in cash and cash equivalents	757

Cash from operating activities resulted from positive results of operations and from interest received on its cash placements. Net cash used in investing activities was a result of the acquisition of property, plant and equipment. Net cash used in financing activities pertains to the settlement of loans.

#### Material Plans, Trends, Events or Uncertainties

- In 2022, CCC paid a total of US\$97.6 million of its debt.

#### **IV. Brief Description of the General Nature and Scope of the Business of AT and its subsidiaries**

##### *(1) Atlas Consolidated Mining and Development Corporation*

*Atlas Consolidated Mining & Development Corporation ("AT", "Atlas" or the "Parent Company")* was incorporated in accordance with Philippine law on 9 March 1935, initially under the name *Masbate Consolidated Mining Company, Inc.* as a result of the merger of the assets and equities of three pre-war mining companies, namely: Masbate Consolidated Mining Company Inc., Antamok Goldfields Mining Company and IXL Mining Company. Its

Articles of Incorporation were subsequently amended to reflect its present corporate name and extend its term of existence for another fifty (50) years from 1985.

Carmen Copper Corporation (“CCC”, “Carmen Copper” or the “Company”) is the only significant subsidiary<sup>8</sup> of AT with the Parent Company owning 100% of the outstanding capital stock. CCC was incorporated under Philippine law on 16 September 2004. Both AT and CCC have never been involved in a bankruptcy, receivership, or any similar proceeding. During the past three (3) years, AT and CCC did not engage in (i) any transaction involving a material reclassification or reorganization or (ii) any purchase or sale of a significant amount of assets not in the ordinary course of business.

## (2) *Business of AT and CCC*

AT, through CCC as operating subsidiary, is engaged in metallic mining and mineral exploration and development. CCC, as the operator of AT’s copper mines in the City of Toledo, Province of Cebu (the “Toledo Copper Mine”), primarily produces and exports copper metal in concentrate and the principal by-products of copper mining and processing: gold and silver. It is also pursuing the development and commercial production of other marketable by-products such as pyrite, magnetite and molybdenum.

CCC exports one hundred percent (100%) of its copper production. In 2025, CCC shipped its copper concentrate output to smelters in China pursuant to various offtake agreements. CCC’s copper production were covered by offtake contracts entered into with WERCO Trade AG and MRI Trading Inc. on account of their ability to provide the most favorable terms and facilities.

CCC is not reliant upon the registration of, or any agreement respecting intellectual property rights for the conduct of its operations. Except to the extent that CCC is required to obtain an ore transport permit (“OTP”) from the Mines and Geosciences Bureau (“MGB”) for the shipment of its copper concentrate, CCC’s products are not subject to any government examination prior to sale. The extent of competition in the mining industry is largely defined by economic forces prevailing in the world market. These factors determine the cost and pricing structures of mining companies and give rise to price risks.

To manage risks such as commodity price, foreign exchange and interest rate risks, CCC applies a mix of pricing agreements, natural hedges and both freestanding and embedded derivatives. For commodity price, CCC enters into pricing arrangements with off-takers that are covered by the terms of the offtake agreements respecting CCC’s sale of copper, gold and silver by-products. Under such arrangements, the selling price is to be computed based on the average of the agreed market price quotes over the stipulated quotational period, unless CCC exercises its option to fix the price in advance of such period. CCC likewise hedges price risk through put option and swap facilities covering its copper production.

CCC’s operating rights with respect to the Toledo Copper Mine are derived from and are governed by its 5 May 2006 *Operating Agreement* with AT. The underlying mining rights pertaining to the areas spanned by the Toledo Copper Mine, on the other hand, are covered by valid and existing Mineral Production and Sharing Agreements (“MPSAs”)

---

<sup>8</sup> Under Part I, 1(B) of Rule 68 of the Amended IRR of the SRC, “Significant Subsidiary” means a subsidiary, including its subsidiaries, which meet any of the following conditions:

- (a) The corporation’s and its other subsidiaries’ investments in and advances to the subsidiary exceed ten per cent (10%) of the total assets of the corporation and its subsidiaries as of the end of the most recently completed fiscal year; or
- (b) The corporation’s and its other subsidiaries’ proportionate share of the total assets (after inter-company eliminations) of the subsidiary exceeds ten per cent (10%) of the total assets of the corporation and its subsidiaries as of the end of the most recently completed fiscal year; or
- (c) The corporation’s and its other subsidiaries’ equity in the income from continuing operations before income taxes exceeds ten per cent (10%) of such income of the corporation and its subsidiaries consolidated for the most recently completed fiscal year.

between AT and the Philippine Government, or by pending MPSA Applications or Exploration Permit Applications (“EPA”) in the name of AT and/or individual claim owners having effective and enforceable operating agreements with the Parent Company.

The government has passed and approved into law Republic Act No. 12253, the “Enhanced Fiscal Regime for Large Scale Metallic Act” signed on September 5, 2025 but to be effective on February 17, 2026, that highlights a 5-tier margin-based royalty ranging from 1 to 5% for large scale mines operating outside mineral reservations; a 5-tier windfall profits tax ranging from 1 to 10% when a Company’s profit margin exceeds 30%; ring-fencing for each mining project to be treated as a separate taxable entity; 20% reduced corporate income tax and potential tax holidays; and a 2:1 debt-to-equity ratio to limit tax deductible interest from related-party loans. Excise tax rate is maintained at 4%. Another escalation in the rate of taxes due on CCC’s mining operations will naturally raise the cost of production. To address the risk of higher operating costs, CCC is aggressively and continuously implementing best developed operation strategies to improve production efficiency.

#### *Employees & Officers*

AT currently has 7 employees, of whom 3 are executive officers, and 4 are junior / mid-level officers. On the other hand, AT’s subsidiary company, CCC, has 2,728 regular employees as of 31 December 2025, of whom 7 are senior executive officers, 70 are executive officers, 570 are junior/mid-level managers, and 1,979 are rank and file. Around 1,578 (79%) of these rank-and-file employees are members of the Ilaw Buklod Manggagawa United Miners of Carmen Copper Workers Solidary Network (IBM UMCC WSN).

On April 29, 2021, a Collective Bargaining Agreement (CBA) for the rank -and-file employees was successfully signed with a term of five (5) years from May 01, 2021 until April 30, 2026. The economic provisions of the CBA was likewise successfully amended and signed by the Parties on April 30, 2024.

Through the years, the Company has maintained a harmonious working relationship between and among its workers. To cap this, the Company was awarded by the National Conciliation and Mediation Board on December 15, 2021 as the national winner for the Outstanding Grievance Machinery for Industrial Peace and was conferred a Hall of Famer to this bi-annual national search having won for three (3) consecutive times – in 2017, 2019, and 2021.

#### *Environmental Protection and Enhancement*

The Company continues to ensure compliance with the applicable environmental laws, regulations and orders. The company is committed to protect and enhance the environment, reduce the ecological footprint of its activities, and maintain an excellent track record in responsible mining.

In support of the MGB’s Mining Forest Program, for 2025, a total of 6.05 hectares of mine affected areas were reforested, equivalent to 15,173 seedlings. Moreover, another 25.36 hectares were enriched and planted with various native trees to improve flora diversity. The Company maintains a 5,100 square meter nursery facility with a production capacity of approximately 250,000 seedlings, where various species of endemic and fruit-bearing trees are propagated for future tree planting activities within and outside the mine premises.

In addition, the Company manages a 2-hectare arboretum that serves as a living collection and conservation area for important native tree species. The arboretum is currently planted with 311 Narra, 437 Molave, 183 White Lauan, 113 Akle, and 1,307 other native tree seedlings, contributing to biodiversity conservation.

In relation to the Company’s seedling donation program, a total of 932 seedlings were donated to local government unit and private entities in support of their respective tree planting/growing activities.

CCC invested PhP 149,549,914 million for various environmental maintenance activities, climate change mitigation programs, capital expense projects and research development programs outlined in the company's Annual Environmental Protection and Enhancement Program (“AEPEP”) in 2025. The AEPEP plans, programs and activities include ambient air, noise and water quality monitoring, solid waste collection and management, hazardous and industrial wastes treatment, transport and disposal, river-clean ups in adopted river systems within host and neighboring communities, and waste water treatment and storage monitoring.

In preparation for mine closure at the end of its operational lifespan, CCC is maintaining a trust fund solely intended for the purpose of rehabilitating the mine area after the life of mine. As of December 2025, PhP 95,545,217.90 Million was allocated for the Company’s Final Mine Rehabilitation and Decommissioning Fund (“FMRDF”) based on the duly approved Final Mine Rehabilitation and Decommissioning Program (FMRDP).

*Sustainable Communities*

AT and CCC take a strategic and long-term view in building self-reliant communities in Toledo City. In 2025, CCC deepened its engagement with its ten (10) host and eighteen (18) neighboring communities in Toledo City by focusing on sustainable development initiatives to help them attain self-sufficiency.

To ensure community development, the Company earmarked 1.5% of CCC’s operating cost with allocation on Development of Host and Neighboring Communities (DHNC), Information Education and Communication (IEC) and Development of Mining Technology and Geosciences (DMTG) which provides for social safety nets such as access to health care, education, livelihood and public infrastructure for its partner communities.

In 2025, the company spent PhP166.23M for its mandated Social Development and Management Program (SDMP) as shown in the table below.

<b>2025 SDMP</b>	
<b>Plans/Programs/Activities (P/P/As)</b>	<b>Amount (In Php Millions)</b>
Human Resource Development and Institutional Building	0.78
Health	11.22
Education	27.73
Livelihood	6.96
Public Infrastructures	39.70
Protection and Respect to Socio-Cultural Values	2.50
Use of Mine Facilities within the Mine Camp	38.89
Disaster Response and other Assistance	6.00
Information Education Communication (IEC)	16.06
Development of Mining Technology and Geosciences (DMTG)	16.38
<b>Total</b>	<b>166.23</b>

The Company's 2025 SDMP has helped its host and neighboring communities through its initiatives by building various infrastructure developments that include the improvement, and/or maintenance of farm-to-market roads, water systems, creation of new and support of existing farmers livelihood programs, scholarship grants and disaster resilience, among others. Our interventions brought quality health services closer to our host and neighboring communities. The scholarship grants to qualified student beneficiaries from marginalized families within host communities meaningfully lessened the household expenditures. Livelihood projects and assistance led to better production resulting to increase in income. Infrastructure development and improvement of water systems on the other hand, ensured availability of water for the community's household and farm needs.

#### *Health Care*

Carmen Copper takes care of its communities. It continually raised their living conditions by providing them with health facilities, services, medicines, health education and preventive measures, training of health paraprofessionals, maternal-child health care, family planning, provision of health insurance, establishment of nutrition and immunization programs through the CCC Hospital, regular Doctor to the Barangay Programs and Feeding Programs to malnourished and wasted children; and access to clean and potable water.

For the year 2025, 2,206 patients from our host and neighboring communities benefited free medical check-up and medicine through the Doctor to the Barangay Program, 995 individual blood donors and 122 children received feeding activities.

#### *Education*

In 2025, through the Company's scholarship program, free education was granted to some 367 deserving students from the host and neighboring barangays. A total of 80 scholars finished their education, 29 of whom are Senior High students for the school year 2024-2025. To date, the Scholarship program has produced 2,531 graduates, of which 218 have successfully finished their tertiary education. A total of 28 scholar-graduates are now working in CCC holding various positions in key operation areas within the mine. The students residing within the host communities also enjoy free bus transportation for their logistics and travel needs.

The benefits and impacts of educated and employed community members will bring economic and social progress.

#### *Livelihood*

10 People Organizations (PO) from our host and neighboring communities received support as seed capital as well as training for capability building and mentoring. Our livelihood interventions enabled our partner beneficiaries to further hone their entrepreneurial skills, access cheaper farm inputs and generate income for their households. We also assisted the City Government of Toledo for the Agri-Tourism endeavors in locality.

Carmen Copper embraces and promotes the value of hard work by sustaining the organized Integrated Farm that served as a prepared environment for fostering shared economy for all community members. In November 2025, the Company established the Nagkahiusang Mag Uuma sa Poog (NAMAPO), a farmer's association in Brgy Poog, Toledo City, for their goat and swine farming programs.

CCC assisted free transportation for the farmers to sell their produce to Carmen Copper employees and its dependents during the “Tabo sa Mina” event conducted twice a month.

#### *Public Infrastructures*

The company providing safer access to more than 70,000 residents and giving approximately 4,000 farmers faster and cheaper means to transport their produce. In 2024, Carmen Copper improved and maintain 20 kilometers of Barangay Road networks as well as farm to market to roads improved and maintained by the Company.

The Company endeavors to continue to promote and develop best developed practices in social development and community relations to further serve its stakeholders sustainably and responsibly in accordance with existing laws, regulations and policies on social corporate responsibility and accountability.

#### *Health and Safety; Occupational Health*

The safety and health of the Company’s workforce, including those of its service contractors, and the general public, most especially the host and neighboring barangays, is of paramount interest to the Company’s operations.

The Company is committed to managing occupational risks and hazards 24/7, guided by its core values through its diversified, dynamic, and resolute workforce of about 2,758 employees. Making safety an essential part of the day-to-day grind in the mine lays the foundation for a culture that has significantly curbed occupational injuries and illnesses. In relation to the training needs of the current workforce, the Company was able to conduct 38 ESH safety orientations and 14 related safety trainings that were attended by a total of 1,130 and 541 participants, respectively. The safety trainings include log-out-tag-out, lifting and rigging, basic fire-fighting rescue, basic occupational safety and health, basic first aid and life support, competency first aid, vehicle extraction, national disaster risk resilience, defensive driving, and mandatory OSH and loss control management.

In December 2025, CCC successfully maintained its ISO 45001:2018 for Occupational Health and Safety management system, which was re-certified by Certification International Philippines Inc. (CIPI). In order to instill genuine safety concern, the Company is consistent in implementing initiatives for the continuous education of all employees in order to maintain the company’s compliance with the international standards and the mine safety standards set out in the implementing rules and regulations of the Philippine Mining Act and its amendments.

Risk management has also greatly contributed to the successful implementation of the safety culture. The company's business risks have been effectively identified, monitored, assessed, and managed. The established Risk Register is updated regularly and serves as a guidebook in monitoring the progress of risk improvements and implementation of risk mitigating controls. The Risk Register is regularly communicated and presented to the Board Risk Oversight Committee (BROC). Each critical task undergoes risk assessment and job hazard analysis as a standard accident prevention tool. To promote and maintain department safety culture as well as facilitate the safety and health discussions on job sites, separate safety pep talks or toolbox meetings have been conducted daily by every operating department during working shift and before proceeding to the site, project, activity, and all other workplaces.

The Company has been consistent in its implementation of the Permit To Work System (PTW), the development of Risk Assessment and Job Hazard Analysis to all critical activities in the mine and its facilities that is designed to control and document high job

risks both cold work and hot work that includes but not limited to the following: Electrical/Mechanical Isolation (LOTO), Working in a Confined Space, Hot Work activities, Excavation Tasks, Working with or near Radiation Sources, Lifting Activities, Working at Heights, Blasting and Working on High/Medium Voltage Electrical Equipment.

As part of the enhancement of the Emergency Preparedness and Response Program (EPRP), CCC has organized the Carmen Copper - Emergency Response Team (ERT) whose main functions and duties are to immediately respond to all types of disasters and calamities management based on the Incident Command System (ICS) concept. The ERT complements the existing Fire Fighting Crews in responding to onsite and off-site emergencies and distress calls. In September and October 2025, the CCC ERT was deployed to the earthquake-damaged northern city of Bogu, Cebu, to help in the recovery efforts of the City and Provincial Governments.

The Carmen Copper Corporation Hospital (CCCH) sustains its services as a Level I Private Hospital and continues to deliver comprehensive health services to Carmen Copper Corporation employees, their dependents, and the residents of its host and neighboring communities. CCCH management ensures that services are provided in conformance with all statutory and regulatory requirements.

The CCCH continues to monitor the health, wellness, and safety of each employee, in addition to regular check-ups for specialty cases (Hypertensive & Diabetic patients). All employees are required to undergo the mandated Annual Physical Examinations (APE) and medical exit clearance upon resignation or retirement from the company. Medicines are provided free for Outpatient employees and their dependents. First aid kits are also provided to each Department.

The hospital rendered its maximum care to the patient's needs through the management by respective specialist physicians in the field of Internal Medicine, Pediatrics, OB-Gynecology, Orthopedics, & Dental. Other Clinical Services include OPD, Emergency Room, TB-DOTS Center, Clinical Laboratory, Radiology, Pharmacy, and Drug Testing.

CCCH is also compliant with mandated reports to the Department of Health (DOH) and Philippine Health Insurance Corporation (Philhealth), Department of Labor and Employment (DOLE), and Mines & Geosciences Bureau (MGB)."

With consistent efforts to develop a culture of safety and an environmentally responsible company, CCC has garnered a total of 41.5 million safe manhours without disabling injury as of 31 December 2025. As such, CCC has been recognized by the Philippine Mineral Industry Environmental Awards (PMIEA) during the 71<sup>st</sup> Annual National Mine Safety and Environment Conference (ANMSEC) with the following awards: a) Presidential Mineral Industry Environmental Award, b) Safest Mineral Processing Plant, c) Most Improved Safety Performance, and d) Best Plant Operator Award.

(3) *Operations and Maintenance of 4.996 MWp Floating Solar Facility and Renewal Energy Transition*

In compliance with the terms and conditions of the Company's consolidated Environmental Compliance Certificate issued by the DENR Environmental Management Bureau on 15 August 2023, CCC operates and maintains the first megawatt-scale floating solar facility in the Philippines that it installed and constructed at the Company-owned Malubog Dam situated in portions of Brgys. Biga and General Climaco, Toledo City, Cebu. The 4.996 MWp Floating Solar Facility is an Own-Use Facility that covers at least 10% of the current power supply requirement of the Toledo Copper Mines.

The facility was constructed by the Engineering Procurement and Construction (EPC) Contractor, Black and Veatch Philippines In. (BVI), that it turned over to the Company on July 22, 2025 with full testing and commissioning and warranty period of 1 year until July 21, 2026. BVI will continue to oversee and assist the operations and maintenance of the facility that is carried out by the Company's Power and Electrical Division (PED) as part of the value-added services it extends to its partner-clients.

During the raining season from July 22, 2025 to 31 December 2025, the facility generated an average of 454,487 kWh per month with an average rate of Php 8.01 per kWh that translated to an average energy savings of Php 3,610,223.00 per month. The Company is currently setting out the baseline data for the power generated during the summer season to complete the one-year statistical data.

CCC continues to consider exploring option-studies on the future expansion of the floating solar facility in its efforts to gradually and justly transition to renewable energy for the power requirements of its mill and mine operations. CCC is cognizant in realizing government's mandate to transition to renewable energy as an additional clean source of power that can feasibly and technically support the requirements of the mine without affecting the efficiency and financial viability of the operations.

## V. *Properties*

The AT Group owns/holds operating rights to several mining claims and owns/manages landholdings. These mining rights are covered by MPSA, Applications for MPSA ("APSA"), or Exploration Permit Application (EPA).

### A. *Land-holdings*

The AT Group has a total landholding of 3,560.35 hectares in Toledo City, Cebu. Of this, around 564 hectares are registered in the name of AT, 2,905 hectares are covered either by lease agreements or other arrangements with several individuals and corporate landowners, and around 92 hectares in the name of CCC. Details of the AT Group landholding are provided below:

	No. of Lots	Area (Has.)
1. AT-owned parcels of land		
1.1 Titled Land/s	21	98.04
1.2 Land/s with Tax Declarations	63	465.83
Subtotal	84	563.87
2. AT-managed parcels of land		
2.1 Titled Lands	1	7.60
2.2 Land/s with Tax Declarations	288	2,896.97
Subtotal	289	2,904.57
3. CCC-owned parcels of land		
3.1 Acquired (ongoing registration)	56	85.61
3.2 Titled	1	0.12
3.3 With Tax Declarations	6	6.19
Subtotal	63	91.91

### B. *Mineral Properties*

AT is the registered owner of several mineral rights/properties and operates several mining claims by virtue of existing operating agreements with claim owners. The tables below present the relevant details pertaining to the mining rights of the AT Group.

CEBU

**APPROVED MPSAs**

MPSA Number	Location	Mortgage, Lien or Encumbrance	AREA COVERED (in hectares)			Date of Approval	Work Performed
			Owned by AT	Under Operating Agreement	Total Area		
1. MPSA-210-2005-VII	Toledo City, Cebu	None	119.1663	115.1212	234.2875	April 28, 2005	Covers Carmen ore body where mining operations are ongoing.
2. MPSA-264-2008-VII	Toledo City, Cebu	None	546.2330	101.7829	648.0159	July 9, 2008	Covers Lutopan ore body where mining operations are ongoing.
3. MPSA-307-2009-VII	Toledo City, Cebu and City of Naga, Cebu	None	1,274.1270		1,274.1270	Dec. 23, 2009	Exploration activities in the area covered by this MPSA are in progress
Sub-total =			1,939.5263	216.9041	2,156.4304		

SOUTH COTABATO AND SULTAN KUDARAT

**APPROVED MPSA**

MPSA Number	Location	Mortgage, Lien or Encumbrance	AREA COVERED (in hectares)			Date of Approval	Work Performed
			Assigned to CCC	Deed of Assignment	Total Area		
MPSA-321-2010-XII	Tampakan, South Cotabato, and Columbio, Sultan Kudarat	None		3,227.92	3,227.92	Feb. 02, ,2022	Under 3 <sup>rd</sup> Renewal of Exploration Permit. Desktop exploration studies.
Sub-total =				3,227.92	3,227.92		

**PENDING MPSA APPLICATIONS**

i) EXPLORATION PERMIT APPLICATION

Exploration Permit Application Number	Location	Mortgage, Lien or Encumbrance	AREA (in hectares)			Status of Application	Work Performed
			Owned by AT	Under Operating Agreement	Total Area		
1. EXPA-000083-VII	Toledo City, Cebu	None	323.5254		323.5254	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
2. APSA-000196-VII (EXPA-000322-VII)	Toledo City, Cebu	None	762.2479		762.2479	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
3. APSA-000046-VII	Toledo City, Cebu	None	1692.8895		1692.8895	Application under	For exploration

(EXPA-000294-VII)						evaluation by MGB Central Office	upon approval of EPA
4. APSA-00044-VII (EXPA-000293-VII)	Toledo City, Cebu	None	532.1406		532.1406	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
5. APSA-000013-VII (EXPA-000291-VII)	Toledo City, Cebu	None	287.6172		287.6172	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
6. APSA-000045-VII (EXPA-000292-VII)	Toledo City, Cebu	None	2518.1355		2518.1355	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
7. APSA-0000042-VII (EXPA-000321-VII)	Toledo City, Cebu	None	252.3926		252.3926	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
Sub-total =			6,368.9487		6,368.9487		
Total CEBU =			8,525.3791		8,525.3791		

#### SURIGAO DEL SUR

EXPLORATION PERMIT APPLICATION NUMBER	Location	Mortgage, Lien or Encumbrance	AREA (in hectares)			Status of Application	Work Performed
			Owned by AT	Under Operating Agreement	Total Area		
1. EPA-000073-XIII (02-02-05)	Surigao del Sur	None	3,658.1616	210.6984	3,868.8600	Application under evaluation by MGB Regional Office	None. For exploration upon approval of EPA
Total SURIGAO DEL SUR =			3,658.1616	210.6984	3,868.8600		

#### C. Operating Statistics

Details of CCC operating statistics related to copper production, shipment and summary of costs for the year ended 31 December 2024 and 2023.

#### CCC Summary of Operations:

Year-on-Year	2025	2024	Change
Production			
Milling Tonnage ('000 dmt)	15,600	18,178	-14%
Daily Milling Average (dmt per day)	42,739	49,668	-14%
Ore Grade	0.186%	0.205%	-10%

Copper Concentrate ('000 dmt)	124	152	-18%
Copper Metal Gross (in million lbs)	54.03	70.19	-23%
Gold (ounces)	15,894	24,545	-35%
Shipment			
Number of Shipments	24.9	30.2	-18%
Copper Concentrate ('000 dmt)	124	152	-18%
Copper Metal Gross (in million lbs)	53.04	69.28	-23%
Gold (payable ounces)	14,771	22,736	-35%

CCC Summary of Costs:

Year-on-Year (US\$/lb Cu)	2025	2024	Change
C1	2.32	2.48	-6%
C2	3.92	3.79	4%
C3	4.36	4.13	6%

Metal Prices (Average Invoiced Price):

Year-on-Year	2025	2024	Change
Copper (US\$/lb)	4.50	4.14	9%
Gold (US\$/ounce)	3,408	2,358	44.52%

C. Proven and Probable Reserves

Table 2. CCC Summary of Mineral Reserves as of December 31, 2025 @ 0.18% cut-off (Carmen Pit) and 0.20% Cu cut-off (Lutopan Pit)

Deposits	Proven		Probable		Combined	
	Tonnage	Grade	Tonnage	Grade	Tonnage	Grade
	000	(%Cu)	000	(%Cu)	000	(%Cu)
Lutopan Pit	155,000	0.30	102,000	0.26	257,000	0.28
Carmen Pit	140,000	0.30	70,000	0.31	210,000	0.31
<b>Total</b>	<b>295,000</b>	<b>0.30</b>	<b>172,000</b>	<b>0.28</b>	<b>467,000</b>	<b>0.29</b>

Table 2. CCC Summary of Mineral Reserves as of December 31, 2024 @ 0.20% cut-off

Deposits	Proven		Probable		Combined	
	Tonnage	Grade	Tonnage	Grade	Tonnage	Grade
	000	(%Cu)	000	(%Cu)	000	(%Cu)
Lutopan Pit	140,000	0.30	70,000	0.31	210,000	0.31
Carmen Pit	93,500	0.38	42,600	0.35	136,100	0.37
<b>Total</b>	<b>233,500</b>	<b>0.34</b>	<b>112,600</b>	<b>0.33</b>	<b>346,100</b>	<b>0.33</b>

VI. Legal Proceedings

There is no material pending legal proceeding to which the Corporation or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

## VII. Directors and Executive Officers of the Issuer

Please refer to *Item 5, B. Control and Compensation Information, Part I. Information Required* of the IS for a discussion on the identity and profile of each of the Company's Directors and Executive Officers, including but not limited to their principal occupation or employment, name and principal business of any organization by which such persons are employed.

## VIII. Securities: Market price of and dividends on the Corporation's Common Shares

### (1) Market Information

AT's common shares of stock are traded on the Philippine Stock Exchange (PSE). Closing price of AT shares of stock as of the latest practicable date, 28 February 2026, is Php9.29 per share. The trading price range of AT shares of stock for each calendar quarter of the last two (2) fiscal years:

Quarter	2025		2024	
	High	Low	High	Low
1Q	4.65	3.95	3.60	3.27
2Q	5.12	3.96	4.85	4.51
3Q	4.16	3.74	4.77	4.50
4Q	6.03	5.12	4.80	4.11

### (2) Holders

As of 28 February 2026, there were a total of 20,657 individuals holding AT shares of stock and 2.48% of the total issued and outstanding AT shares of stock were held by foreigners.

#### Top 20 Shareholders of AT as of 28 February 2026:

No.	Name	No. of Shares Held	% of Ownership
1	SM Investments Corporation	1,200,835,499	33.74
2	PCD Nominee Corporation (Filipino)	1,113,240,398	31.27
3	Anglo Philippine Holdings Corporation	966,000,292	27.14
4	Alakor Corporation	139,450,000	3.92
5	PCD Nominee Corporation (Foreign)	65,867,847	1.85
6	Primebridge Holdings, Inc.	9,580,000	0.27
7	National Book Store	9,203,407	0.26
8	The Bank of Nova Scotia	4,425,254	0.12
9	Bank of Nova Scotia	2,950,169	0.08
10	DFC Holdings, Inc.	2,606,061	0.07
11	Mitsubishi Metal Corporation	2,249,048	0.06
12	Tytana Corporation	2,036,884	0.06
13	Globalfund Holdings, Inc.	1,787,000	0.05
14	Maureen Alexandra Consuelo S. Ramos-Padilla	1,744,572	0.05
15	Metropolitan Bank and Trust Company	1,701,281	0.05

16	Josefina Multi-Ventures Corporation	1,480,000	0.04
17	National Financial Services LLC	1,474,233	0.04
18	Lucio W. Yan &/or Clara Yan	1,100,000	0.03
19	Eric C. Lim or Christine Yao Lim	1,000,000	0.03
	Toledo City Government	1,000,000	0.03
20	Asian Oceanic Holdings Phils., Inc.	972,501	0.03

(3) *Dividends*

The Company recognizes the importance of providing a stable and sustainable dividend stream consistent with its commitment to shareholders. AT intends to pay dividends when adequately supported by its net profit and cash flows. The payment of dividends will depend on the consideration of the Board of Directors and entails prior Board approval of the amount, record and payment dates as recommended by Management based on the PSE and SEC rules on declaration of cash dividends which shall not exceed the retained earnings in the financial statement.

There have been no cash dividends declared by AT for the two (2) most recent fiscal years. Previously, the Corporation has declared cash dividends at P0.25/share and P0.15/share on March 8, 2013 and April 29, 2014 respectively, as supported by its net profit and cash flows.

No restriction exists that limits the ability to pay dividends on common equity or that are likely to do so in the future.

(4) *Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction*

The subscription and issuance of 1,472,500,000 common shares of stock to existing substantial Shareholders of AT (the Subscribers) in March and August 2017, equivalent to 25% of the total increase in the Corporation's ACS of 5.89 billion, constitutes an exempt transaction under *Section 10-1(i) of the SRC and Rule 10-1 of the SRC IRR* (the "Share Issue").

Subscription Aggregate Value (the "Issue Price") of Php6,455,734,500 based on the Subscription Price of Php4.3842/share, the 90-day VWAP preceding the Pricing Date. Php1,613,933,625 was paid in cash by the Subscribers upon execution of the Subscription Agreements with the balance upon call:

<i>Subscriber</i>	<i>Number of Shares to be subscribed</i>	<i>%</i>	<i>Subscription Price at Php4.3842/share</i>	<i>Paid-Up</i>
SM Investments Corporation (SMIC)	598,049,708	41	Php2,621,969,530	Php655,492,383
Anglo Philippines Holdings Corp. (Anglo)	845,000,292	57	3,704,650,280	926,162,570
Alakor Corporation (Alakor)	29,450,000	2	129,114,690	32,278,673
<i>Total</i>	<i>1,472,500,000</i>	<i>100</i>	<i>Php6,455,734,500</i>	<i>Php1,613,933,625</i>

On 17 November 2017, the SEC issued AT's *Certificate of Approval of Increase of Capital Stock and the Certificate of Filing of Amended Articles of Incorporation*. AT filed a *Notice of Exempt Transaction* under *SEC Form 10-1* with the SEC on 4 December 2017. The Shares issued have the same dividend, voting and pre-emption rights as the outstanding shares of the Corporation. No other material rights are granted to common Shareholders except those provided under the Corporation Code, the AOI and the By-Laws of AT. There is no provision in the AOI or By-Laws of the Company that would delay, defer or prevent a change in control of the Corporation.

There has been no call on the subscription and issuance of the 1,472,500,000 common shares of stock to existing Shareholders of AT as of 31 December 2025.

#### **IX. Compliance with leading practices on Corporate Governance**

The Board and Management of AT unceasingly commit themselves as far as practicable and to the best of their abilities to the principles and practices of good corporate governance as institutionalized in *AT's Code of Corporate Governance* approved 2017 (**CCG**).

As AT continuously pursues initiatives aimed at strengthening governance structures, processes and systems, the following BOD Committee Charters as duly approved by the BOD in 2018 provide guidance and the protocols to the BOD and Management, to wit: (i) ROC Charter, (ii) Audit Committee Charter, (iii) CGC Charter, (iv) RPT Committee Charter, (v) Executive Committee Charter and (vi) Board Charter.

ssed

Pursuant to the *CCG* which formalized and institutionalized among others, the assessment or evaluation process to measure the level of compliance of the Board, top level Management and the rest of the employees, the Board and top Management conducted individual self-assessment pursuant to the company's Performance Evaluation Guidelines for its Directors and Key Officers in place. Third party assessment was last completed in 2022.

In addition to the Corporate Governance Policies adopted in 2018 by the Board as enumerated below, the following policies are being implemented across AT and its subsidiaries after the BOD unanimously approved the same in 2019: (i) Anti-Bribery and Anti-Corruption Policy, (ii) Cyber Security Policy, (iii) Retirement Policy, (iv) Training Policy, (v) Conflict of Interest Policy, (vi) Safety Health and Environment Policy, (vii) Guidelines on Nomination and Election, and last but not the least upholding the (viii) Rights of Shareholders.

CG Policies adopted and implemented since 2018:

- (i) Board Diversity Policy to ensure that the BOD shall have an approximate mix of competence and expertise;
- (ii) RPT Policy to strengthen the RPT Committee's tasks in reviewing all material RPTs of the Company;
- (iii) Alternative Dispute Mechanism Policy which established an alternative dispute mechanism to resolve disputes between the Corporation and Shareholders and third parties in an amicable and effective manner;
- (iv) Loan Policy which set the rules and procedure in the event loans are granted to Directors and Officers to defray their personal financial obligations and needs brought about by medical and calamity emergencies;
- (v) Reward Policy aimed to retain and ensure a work force with exemplary working knowledge, right experience and proverbial expertise relevant to the Company's industry/sector;
- (vi) Information Policy to ensure regulation of the disclosure pertaining to information about the Company's;
- (vii) Insider Trading Policy set to protect the public from abusive trading practices and illegal conduct of security trading; and
- (viii) Remuneration Policy aimed to reward directors and officers based on quantum meruit.
- (ix) CG Committee functions as the adhoc Sustainability Committee for AT to monitor implementation of the Company's Sustainability Road Maps.

On 24 February 2023, a sustainability committee was established as an ad hoc function of the CG Committee and a Sustainability Technical Working Group (TWG) was organized to oversee and monitor the implementation of the Sustainability Road Map that is aligned with the ESG principles and the Towards Sustainable Mining (TSM) Framework of the Chamber of Mines of the Philippines of which AT is a member company.

On the 25 April 2025 Organizational Meeting of the BOD, the respective Chairman and members of the various BOD committees were duly elected and assumed office. Mr. Emilio S. de Quiros, Jr. was appointed as Lead Independent Director. All the Chairmen of the different BOD Committees are IDs except for the Chairman of the Executive Committee.

AT is fully compliant with the CCG and thus has no deviations from said CCG. New policies are being issued by the Corporation from time to time to fully implement and comply with the CCG and the leading practices on good corporate governance.

**INFORMATION STATEMENT AND ANNUAL REPORT  
TO REGISTERED SHAREHOLDERS**

The Company's SEC Form 20-IS or Information Statement and its SEC Form 17-A or Annual Report are uploaded and posted in AT's website and can be accessed in the following links:

<https://www.atlasmining.com.ph/investor-relations/annual-stock-holders-meeting>

<https://www.atlasmining.com.ph/company-disclosures/full-year-report>

<https://www.atlasmining.com.ph/company-disclosures/quarterly-report-sec-form-17-g>

Hard copies of these Reports will be provided without charge to registered Shareholders upon written request addressed to:

*OFFICE OF THE CORPORATE SECRETARY*  
Atlas Consolidated Mining and Development Corporation  
c/o SERRANO LAW 1105 Tower 2 High Street South Corporate Plaza, 26th Street, Bonifacio Global  
City, Taguig City

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

P	W	0	0	0	0	1	1	5	A
---	---	---	---	---	---	---	---	---	---

**COMPANY NAME**

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

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

F	i	v	e		E	-	C	o	m		C	e	n	t	e	r	,		P	a	l	m		C	o	a	s	t	
A	v	e	n	u	e		c	o	r	n	e	r		P	a	c	i	f	i	c		D	r	i	v	e	,		M
a	l	i		o	f		A	s	i	a		C	o	m	p	l	e	x	,		P	a	s	a	y		C	i	t
y																													

Form Type  
A A C F S

Department requiring the report  
C R M D

Secondary License Type, If Applicable  
N / A

**COMPANY INFORMATION**

Company's Email Address <b>atlas1@atlasmining.com.ph</b>	Company's Telephone Number <b>(632) 8403-0818</b>	Mobile Number <b>09178048194</b>
No. of Stockholders <b>20,655</b>	Annual Meeting (Month / Day) <b>04/25</b>	Fiscal Year (Month / Day) <b>12/31</b>

**CONTACT PERSON INFORMATION**

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person <b>Elmer B. Serrano</b>	Email Address <b>elmer.serrano@serranolawph.com</b>	Telephone Number/s <b>(632) 8651-7408</b>	Mobile Number <b>N/A</b>
---	--	--	-----------------------------

**CONTACT PERSON'S ADDRESS**

**U-10th Floor Six/NEO, 5th Avenue corner 26th Street, Bonifacio Global City, Taguig City, Philippines**

**NOTE 1 :** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2 :** All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
Atlas Consolidated Mining and Development Corporation  
Five E-com Center, Palm Coast Avenue corner Pacific Drive  
Mall of Asia Complex (1300), Pasay City

### Opinion

We have audited the consolidated financial statements of Atlas Consolidated Mining and Development Corporation 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 each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including 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 each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated 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 the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated 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. For the matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### ***Impairment Testing of Goodwill, Mining Rights, and Property, Plant and Equipment***

Under PFRS Accounting Standards, the Group is required to annually test the amount of goodwill for impairment. In addition, in the event that an impairment indicator is identified, the Group tests the recoverability of mining rights, and property, plant and equipment. As of December 31, 2025, the Group has goodwill attributable to Carmen Copper Corporation amounting to ₱19.01 billion, and mining rights, and property, plant and equipment amounting to ₱6.03 billion and ₱31.17 billion, respectively, which are considered significant to the consolidated financial statements. The assessment of the recoverable amount of goodwill, mining rights, and property, plant and equipment requires significant judgment and involves estimation and assumptions about the expected life of the project, future production levels and costs, contributions to the government based on current regulations as well as external inputs such as copper and gold prices, and discount rate. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to property, plant and equipment, and mining rights, and goodwill are included in Notes 9 and 10 to the consolidated financial statements, respectively.

### ***Audit Response***

We obtained an understanding of the management's process for evaluating the impairment of goodwill, mining rights, and property, plant and equipment. We involved our internal specialist in evaluating the methodology and the assumptions used. These assumptions include the expected life of the project, future production levels and costs, contributions to the government based on current regulations as well as external inputs such as copper and gold prices, and discount rate. We compared the key assumptions used against the mine life based on the mineral reserve report, production reports, current tax laws, and forecasted copper and gold prices. We tested the parameters used in the determination of the discount rate against market data. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value of the cash generating unit. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of goodwill, mining rights, and property, plant and equipment.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.



Our opinion on the consolidated 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.

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 auditor's 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 auditor's 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit and work performed for purposes 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 audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

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

Valid to cover audit of 2021 to 2025 financial statements

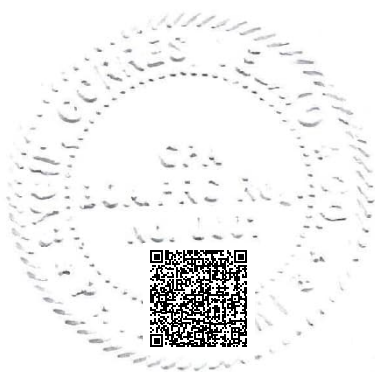
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

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

March 9, 2026



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Thousands, Except Number of Shares)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4)	<b>₱1,021,485</b>	₱2,260,587
Short-term investments (Note 4)	<b>1,593,507</b>	–
Trade and other receivables (Note 5)		
At fair value through profit or loss	<b>798,746</b>	265,344
At amortized cost – net	<b>64,446</b>	58,396
Derivative assets (Note 6)	–	87,620
Inventories (Note 7)	<b>991,596</b>	1,053,523
Other current assets (Note 8)	<b>2,437,921</b>	2,202,162
<b>Total Current Assets</b>	<b>6,907,701</b>	5,927,632
<b>Non-current Assets</b>		
Property, plant and equipment (Note 9)		
At cost	<b>31,173,363</b>	32,929,902
At revalued amount	<b>1,377,436</b>	1,376,962
Mining rights (Note 10)	<b>6,031,297</b>	6,324,383
Goodwill (Note 10)	<b>19,026,119</b>	19,026,119
Deferred mine exploration costs (Note 11)	<b>203,255</b>	200,257
Investments in associates (Note 12)	<b>222,000</b>	267,185
Deferred tax assets – net (Note 26)	<b>993,388</b>	936,388
Other non-current assets (Note 13)	<b>2,438,266</b>	2,870,458
<b>Total Non-current Assets</b>	<b>61,465,124</b>	63,931,654
<b>TOTAL ASSETS</b>	<b>₱68,372,825</b>	₱69,859,286
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (Note 14)	<b>₱2,775,606</b>	₱3,814,431
Current portion of lease liability (Note 15)	<b>998</b>	2,152
Current portion of long-term debts (Note 16)	<b>16,156,194</b>	1,295,728
Derivative liabilities (Note 6)	<b>84,224</b>	–
Income tax payable	<b>301,387</b>	–
<b>Total Current Liabilities</b>	<b>19,318,409</b>	5,112,311
<b>Non-current Liabilities</b>		
Long-term debts, net of current portion (Note 16)	–	15,882,280
Retirement benefits liability (Note 25)	<b>566,859</b>	568,385
Lease liability – net of current portion (Note 15)	–	1,601
Liability for mine rehabilitation (Note 17)	<b>114,293</b>	84,658
Deferred tax liabilities (Note 26)	<b>1,846,505</b>	1,927,211
<b>Total Non-current Liabilities</b>	<b>2,527,657</b>	18,464,135
<b>Total Liabilities</b>	<b>₱21,846,066</b>	₱23,576,446

(Forward)



	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Equity</b>		
Capital stock – ₱1 par value (Note 18)	<b>₱3,559,533</b>	₱3,559,533
Additional paid-in capital (Note 18)	<b>19,650,936</b>	19,650,936
Subscription receivable (Note 18)	<b>(4,841,801)</b>	(4,841,801)
Revaluation increment on land (Note 9)	<b>963,460</b>	963,460
Remeasurement gain on retirement benefits liability (Note 25)	<b>173,437</b>	143,381
Cost of 1,980,000 treasury shares held by a subsidiary	<b>(23,267)</b>	(23,267)
Retained earnings (Note 18)	<b>21,548,640</b>	21,796,790
Cumulative translation adjustments (Note 18)	<b>5,492,411</b>	5,032,330
Equity attributable to equity holders of the parent company	<b>46,523,349</b>	46,281,362
Non-controlling interest (Note 18)	<b>3,410</b>	1,478
<b>Total Equity</b>	<b>46,526,759</b>	46,282,840
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱68,372,825</b>	₱69,859,286

*See accompanying Notes to the Consolidated Financial Statements*



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Amounts in Thousands, Except Earnings Per Share)

	Years Ended December 31		
	2025	2024	2023
<b>REVENUES FROM CONTRACTS WITH CUSTOMERS</b> (Note 20)			
Copper concentrate	₱17,173,137	₱18,634,220	₱18,865,013
Mine waste	19,211	–	–
	<b>17,192,348</b>	18,634,220	18,865,013
<b>COSTS AND EXPENSES – net</b>			
Mining and milling costs (Note 21)	14,014,445	16,046,636	14,382,499
General and administrative expenses (Note 22)	1,369,490	1,516,557	1,329,069
Mine products taxes (Note 21)	617,895	739,403	756,141
Depletion of mining rights (Note 10)	293,086	345,585	284,657
Others – net (Note 28)	201,339	(139,938)	(134,357)
	<b>16,496,255</b>	18,508,243	16,618,009
<b>OTHER INCOME (CHARGES)</b>			
Finance charges (Note 27)	(632,724)	(640,346)	(626,599)
Fair value gain (loss) on derivatives – net (Note 6)	(140,356)	399,824	(63,246)
Fair value gain (loss) on provisionally-priced receivables – net (Notes 5 and 6)	138,916	(20,213)	(11,168)
Foreign exchange gains (losses) – net	(132,395)	(136,447)	167,911
Interest income (Note 27)	39,241	110,493	23,024
Share in net loss of associates (Note 12)	(45,185)	(30,117)	(33,819)
	<b>(772,503)</b>	(316,803)	(543,897)
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(76,410)</b>	(187,070)	1,703,107
<b>PROVISION FOR INCOME TAX</b> (Note 26)	<b>(169,808)</b>	(44,003)	(585,551)
<b>NET INCOME (LOSS)</b>	<b>(₱246,218)</b>	(₱231,073)	₱1,117,556
<b>Net income (loss) attributable to:</b>			
Equity holders of the Parent Company	(₱248,150)	(₱231,051)	₱1,117,556
Non-controlling interest (Note 18)	1,932	(22)	–
	<b>(₱246,218)</b>	(₱231,073)	₱1,117,556

(Forward)



	<b>Years Ended December 31</b>		
	<b>2025</b>	2024	2023
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
<i>Items that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Revaluation increment on land (Note 9)	P-	P-	P643,243
Remeasurement gain (loss) on retirement benefits liability (Note 25)	<b>30,056</b>	7,392	(52,220)
<i>Items that may be reclassified subsequently to profit or loss in subsequent periods (net of tax):</i>			
Cumulative translation adjustments (Note 18)	<b>460,081</b>	1,162,331	(176,781)
	<b>490,137</b>	1,169,723	414,242
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>P243,920</b>	P938,650	P1,531,798
<b>Total comprehensive income (loss) attributable to:</b>			
Equity holders of the Parent Company	<b>P241,987</b>	P938,672	P1,531,798
Non-controlling interest (Note 18)	<b>1,932</b>	(22)	-
	<b>P243,919</b>	P938,650	P1,531,798
<b>EARNINGS (LOSS) PER SHARE (Note 30)</b>			
Basic earnings (loss) per share	<b>(P0.0698)</b>	(P0.0649)	P0.3141
Diluted earnings (loss) per share	<b>(P0.0698)</b>	(P0.0649)	P0.3141

*See accompanying Notes to the Consolidated Financial Statements*



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

(Amounts in Thousands)

	Capital stock (Note 18)	Additional paid-in capital (Note 18)	Subscriptions receivable (Note 18)	Revaluation increment on land (Note 9)	Remeasurement gain (loss) on retirement benefits liability (Note 25)	Cumulative translation adjustments (Note 18)	Retained earnings (Note 18)	Treasury shares held by a subsidiary	Total	Non- Controlling Interest (Note 18)	Total Equity
<b>BALANCES AT JANUARY 1, 2023</b>	<b>₱3,559,533</b>	<b>₱19,650,936</b>	<b>(₱4,841,801)</b>	<b>₱320,217</b>	<b>₱188,209</b>	<b>₱4,046,780</b>	<b>₱20,910,285</b>	<b>(₱23,267)</b>	<b>₱43,810,892</b>	<b>₱-</b>	<b>₱43,810,892</b>
Net income	-	-	-	-	-	-	1,117,556	-	1,117,556	-	1,117,556
Other comprehensive income (loss)	-	-	-	643,243	(52,220)	(176,781)	-	-	414,242	-	414,242
Total comprehensive income (loss)	-	-	-	643,243	(52,220)	(176,781)	1,117,556	-	1,531,798	-	1,531,798
<b>BALANCES AT DECEMBER 31, 2023</b>	<b>3,559,533</b>	<b>19,650,936</b>	<b>(4,841,801)</b>	<b>963,460</b>	<b>135,989</b>	<b>3,869,999</b>	<b>22,027,841</b>	<b>(23,267)</b>	<b>45,342,690</b>	<b>-</b>	<b>45,342,690</b>
Non-controlling interest	-	-	-	-	-	-	-	-	-	1,500	1,500
Net loss	-	-	-	-	-	-	(231,051)	-	(231,051)	(22)	(231,073)
Other comprehensive income	-	-	-	-	7,392	1,162,331	-	-	1,169,723	-	1,169,723
Total comprehensive income (loss)	-	-	-	-	7,392	1,162,331	(231,051)	-	938,672	(22)	938,650
<b>BALANCES AT DECEMBER 31, 2024</b>	<b>3,559,533</b>	<b>19,650,936</b>	<b>(4,841,801)</b>	<b>963,460</b>	<b>143,381</b>	<b>5,032,330</b>	<b>21,796,790</b>	<b>(23,267)</b>	<b>46,281,362</b>	<b>1,478</b>	<b>46,282,840</b>
Net loss	-	-	-	-	-	-	(248,150)	-	(248,150)	1,932	(246,218)
Other comprehensive income	-	-	-	-	30,056	460,081	-	-	490,137	-	490,137
Total comprehensive income (loss)	-	-	-	-	30,056	460,081	(248,150)	-	241,987	1,932	243,919
<b>BALANCES AT DECEMBER 31, 2025</b>	<b>₱3,559,533</b>	<b>₱19,650,936</b>	<b>(₱4,841,801)</b>	<b>₱963,460</b>	<b>₱173,437</b>	<b>₱5,492,411</b>	<b>₱21,548,640</b>	<b>(₱23,267)</b>	<b>₱46,523,349</b>	<b>₱3,410</b>	<b>₱46,526,759</b>

See accompanying Notes to the Consolidated Financial Statements



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Amounts in Thousands)

	<b>Years Ended December 31</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>			
Income (loss) before income tax	<b>(₱76,410)</b>	(₱187,070)	₱1,703,107
Adjustments for:			
Depreciation and depletion (Notes 9 and 10)	<b>5,054,648</b>	5,445,844	4,610,726
Finance charges (Note 27)	<b>632,724</b>	640,346	626,599
Foreign exchange losses (gains) – net	<b>279,388</b>	1,451	(10,081)
Unrealized loss (gain) on derivatives (Note 6)	<b>169,496</b>	(87,620)	–
Interest income (Note 27)	<b>(39,241)</b>	(114,252)	(25,120)
Share in net loss of associates (Note 12)	<b>45,185</b>	30,117	33,819
Unrealized gain on:			
Investment in pooled funds (Notes 8 and 28)	<b>(10,438)</b>	(12,926)	(13,743)
Investment in unit investment trust fund (UITF) (Notes 13 and 28)	<b>(1,238)</b>	(1,253)	(1,219)
Short-term investments (Notes 4 and 28)	<b>(292)</b>	–	–
Loss on retirement of property and equipment (Notes 9 and 28)	<b>21,916</b>	11,751	1,080
Movement in retirement benefits liability	<b>9,825</b>	(7,127)	(109,518)
Loss (gain) on disposal of property and equipment (Notes 9 and 28)	<b>(1,343)</b>	112	(492)
Operating income before working capital changes	<b>6,084,220</b>	5,719,373	6,815,158
Decrease (increase) in:			
Trade and other receivables	<b>(540,838)</b>	480,668	(183,851)
Inventories	<b>62,461</b>	2,916	43,825
Other current assets	<b>(123,828)</b>	(1,076,082)	(122,143)
Other non-current assets	<b>434,034</b>	62,968	(1,168,161)
Increase (decrease) in accounts payable and accrued liabilities	<b>(1,047,362)</b>	154,668	45,421
Net cash generated from operations	<b>4,868,687</b>	5,344,511	5,430,249
Income taxes paid	<b>(948)</b>	(639,556)	(608,798)
Interest paid	<b>(582,368)</b>	(590,413)	(580,183)
Interest received	<b>40,627</b>	110,368	24,510
Net cash flows from operating activities	<b>4,325,998</b>	4,224,910	4,265,778
<b>INVESTING ACTIVITIES</b>			
Additions to:			
Property, plant and equipment (Note 9)	<b>(2,571,688)</b>	(3,664,305)	(3,010,445)
Short-term investments (Note 4)	<b>(9,935,510)</b>	–	–
Investment in pooled funds (Note 8)	<b>(140,293)</b>	–	–
Proceeds from:			
Short-term investments (Note 4)	<b>8,378,890</b>	–	–
Investment in pooled funds (Note 8)	<b>38,800</b>	–	–
Disposal of property and equipment (Note 9)	<b>1,343</b>	–	517
Dividends (Note 12)	<b>–</b>	–	16,710
Net cash flows used in investing activities	<b>(4,228,458)</b>	(3,664,305)	(2,993,218)

(Forward)



	<b>Years Ended December 31</b>		
	<b>2025</b>	2024	2023
<b>FINANCING ACTIVITIES</b>			
Payments of:			
Long-term debts (Note 36)	<b>(₱1,316,896)</b>	₱–	(₱834,477)
Principal portion of lease liability (Note 15)	<b>(2,959)</b>	(2,818)	(2,684)
Net cash flows used in financing activities	<b>(1,319,855)</b>	(2,818)	(837,161)
<b>NET EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>(16,787)</b>	(1,317)	9,804
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,239,102)</b>	556,470	445,203
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,260,587</b>	1,704,117	1,258,914
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)</b>	<b>₱1,021,485</b>	₱2,260,587	₱1,704,117

*See accompanying Notes to the Consolidated Financial Statements*



# ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, Except Number of Shares, Income (Loss) Per Share Data and as Otherwise Indicated)

### 1. Corporate Information, Business Operations, Status of Operations, and Authorization for the Issuance of the Consolidated Financial Statements

#### Corporate Information

Atlas Consolidated Mining and Development Corporation (the Parent Company) was incorporated and was registered with the Philippine Securities and Exchange Commission (SEC) as “Masbate Consolidated Mining Company, Inc.” on March 9, 1935 as a result of the merger of assets and equities of three pre-war mining companies, namely, Masbate Consolidated Mining Company, Antamok Goldfields Mining Company and IXL Mining Company. Thereafter, it amended its articles of incorporation to reflect the present corporate name. The registered business address of the Parent Company is Five E-com Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex (1300), Pasay City.

The Parent Company, through its subsidiaries, is primarily engaged in metallic mineral mining and exploration, and currently produces copper concentrate (with gold and silver).

The Parent Company’s shares of stock were listed with the Philippine Stock Exchange (PSE) on November 17, 1970.

A major restructuring of the Parent Company was undertaken in 2004 and 2005 with the creation of three special-purpose subsidiaries to develop the Toledo Copper Project, the Berong Nickel Project, and the Toledo-Cebu Bulk Water and Reservoir Project. As a result, Carmen Copper Corporation (CCC), Berong Nickel Corporation (BNC) and AquAtlas, Inc. (AI) were incorporated and, subsequently, were positioned to attract project financing, as well as specialist management and operating expertise. In addition, the Parent Company incorporated wholly owned subsidiaries: Atlas Exploration Inc. (AEI), to host, explore and develop copper, gold, nickel and other mineral exploration properties; and Amosite Holdings, Inc. (AHI) to hold assets for investment purposes. AEI will also explore for other metalliferous and industrial minerals to increase and diversify the mineral holdings and portfolio of the Parent Company.

On August 29, 2024, the Group (through its subsidiary, CCC), acquired 34,997 shares at ₱100 par value per share, representing 70% ownership in CC Ecomine Solutions, Inc. (CCESI), an entity incorporated in the Philippines, in exchange for cash amounting to ₱3,500 (see Note 18h). CCESI primarily focuses on sustainable mining waste disposal, handling, and management. This includes, but not limited to, the collection, transportation, treatment, and environmentally responsible disposal of mining byproducts, other byproduct, tailings, and residues, ensuring compliance with all relevant environmental laws and regulations.

#### Business Operations

The Parent Company has control of CCC, AI, AEI, and AHI as at December 31, 2025 and 2024. The Company has indirect control of CCESI as at December 31, 2025 and 2024.

The Parent Company has no geographical segments as these entities were incorporated and are operating within the Philippines.



The table below contains the details of the Parent Company's equity interest in its subsidiaries (collectively, the Group) and a description of the nature of the business of each subsidiary as at December 31, 2025 and 2024:

	Nature of Business	Percentage of Ownership	
		Direct	Indirect
AEI	Incorporated in the Philippines on August 26, 2005 to engage in the business of searching, prospecting, exploring and locating of ores and mineral resources, and other exploration work	100%	–
AI	Incorporated in the Philippines on May 26, 2005 to provide and supply wholesale or bulk water to local water districts and other customers	100%	–
AHI	Incorporated in the Philippines on October 17, 2006 to hold assets for investment purposes	100%	–
CCC	Incorporated in the Philippines on September 16, 2004 primarily to engage in exploration work for the purpose of determining the existence of mineral resources, extent, quality and quantity, and the feasibility of mining them for profit.	100%	–
CCESI	Incorporated in the Philippines on August 29, 2024, primarily to focus on sustainable mining waste disposal, handling, and management.	–	70%

- a. *AEI*  
AEI incurred a net loss of ₱71 in 2025 and has cumulative capital deficiency of ₱106,486 as at December 31, 2025.
- b. *AI*  
AI incurred a net loss of ₱71 in 2025 and has cumulative capital deficiency of ₱32,576 as at December 31, 2025.
- c. *AHI*  
AHI owns certain real properties that are utilized in the mining operations of CCC. AHI incurred a net loss of ₱78 in 2025 and has cumulative deficit of ₱3,684 as at December 31, 2025.
- d. *CCC*  
In July 2011, the Parent Company acquired all of the equity interest of CASOP Atlas BV and CASOP Atlas Corporation (collectively called CASOP) in CCC. As a result, the Parent Company became the owner of 100% of CCC's outstanding capital stock. Prior to such acquisition, the Parent Company owned 54.45% of the outstanding capital stock of CCC.

On May 5, 2006, the Parent Company entered into an Operating Agreement with CCC (the Operating Agreement) respecting the terms of the assignment by the Company to CCC of operating rights over the Toledo mining complex, and the right to acquire certain fixed assets (Note 35b).



### Status of Operations

The Group incurred net losses amounting to ₱246.22 million and ₱231.07 million in 2025, and 2024, respectively. As at December 31, 2025, the Group's current liabilities exceeded its current assets by ₱12.41 billion. The working capital deficit primarily reflects the reclassification of term loans from noncurrent to current in view of their upcoming maturity.

Management assessed that with the Group's credit facilities (see Note 35e) and ability to generate sufficient cash flows from its operations as forecasted, the Group will be able to generate sufficient cash flows to meet its obligations as and when they fall due. In addition, management has initiated and continues to pursue the renegotiation and renewal of maturing loan facilities with its lending banks. As such, the accompanying consolidated financial statements have been prepared under the going concern basis of accounting.

### Authorization for the Issuance of the Consolidated Financial Statements

The consolidated financial statements of the Group as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025 were authorized for issuance by the Board of Directors (BOD) on March 9, 2026.

---

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

### Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for parcels of land, which are carried at revalued amounts, short-term investments, trade receivables, derivatives, investment in pooled funds, quoted equity instrument, and investment in unit investment trust fund (UITF), which have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is the presentation currency of the Group under Philippine Financial Reporting Standards (PFRS) Accounting Standards. Based on the economic substance of the underlying circumstances relevant to Atlas Consolidated Mining and Development Corporation and each of the Subsidiaries, the functional currencies of the Parent Company, and its associates and subsidiaries is the Philippine Peso, except for CCC whose functional currency is the United States Dollar (US\$). All values are rounded to the nearest thousands (₱000), except when otherwise indicated.

### Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with PFRS Accounting Standards as adopted by the Financial and Sustainability Reporting Standards Council (FSRSC).

### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at December 31, 2025 and 2024.

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



Specifically, the Group controls an investee if, and only if, the Group has:

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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

If the Group loses control over a subsidiary, it derecognizes the related assets, including goodwill, liabilities, non-controlling interests and other components of equity while any gain or loss is recognized in the consolidated statements of comprehensive income. Any investment retained is recognized at fair value.

The financial statements of the subsidiaries are prepared for the same accounting period as the Parent Company using uniform accounting policies.

#### New Standards, Interpretations and Amendments

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



Unless otherwise indicated, adoption of these amendments did not have an impact on the consolidated financial statements of the Group.

- Amendments to Philippine Accounting Standards (PAS) 21, *Lack of exchangeability*

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

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

#### Standards Issued but not yet Effective

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

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

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*

The amendments add illustrative examples to several PFRS Accounting Standards intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements.

The examples address topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation.

The illustrative examples are not an integral part of PFRS Accounting Standards and, as such, do not have an effective date or transition requirements. However, an entity is expected to be entitled to sufficient time to implement any changes to align the information disclosed in its financial statements with the illustrative examples. Determining how much time is sufficient is a matter of judgement that depends on an entity's particular facts and circumstances. Nonetheless, an entity would be expected to implement any changes on a timely basis.

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.



- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

The amendments only apply to contracts that reference nature-dependent electricity such as contracts to buy or sell nature-dependent electricity, as well as financial instruments that reference such electricity. This amendment cannot be applied by analogy to other contracts, items or transactions.

The amendments clarify the application of the 'own-use' requirements for in-scope contracts, amend the designation requirements for a hedge item in a cash flow hedging relationship for in-scope contracts and include new disclosure requirements.

- Annual Improvements to PFRS Accounting Standards - Volume 11

The amendments are limited to changes that either clarify the wording in an PFRS Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the PFRS Accounting Standards. The following is the summary of the PFRS Accounting Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*  
The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.
- Amendments to PFRS 7, *Gain or Loss on Derecognition*  
The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.
- Amendments to PFRS 9
  - a) Lessee Derecognition of Lease Liabilities  
The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
  - b) Transaction Price  
The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*  
The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.
- Amendments to PAS 7, *Cost Method*  
The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.



*Effective beginning on or after January 1, 2027*

- PFRS 17, *Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. Thereafter, on February 14, 2025, the FSRSC approved the amendment to PFRS 17 that further defers the date of initial application by an additional two years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard.

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1, *Presentation of Financial Statements* and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Group is currently assessing the impact of PFRS 18 on the consolidated financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*

The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS Accounting Standards.

In 2025, PFRS 19 was amended to provide reduced disclosure requirements for new or amended PFRS Accounting Standards adopted by the FSRSC from the issuances of the International Accounting Standards Board between February 2021 and May 2024.

The application of the standard is optional for eligible entities.

The Group is currently assessing if the subsidiaries will elect to apply the reduced disclosure requirements of PFRS 19.



- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

The amendments introduce translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.

#### *Deferred effectivity*

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

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the FSRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

#### Material Accounting Policy Information

##### Current versus Non-current Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current or non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purposes of trading
- Expected to be realized within 12 months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.



### Financial Instruments – Initial Recognition and Subsequent Measurement

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

#### Financial Assets

##### *Initial Recognition and Measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely for payments of principal and interest on the principal amount outstanding. This assessment is referred to as the solely for payments of principal and interest test and is performed at an instrument level. Financial assets with cash flows that are not solely for payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

##### *Subsequent Measurement*

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

- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through other comprehensive income with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss



*Financial Assets at Amortized Cost (Debt Instruments)*

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

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

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the consolidated statements of comprehensive income when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, non-trade receivables, interest receivables, advances to related parties, advances to officers and employees, and refundable deposits under other non-current assets.

*Financial Assets at Fair Value through Profit or Loss*

Financial assets at fair value through profit or loss are carried in the consolidated statements of financial position at fair value with net changes in fair value recognized in profit or loss in the consolidated statements of comprehensive income.

A derivative embedded in a hybrid contract with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

As PFRS 9 now has the solely for payments of principal and interest test for financial assets, the requirements relating to the separation of embedded derivatives is no longer needed for financial assets. An embedded derivative will often make a financial asset fail the solely for payments of principal and interest test thereby requiring the instrument to be measured at fair value through profit or loss in its entirety. This is applicable to the Group's trade receivables (subject to provisional pricing) arising from sale of copper concentrate. These trade receivables relate to sales contracts where the selling price is determined after delivery to the customer, based on the market price at the relevant quotational period (QP) stipulated in the contract. This exposure to the commodity price causes such trade receivables to fail the solely for payments of principal and interest test. As a result, these trade receivables are measured at fair value through profit or loss from the date of recognition of the corresponding sale, with subsequent movements being recognized in fair value gain or loss on provisionally priced trade receivables in the consolidated statements of comprehensive income.

Aside from trade receivables, this category also includes derivative assets, quoted equity instrument, short-term investments, investment in UITF and investment in pooled funds which the Group classified at fair value through profit or loss.



### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement-and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### *Impairment of Financial Assets*

The Group recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month expected credit losses). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit losses).

For any other financial assets carried at amortized cost (which are due in more than 12 months), the expected credit losses are based on the 12-month expected credit losses. The 12-month expected credit losses is the proportion of lifetime expected credit losses that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit losses. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual



amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### Financial Liabilities

#### *Initial Recognition and Measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include accounts payable and accrued liabilities, lease liability, and long-term debts.

#### *Subsequent Measurement*

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

#### *Financial Liabilities at Fair Value through Profit or Loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statements of comprehensive income. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

#### *Financial Liabilities at Amortized Cost (Loans and Borrowings)*

After initial recognition, loans and borrowings and payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statements of comprehensive income when the liabilities are derecognized, as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of comprehensive income. This category generally applies to accounts payable and accrued liabilities, lease liability, and long-term debts.



### *Derecognition*

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

### *Exchange or Modification of Financial Liabilities*

The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

The Group's policy is to treat restructuring as extinguishment when there is revision of nominal interest rates for liabilities that are prepayable at par at a current market rate, and the prepayment at par i.e. unpaid principal and interest, at any time is with no penalty. The revision of the rates is in substance a settlement of the existing loan through the exercise of the prepayment option and commencement of a new loan at a market rate of interest. The cash flows of the original loan are deemed to have expired and should be derecognized with a corresponding new loan recognized.

### Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.



### Fair Value Measurement

The Group measures financial instruments, such as derivatives, provisionally-priced trade receivables, and land, at fair value at the end of the reporting period.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- |   |                    |
|---|--------------------|
| • Significant estimates and assumptions                 | Note 3             |
| • Derivatives   | Notes 5 and 6      |
| • Financial assets at fair value through profit or loss | Notes 4, 8, and 13 |
| • Land  | Note 9             |
| • Financial instruments                                 | Note 32            |

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

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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



### Derivative Financial Instruments

The Group uses derivative financial instruments, such as forward commodity contracts, to hedge its commodity price risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

#### *Fair Value Hedges*

The change in the fair value of a hedging instrument is recognized in the consolidated statements of comprehensive income as other income (charges). The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated statements of comprehensive income as other income (charges).

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognized, the unamortized fair value hedge adjustment is recognized immediately in profit or loss.

As of December 31, 2025, the Group has freestanding derivative instruments in place to hedge against risks associated with copper and fuel prices (see Note 6).



### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Capitalization of borrowing costs commences when the activities to prepare the assets are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recorded.

When funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. When surplus funds are temporarily invested, the income generated from such temporary investment is deducted from the total capitalized borrowing cost. When the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period.

### Inventories

Mine products inventory, which includes coarse ore, fine ore and copper concentrate containing copper, and gold, and materials and supplies are valued at the lower of cost and net realizable value (NRV).

Cost is determined using the following methods:

#### *Mine Products Inventory*

The cost of mine products inventory is determined using the moving average method and is comprised of materials and supplies, depreciation, depletion, personnel costs and other cost that are directly attributable in bringing the copper concentrates in its saleable condition.

#### *Materials and Supplies*

Materials and supplies primarily pertain to consumable bearing and grinding balls, coolant and lubricants for the concentrators, concentrator supplies such as flotation reagent for the processing of the extracted ores, spare parts for concentrator machinery, crushers and conveyors, supplies such as diesel and gasoline fuels used by dump trucks and drilling machinery in extracting and transporting the ores, and explosives and blasting accessories for open pit mining. Cost is determined using the moving average method.

The Group determines the NRV of inventories at the end of the reporting period. NRV for mine product inventories is the selling price in the ordinary course of business, less the estimated costs of completion and costs of selling the final product. In the case of materials and supplies, NRV is the current replacement cost. If the cost of the inventories exceeds its NRV, the asset is written down to its NRV and impairment loss is recognized in the consolidated statements of comprehensive income in the period the impairment is incurred.

In case the NRV of the inventories increased subsequently, the NRV will increase the carrying amount of inventories but only to the extent of the impairment loss previously recognized. Any provision for inventory obsolescence is determined by reference to specific items of stock. A regular review is undertaken by the Group to determine the extent of any provision for obsolescence.

### Property, Plant and Equipment

Items of property, plant and equipment, except land, are carried at cost less accumulated depreciation and depletion, and any impairment in value. Parcels of land of the Group are carried at revalued amount less any impairment in value.



The initial cost of property, plant and equipment comprises its purchase price, including import duties, taxes, and any directly attributable costs of bringing the property, plant and equipment to its working condition and location for its intended use. Expenditures incurred after the property, plant and equipment have been placed into operation, such as repairs and maintenance costs, are normally recognized in the consolidated statements of comprehensive income in the period they are incurred. When property, plant and equipment items are sold or retired, the cost and related accumulated depletion and depreciation are removed from the accounts and any resulting gain or loss is recognized in the consolidated statements of comprehensive income.

Depreciation of property, plant and equipment, except mine development costs, is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Number of Years</u>
Roadways and bridges	5 – 40
Buildings and improvements	5 – 25
Machinery and equipment	3 – 20
Transportation equipment	5 – 7
Furniture and fixtures	5

Depreciation or depletion of an item of property, plant and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation or depletion ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized.

The estimated mineral reserves, useful lives, and depreciation and depletion methods are reviewed periodically to ensure that the estimated mineral reserves, periods and methods of depreciation and depletion are consistent with the expected pattern of economic benefits from the items of property, plant and equipment. The assets' useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at the end of the reporting period.

Property, plant and equipment also include the estimated costs of rehabilitating the mine site, for which the Group is constructively and legally liable. These costs, included under mine development costs, are amortized using the units-of-production method based on the estimated mineral reserves until the Group actually incurs these costs in the future.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statements of comprehensive income in the year the asset is derecognized.

Expenditures on major maintenance refits or repairs comprise the cost of replacement assets or parts of assets and overhaul cost. Where an asset or part of an asset that was separately depreciated and is now written-off is replaced, and it is probable that future economic benefits associated with the item will flow to the Group through an extended life, expenditure is capitalized. All other day-to-day maintenance costs are expensed as incurred.

Parcels of land are measured at fair value at the date of revaluation. Valuations are performed with sufficient frequency to ensure that carrying amount of revalued asset does not differ materially from its fair value. The net appraisal increment resulting from the revaluation of land is credited to the revaluation increment on land account shown under the equity section of the consolidated statements of financial position. Any appraisal decrease is first offset against revaluation increment on earlier



revaluation. The revaluation increment pertaining to disposed land is transferred to the retained earnings account.

#### *Right-of-use Asset*

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

#### *Mine Development Costs*

Mine development costs are stated at cost, which includes cost of construction, borrowing costs and other direct costs. Mine development costs pertain to costs attributable to current commercial operations and are depleted using the units-of-production method based on estimated mineral reserves.

Mine development costs also include the estimated costs of rehabilitating the mine site, for which the Group is constructively and legally liable. These costs are amortized using the units-of-production method based on the estimated mineral reserves until the Group actually incurs these costs in the future.

#### *Construction in-progress*

Construction in-progress includes mine development costs which are not attributable to current commercial operations and are not depleted or depreciated until such time as the relevant assets are completed and become available for use. Construction in-progress are transferred to the related property, plant and equipment account when the construction or installation and related activities necessary to prepare the property, plant and equipment for their intended use are complete and the property, plant and equipment are ready for service.

#### *Deferred Stripping Costs*

Stripping costs incurred in the development of a mine before production commences are capitalized as part of the cost of constructing the mine (under construction in-progress) and subsequently amortized over the estimated life of the mine on a units-of-production basis. Where a mine operates several open pit that are regarded as separate operations for the purpose of mine planning, stripping costs are accounted for separately by reference to the ore from each separate pit. If, however, the pits are highly integrated for the purpose of the mine planning, the second and subsequent pits are regarded as extensions of the first pit in accounting for stripping costs. In such cases, the initial stripping (i.e., overburden and other waste removal) of the second and subsequent pits is considered to be production phase stripping relating to the combined operation.

For stripping costs incurred subsequently during the production stage of the operation, the stripping activity cost is accounted as part of the cost of inventory if the benefit from the stripping activity will be realized in the current period. When the benefit is the improved access to ore, the Group shall recognize these costs as stripping activity assets. The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset. After initial recognition, the deferred stripping cost is carried at its cost less depreciation or depletion and less impairment losses.



### Deferred Mine Exploration Costs

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation activity includes:

- Researching and analyzing historical exploration data
- Gathering exploration data through geophysical studies
- Exploratory drilling and sampling
- Determining and examining the volume and grade of the resource
- Surveying transportation and infrastructure requirements
- Conducting market and finance studies

License costs paid in connection with a right to explore in an existing exploration area are capitalized and amortized over the term of the permit.

Once the legal right to explore has been acquired, exploration and evaluation expenditure is charged to the consolidated statements of comprehensive income as incurred, unless the Group concludes that a future economic benefit is more likely than not to be realized. These costs include directly attributable employee remuneration, materials and fuel used, surveying costs, drilling costs and payments made to contractors.

In evaluating whether the expenditures meet the criteria to be capitalized, several different sources of information are used. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. Exploration and evaluation expenditure is capitalized provided the rights to tenure of the area of interest is current and either: the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, then, any fulfillment exploration and evaluation expenditure is reclassified as mine properties and mine development costs included as part of property, plant and equipment. Prior to reclassification, exploration and evaluation expenditure is assessed for impairment.

When a project is abandoned, the related deferred mine exploration costs are written off.

Exploration areas are considered permanently abandoned if the related permits of the exploration have expired and/or there are no definite plans for further exploration and/or development.

### Mining Rights

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



The cost of a separately acquired mining right comprises: (a) its purchase price and non-refundable purchase taxes; and (b) any directly attributable cost of preparing the asset for its intended use. Mining rights acquired through business combination is initially valued at its fair value at the acquisition date. The fair value of mining rights will reflect expectations about the probability that the expected future economic benefits embodied in the asset will flow to the entity.

Mining rights shall be subsequently depleted using the units-of-production method based on estimated mineral reserves in tonnes or legal right to extract the minerals, whichever is shorter.

Depletion shall begin when the asset is available for use and shall cease at the earlier of the date that the asset is classified as held for sale in accordance with PFRS 5 and the date that the asset is derecognized. The depletion expense for each period shall be recognized in the consolidated statement of comprehensive income.

#### Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date, and any gain or loss is recognized in the consolidated statements of comprehensive income.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, will be recognized in accordance with PFRS 9, either in the consolidated statements of comprehensive income or as change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity. If the contingent consideration is not within the scope of PFRS 9, it is measured at fair value at each reporting date and changes in fair value shall be recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the



amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

#### Investments in Associates

Associates are entities over which the Group is able to exert significant influence. Significant influence is the power to participate in the financial and reporting policy decisions of the investee, but has no control or joint control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investments in associates are accounted for using the equity method, less any impairment in value, in the consolidated statements of financial position. Under the equity method, the investment in associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associates. When there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statements of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the Group's interest in the associates.

The aggregate of the Group's share in profit or loss of an associate is shown in the consolidated statements of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interest in the subsidiaries of the associate.

The financial statements of the associates are prepared for the same reporting period and using uniform accounting policies as the Group. When necessary, adjustments are made to bring the accounting policies of the associates in line with those of the Group.

#### Impairment of Non-financial Assets

##### *Property, Plant and Equipment, and Mining Rights*

Property, plant and equipment and mining rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and where the carrying amount of an asset exceeds its recoverable amount, the asset or cash-generating unit is written down to its recoverable amount.

The estimated recoverable amount is the higher of an asset's or cash-generating unit fair value less cost to sell and value-in-use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a large cash-generating unit. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal while



value-in-use is the present value, using a pre-tax discount rate, of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The pre-tax discount rate used reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognized in the consolidated statement of comprehensive income.

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

#### *Deferred Mine Exploration Costs*

The Group assesses whether facts and circumstances suggest that the carrying amount of deferred mine exploration costs may exceed its recoverable amount. Below are some of the facts and circumstances, which the Group considers in determining whether there is impairment on deferred mine exploration costs:

- 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 mineral resources in the specific area is neither budgeted nor planned
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity 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 deferred mine exploration costs is unlikely to be recovered in full from successful development or by sale

Full provision is made for the impairment unless it is probable that such costs are expected to be recouped through successful exploration and development of the area of interest, or alternatively, by its sale. If the project does not prove to be viable or is abandoned, all revocable cost associated with the project and the related impairment provisions are written off.

Recovery of impairment losses recognized in prior years is recorded if, and 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. The recovery is recorded in the statement of comprehensive income.

#### *Goodwill*

Goodwill is reviewed for impairment annually. Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount to which goodwill has been allocated, an impairment loss is recognized. Where goodwill forms part of cash-generating unit (or groups of cash-generating units) and part of the operations within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.



Goodwill disposed of in this circumstance is measured on the basis of the relative fair values of the operation disposed of and the portion of the cash-generating unit retained. Impairment losses relating to goodwill cannot be reversed in the future periods.

#### *Investments in Associates*

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in associate. At each reporting date, the Group determines whether there is objective evidence that the investment in associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as impairment loss in the consolidated statements of comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value.

Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of comprehensive income.

#### *Other Non-financial Assets*

The Group provides allowance for impairment losses on other non-financial assets when these can no longer be realized. The amount and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease other non-financial assets.

#### Foreign Currencies

The Group's consolidated financial statements are presented in Philippine Peso, which is also the functional currencies of the Parent Company, associates and subsidiaries, except CCC. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### *Transactions and Balances*

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the consolidated statements of comprehensive income with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to consolidated statements of comprehensive income. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

#### *Group Companies*

On consolidation, the assets and liabilities of foreign operations are translated into Philippine Peso at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at the weighted average exchange rates of the year. The exchange differences arising on translation for



consolidation are recognized in other comprehensive income, and are accumulated in the cumulative translation adjustments account. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the consolidated statements of comprehensive income.

### Leases

The Group determines at contract inception whether a contract is, or contains, a lease by assessing whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Lease Liabilities – Group as a Lessee*

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

#### *Short-term Leases and Leases of Low-value Assets*

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Income Taxes

#### *Current Income Tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the end of the reporting period.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statements of comprehensive income.

#### *Deferred Tax*

Deferred tax is provided using the liability method on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused tax losses from net operating loss carry-over (NOLCO), to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and the carryforward benefits of excess MCIT and NOLCO can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

Deferred tax liabilities are recognized for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilized before their reversal or expiration.

Unrecognized deferred tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred tax assets to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

#### *Uncertainty over Income Tax Treatments*

The Group assesses at the end of each reporting period whether it has any uncertain tax treatments by reviewing the assumptions about the examination of tax treatments by the taxation authority, determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, and considering changes in relevant facts and circumstances. The Group then evaluates how likely is it that



a certain tax treatment will be accepted by the taxation authority. If it is probable that the taxation authority will accept a certain tax treatment, the Group concludes that it has no uncertain tax treatment and will measure tax amounts in line with the income tax filings. If it is not probable that the taxation authority will accept a certain tax treatment, the Group measures tax amounts based on the 'most likely amount' method (better predicts uncertainty if the possible outcomes are binary or are concentrated on one value) or 'expected value' method (better predicts uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value). The Group presents uncertain tax liabilities as part of current tax liabilities or deferred tax liabilities.

#### Share-based Payments

The cost of equity-settled transactions with employees is measured by reference to their fair value at the date they are granted, determined using the acceptable valuation techniques.

The cost of equity-settled transactions, together with a corresponding increase in equity, is recognized over the period in which the performance and/or service conditions are fulfilled ending on the date on which the employees become fully entitled to the award (vesting date).

The cumulative expense recognized for equity-settled transactions at the end of the reporting period up to and until the vesting date reflects the extent to which the vesting period has expired, as well as the Group's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for the period represents the movement in cumulative expense recognized at the beginning and end of that period. No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which awards are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum, an expense is recognized as if the terms had not been modified. An additional expense is likewise recognized for any modification which increases the total fair value of the share-based payment arrangement or which is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. If a new award, however, is substituted for the cancelled awards and designated as a replacement award, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### Capital Stock and Additional Paid-in Capital

The Group has issued capital stock that is classified as equity. Incremental costs directly attributable to the issue of new capital stock are shown in the consolidated statement of changes in equity as a deduction, net of tax, from the proceeds.

#### Subscription Receivable

Subscription receivable represents outstanding receivables from stock subscription agreements. The Group may present the subscription receivable as part of current assets when they have established the right to receive the outstanding receivables within the next 12 months from the end of the reporting period. Otherwise, this is presented as a deduction from equity.

#### Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between



the carrying amount and the consideration, if reissued, is recognized in share premium. Share options exercised during the reporting period are satisfied with treasury shares.

#### Retained Earnings

The amount included in retained earnings includes profit (loss) attributable to the Parent Company's equity holders and reduced by dividends on capital stock. Dividends on capital stock are recognized as a liability and deducted from equity when they are approved by the Parent Company's stockholders. Interim dividends, if any, are deducted from equity when these are paid. Dividends for the year that are approved after the end of the reporting period are dealt with as an event after the end of the reporting period.

Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions. Retained earnings may be appropriated for any plant expansion, investments and funding of certain reserve accounts to be established pursuant to the requirements of the lenders in accordance with the agreement. When appropriation is no longer needed, it is reversed.

When retained earnings account has a debit balance, it is called deficit. A deficit is not an asset but a deduction from equity.

#### Revenue from Contracts with Customers

The Group is principally engaged in the business of producing copper concentrate and mine waste. Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue contracts because it typically controls the goods before transferring these to the customer.

#### *Contract Assets*

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. The Group does not have any contract assets as at December 31, 2025 and 2024, as performance and a right to consideration occurs within a short period of time and all rights to consideration are unconditional.

#### *Trade Receivables*

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### *Contract Liability*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. The Group does not have any contract liabilities as at December 31, 2025 and 2024.

#### *Copper Concentrate Sales*

The Group's copper concentrate contains copper, gold and silver. For copper concentrate sales, the enforceable contract is each purchase agreement, which is an individual, short-term contract, while the performance obligation is the delivery of the copper concentrate.



Recognition of sales revenue for the commodities is based on determined metal in concentrate and the London Metal Exchange (LME) quoted prices, net of smelting and related charges. The sales of copper concentrate allow for price adjustments based on the LME price at the end of the QP stipulated in the contract. These are referred to as provisional pricing arrangements. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the QP. The period between provisional invoicing and the end of the QP can be between one to two months. The next month after the end of the QP also marks the settlement date for each shipment.

For the Group's customers in 2025, 100% of the value of copper, gold and silver based on provisional prices (5-day average preceding the date of the invoice) is collected prior to shipment, net of refining and smelting charges, while the difference between the advance/provisional and final invoice is collected from or remitted to the customer upon the determination of the final shipment value on final weight and assays for metal content and prices during the QP less other related charges.

Revenue is recognized when control passes to the customer, which occurs at a point in time when the copper concentrate is physically transferred onto the buyer's vessel and date of the bill of lading issued by the buyer's shipping agent. Under the terms of offtake agreements with customers, the Group issues a provisional invoice for the entire volume of concentrate loaded to customer's vessel. Final invoice is made thereafter upon customer's outturn of concentrates delivered and submission of their final assay report. Adjustment is accordingly made against the final invoice with respect to provisional collections received by the Group to determine amounts still owing from/to customers.

For these provisional pricing arrangements, any future changes that occur over the QP are embedded within the provisionally priced trade receivables and are, therefore, within the scope of PFRS 9 and not within the scope of PFRS 15. Given the exposure to the commodity price, these provisionally priced trade receivables will fail the cash flow characteristics test within PFRS 9 and will be required to be measured at fair value through profit or loss up from initial recognition and until the date of settlement. These subsequent changes in fair value are recognized in the consolidated statements of comprehensive income each period and presented separately from revenue from contracts with customers as part of fair value gain or loss on provisionally priced trade receivables. Changes in fair value over, and until the end of, the QP, are estimated by reference to updated forward market prices for gold and copper as well as taking into account relevant other fair value considerations as set out in PFRS 13, including interest rate and credit risk adjustments (see Note 31).

As the enforceable contract for the arrangements is the purchase agreement, the transaction price is determined at the date of each sale (i.e., for each separate contract) and, therefore, there is no future variability within scope of PFRS 15 and no further remaining performance obligations under those contracts.

#### *Mine Waste Sale*

The Group sells limited quantities of mine waste materials, consisting primarily of graywacke, generated as a by-product of mining activities. Graywacke is a non-ore, low-grade waste rock that arises from stripping and development works and does not form part of the Group's identified mineral reserves. Although not economically valuable as ore, graywacke may be utilized by third parties for purposes such as construction fill, embankment material, or local infrastructure projects.

Revenue is recorded when control of the material transfers to the customer, which typically occurs upon delivery or loading at the mine site, depending on the contract terms. The selling price is based on agreed tonnage rates reflective of the material's low commercial value.

#### *Interest Income*

Interest income is recognized as the interest accrues using the EIR method.



### Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Costs and expenses which include mining and milling costs, general administrative expenses, mine product taxes and depletion of mining rights, are generally recognized in the consolidated statements of comprehensive income when the services are used or the expenses are incurred.

### Operating Segments

For management purposes, the Group is organized into two major operating segments (mining and non-mining businesses) according to the nature of products and the services provided with each segment representing a strategic business unit that offers different products and serves different markets. The entities are the based upon which the Group reports its primary segment information (see Note 29).

### Basic Earnings per Share

Basic earnings per share amounts are calculated by dividing net income attributable to the equity holders of the Parent Company by the weighted average number of common shares outstanding during the year.

### Diluted Earnings per Share

Diluted earnings per share amounts are calculated by dividing the net income attributable to common equity holders of the Parent Company (after adjusting for interest on convertible preferred shares, warrants and stock options) by the weighted average number of common shares outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all potential dilutive common shares into common shares.

### Provisions

#### *General*

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

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

#### *Liability for Mine Rehabilitation*

The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of waste sites, and restoration, reclamation and re-vegetation of affected areas. The obligation generally arises when the asset is installed or the ground or environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.



The periodic unwinding of the discount is recognized in the consolidated statements of comprehensive income under finance charges. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and liability for mine rehabilitation cost, respectively, when these occur. The liability is reviewed on an annual basis for changes to obligations or legislation or discount rates that affect change in cost estimates or life of operations. The cost of the related asset is adjusted for changes in the liability resulting from changes in the estimated cash flows or discount rate, and the adjusted cost of the asset is depleted prospectively.

When rehabilitation is conducted progressively over the life of the operation, rather than at the time of closure, liability is made for the estimated outstanding continuous rehabilitation work at each end of the reporting period and the cost is charged to the consolidated statements of comprehensive income.

The ultimate cost of mine rehabilitation is uncertain, and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience. The expected timing of expenditure can also change, for example in response to changes in estimated mineral reserves or production rates. As a result, there could be significant adjustments to the liability for mine rehabilitation cost, which would affect future financial results.

Changes to estimated future costs are recognized in the consolidated statement of financial position by either increasing or decreasing the rehabilitation liability and rehabilitation asset if the initial estimate was originally recognized as part of an asset measured in accordance with PAS 16. Any reduction in the rehabilitation liability and therefore any deduction from the rehabilitation asset may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of comprehensive income. If the change in estimate results in an increase in the rehabilitation liability and therefore an addition to the carrying value of the asset, the Group is required to consider whether this is an indication of impairment of the asset as a whole and test for impairment in accordance with PAS 36.

#### Employee Benefits

The net defined retirement benefits liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any).

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined retirement benefits liability or asset
- Remeasurements of net defined retirement benefits liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined retirement benefits liability or asset is the change during the period in the net defined retirement benefits 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 defined retirement benefits liability or asset. Net interest on the net defined retirement benefits liability or asset is recognized as expense or income in the consolidated statements of comprehensive income.



Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined retirement benefits liability) are recognized immediately in other comprehensive income in the period in which these arise. Remeasurements are not reclassified to the consolidated statements of comprehensive income in subsequent periods. The Group's right to be reimbursed of some or all of the expenditure required to settle a defined retirement benefits liability is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

#### *Termination Benefits*

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

#### *Employee Leave Entitlements*

Employee entitlements to annual leave are recognized as a liability when these are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

#### Contingencies

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed 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. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements.

#### Events after the End of the Reporting Period

Events after the end of the reporting period that provide additional information about the Group's financial position at the end of the reporting period (adjusting events) are reflected in the consolidated financial statements. Events after the end of the reporting period that are not adjusting events are disclosed when material.

---

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

The preparation of the consolidated financial statements in accordance with PFRS Accounting Standards requires the Group to exercise judgment, make accounting estimates and use assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the accounting estimates to change. The effects of any change in accounting estimates are reflected in the consolidated financial statements as they become reasonably determinable.



Accounting assumptions, estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcome can differ from these estimates.

Other disclosures relating to the Group's exposure to risks and uncertainties include capital management, financial risk management and policies and sensitivity analyses disclosures (see Notes 31 and 33).

#### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effects on amounts recognized in the consolidated financial statements:

##### *Determination of Functional Currency*

The Parent Company and most of its subsidiaries, based on the relevant economic substance of the underlying circumstances, have determined their functional currency to be the Philippine Peso. CCC's functional currency is US\$.

In making this judgment, each entity in the Group considered the following:

- The currency that mainly influences sales prices for financial instruments and services (this will often be the currency in which sales price for its financial instruments and services are denominated and settled)
- The currency in which funds from financing activities are generated and
- The currency in which receipts from operating activities are usually retained

##### *Assessing Existence of Significant Influence*

In assessing whether significant influence still exists, the Group considered not only its percentage ownership but other factors such as board seat representations it has in an associate's governing body and its interchange of managerial personnel with an associate, among others.

As at December 31, 2025 and 2024, the Group assessed that it has significant influence over the associates and has accounted for the investments as investments in associates. The Group has the ability to participate in the financial and reporting decisions of the investee, but has no control or joint control over those policies (see Note 12).

##### *Bill-and-hold Sales*

The Group recognized sale on shipments classified as bill-and-hold when there is transfer of risk and reward from the Group to the buyer due to the following:

- It is probable that delivery will be made
- The item is on hand, identified and ready for delivery to the buyer at the time the sale is recognized
- The buyer specifically acknowledges the deferred delivery instructions and
- The usual payment terms apply

The Group engages a third-party surveyor to conduct an independent physical inspection of the copper concentrate. The third-party surveyor attests that the quantity disclosed in the holding certificate is consistent with the independent testing results.

Bill-and-hold sales of copper concentrate amounted to ₱521,884 as at December 31, 2025, which was subsequently shipped on February 1, 2026. In 2025 and 2024, bill-and-hold sales amounted to ₱1,125,013 and ₱310,633, respectively.



#### *Allocation of Stripping Costs*

Significant judgement is required to distinguish between development stripping and production stripping and to distinguish between the production stripping that relates to the extraction of inventory and that which relates to the creation of a stripping activity asset.

Once the Group has identified its production stripping for each surface mining operation, it identifies the separate components of the ore bodies for each of its mining operations. An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity. Significant judgement is required to identify and define these components, and also to determine the expected volumes (e.g., in tonnes) of waste to be stripped and ore to be mined in each of these components. These assessments are undertaken for each individual mining operation based on the information available in the mine plan. The mine plans and, therefore, the identification of components, will vary between mines for a number of reasons. These include, but are not limited to, the type of commodity, the geological characteristics of the ore body, the geographical location and/or financial considerations.

Judgement is also required to identify a suitable production measure to be used to allocate production stripping costs between inventory and any stripping activity assets for each component. The Group considers that the ratio of the expected volume (e.g., in tonnes) of waste to be stripped for an expected volume (e.g., in tonnes) of ore to be mined for a specific component of the ore body, is the most suitable production measure.

Furthermore, judgements and estimates are also used to apply the units-of-production method in determining the depreciation of the stripping activity asset.

#### *Determination of Taxable Profit, Tax Bases, Unused Tax Losses, Unused Tax Credits and Tax Rates*

The Group has assessed whether it has any uncertain tax treatments. The Group applies significant judgement in identifying uncertainties over its income tax treatments. The Group assessed whether the Interpretation had an impact on its consolidated financial statements. The Group determined, based on its tax assessment, in consultation with its tax counsel, that it has no uncertain tax treatments (including those for the subsidiaries).

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainties at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are as follows:

#### *Estimating Impairment of Goodwill, Property, Plant and Equipment, and Mining Rights*

PFRS Accounting Standards require that an impairment review be performed when certain impairment indicators are present for property, plant and equipment and mining rights while goodwill is required to be tested for impairment at least annually. Impairment is determined for goodwill, property, plant and equipment, and mining rights by assessing the recoverable amount of the cash-generating unit to which the said assets relate. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods while any impairment loss for property, plant and equipment and mining rights may be reversed and such reversal must not exceed the carrying amount that would have been determined (net of depreciation and depletion) had no impairment loss been recognized in prior years.

Future events could cause the Group to conclude that the goodwill, property, plant and equipment and mining rights are impaired. Any resulting impairment loss could have a material adverse impact on the Group's financial condition and results of operations.



Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash-generating unit.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) commodity prices which are estimated with reference to external market forecasts; and e) pre-tax discount rates of 13.16% and 12.32% as at December 31, 2025 and 2024, respectively.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on goodwill, mining rights, and property, plant and equipment in 2025, 2024 and 2023 (see Notes 9 and 10).

#### *Measurement of Expected Credit Losses*

Expected credit losses are derived from unbiased and probability weighted estimates of expected loss, and are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, or an approximation thereof. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group did not recognize provision for expected credit losses in 2025, 2024, 2023. Other receivables at amortized cost, net of allowance for expected credit losses, amounted to ₱64,446 and ₱58,396 as at December 31, 2025 and 2024, respectively (see Note 5).

#### *Estimating Fair Value of Financial Assets and Financial Liabilities*

PFRS Accounting Standards requires that certain financial assets and liabilities be carried at fair value, which requires the use of accounting judgment and estimates. While significant components of fair value measurement are determined using verifiable objective evidence (e.g., foreign exchange rates, interest rates and volatility rates), the timing and amount of changes in fair value would differ with the valuation methodology used. Any change in the fair value of these financial assets and financial liabilities would directly affect net income or loss (see Note 32).

#### *Estimating NRV of Mine Products Inventory*

The estimation of the selling price of mine products inventory is based on the LME, which also represents an active market for the product. CCC concurrently uses the prices as agreed with its customers, and the weight and assay for metal content in estimating the fair value less cost to sell of mine products inventory. Any changes in the assay for metal content of the mine products inventory is accounted for and adjusted accordingly.

As at December 31, 2025 and 2024, the cost of mine products inventory is lower than its NRV.

No provision for impairment loss on mine products inventory was recognized in 2025, 2024 and 2023. Mine products inventory amounted to ₱11,927 and ₱17,681 as at December 31, 2025 and 2024, respectively (see Note 7).

#### *Estimating Allowance for Inventory Obsolescence on Materials and Supplies Inventory*

The Group recognizes provision for losses on materials and supplies whenever the NRV of inventories becomes lower than cost due to damage, inventory losses, physical deterioration, obsolescence, changes in price levels or other causes. Allowance for inventory obsolescence on materials and supplies



inventory amounted to ₱700,721 and ₱678,195 as at December 31, 2025 and 2024, respectively (see Note 7).

Provision for impairment loss in materials and supplies amounted to ₱16,249, ₱22,865 and nil in 2025, 2024 and 2023, respectively. Materials and supplies inventories, net of allowance for inventory obsolescence, amounted to ₱979,669 and ₱1,035,842 as at December 31, 2025 and 2024, respectively (see Note 7).

#### *Estimating Volume of Mine Products Inventories*

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile. The number of contained copper in dry metric tonnes and gold in ounces are based on assay data, and the estimated recovery percentage is based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

As at December 31, 2025 and 2024, the coarse ore stockpiles of the Group amounted to ₱11,050 and ₱3,716, respectively, while the fine ore stockpiles amounted to ₱877 and ₱8,617 as at December 31, 2025 and 2024, respectively. The copper concentrate inventory of the Group amounted to nil and ₱5,348 as at December 31, 2025 and 2024, respectively.

#### *Determining Appraised Value of Land*

The appraised value of land is based on a valuation by an independent appraiser firm, which management assessed holds a recognized and relevant professional qualification, and has recent experience in the location and category of the parcels of land being valued. The appraiser firm uses the market data approach in determining the appraised value of the parcels of land. These were valued by reference to transactions involving properties of a similar nature, location and condition. As at December 31, 2025 and 2024, the fair value of the land amounted to ₱1,377,436 and ₱1,376,962, respectively, based on the latest appraisal report obtained by the Group in 2023 (see Note 9).

#### *Units-of-production Depletion*

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

Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located.

The calculations require the use of estimates of future capital expenditure. The Group uses the tonnes of ore produced as the basis for depletion. Average depletion rates used by the Group in 2025, 2024 and 2023 are 4.63%, 5.13% and 4.10% respectively.

In 2021, the SEC En Banc approved the 2020 Philippine Mineral Reporting Code (PMRC), which was modelled after the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves of the Australasian Joint Ore Reserves Committee (2012 JORC Code) and the 2019 International Reporting Template of the Committee for Mineral Reserves International Reporting Standards. The SEC required that the 2020 PMRC shall take effect immediately. To comply with the 2020 PMRC, the Group adopted the 2017 Mineral Resource and Ore Reserve Update Report for the Toledo Copper Project, which was prepared in accordance with the 2012 JORC Code.



As at December 31, 2025, there has been no change in the Group's estimated mineral reserves.

*Estimating Recoverability of Deferred Mine Exploration Costs w/ Impairment Procedures*

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

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceed their fair value.

In 2025, 2024 and 2023, no provision for impairment loss on the Group's deferred mine exploration costs was recognized (see Note 11).

*Estimating Impairment of Investments in Associates w/ Impairment Procedures*

The Group determines whether its investments in associates are impaired at least on an annual basis. This requires an estimation of recoverable amount, which is the higher of an asset's or cash-generating unit's fair value less cost to sell and value-in-use. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and to choose an appropriate discount rate in order to calculate the present value of those cash flows. Estimating the fair value less cost to sell is based on the information available to reflect the amount that the Group could obtain as at the end of the reporting period. In determining this amount, the Group considers the outcome of recent transactions for similar assets within the same industry.

No provision for impairment loss on the investments in associates was recognized by the Group in 2025, 2024 and 2023. Investment in associates amounted to ₱222,000 and ₱267,185 as at December 31, 2025 and 2024, respectively (see Note 12).

*Estimating Impairment of Input VAT*

The Group assesses on a regular basis if there is objective evidence of impairment of input VAT. The amount of impairment loss is measured as the difference between the carrying amount and the estimated recoverable amount.

At each reporting date, the Group assesses the recoverability of its input VAT claims based on the results of its application for refund and tax credit certificates. Input VAT that is estimated to be recoverable within 12 months after the reporting period is classified as current assets, while amounts recoverable beyond 12 months are classified as non-current assets.

Provision for impairment loss on input VAT recognized by the Group amounted to ₱395,633, ₱26,606 and ₱21, in 2025, 2024 and 2023, respectively. Allowance for impairment losses on input VAT recognized by the Group amounted to ₱802,922 and ₱447,672 as at December 31, 2025 and 2024, respectively (see Note 13).

Input VAT, net of allowance for impairment loss amounted to ₱3,902,388 and ₱4,096,834 as at December 31, 2025 and 2025, respectively (see Notes 8 and 13).



#### *Estimating Retirement Benefits Costs*

The cost of defined retirement benefits as well as the present value of the retirement benefits liability are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit retirement liability are highly sensitive to changes in these assumptions. All assumptions are reviewed at the end of the reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined retirement benefits liability (see Note 25).

#### *Estimating Liability for Mine Rehabilitation*

The Group assesses its mine rehabilitation provision annually. The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates (3.07% and 3.10% as at December 31, 2025 and 2024, respectively), and changes in discount rates (6.41% and 5.98% as at December 31, 2025 and 2024, respectively). These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the end of the reporting period represents management's best estimate of the present value of the future rehabilitation costs required.

Increase in the estimated liability for mine rehabilitation amounted to ₱26,831, ₱11,238, ₱3,948 in 2025, 2024 and 2023, respectively. Liability for mine rehabilitation recognized in the consolidated statements of financial position amounted to ₱114,293 and ₱84,658, as at December 31, 2025 and 2024, respectively (see Note 17).

#### *Provisions and Contingencies*

The estimate of the probable costs for the resolution of possible claims has been developed in consultation with outside counsel handling the Group's defense in these matters and is based upon an analysis of potential results. The Group is a party to certain lawsuits or claims arising from the ordinary course of business. However, the Group's management and legal counsel assessed that the eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements. Accordingly, no provision for probable losses arising from the said claims was recognized by the Group in 2025, 2024 and 2023 (see Note 34).

#### *Measurement of Mine Products Sales*

Mine products sales are provisionally priced as these are not settled until predetermined future dates based on market prices at that time. Revenue on these sales are initially recognized based on shipment values calculated using the provisional metal prices, shipment weights and assays for metal content less deduction for insurance and smelting charges. The final shipment values are subsequently determined based on final weights and assays for metal content and prices during the applicable QP.

Total mine product sales, net of smelting and related charges, amounted to ₱17,192,348, ₱18,634,220 and ₱18,865,013 in 2025, 2024 and 2023, respectively (see Note 20).

#### *Estimating Realizability of Deferred Tax Assets*

The Group reviews the carrying amounts of deferred tax assets at the end of the reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilized.



As at December 31, 2025 and 2024, the Group has deductible temporary differences, NOLCO and excess MCIT totaling ₱391,597 and ₱395,441, respectively (see Note 26), for which no deferred tax assets were recognized.

Deferred tax assets amounting to ₱2,405,440 and ₱2,286,592 as at December 31, 2025 and 2024, respectively, were recognized as management assessed that sufficient future taxable profits will be available against which benefits of the deferred tax assets can be utilized (see Note 26).

#### 4. Cash and Cash Equivalents, and Short-term Investments

##### *Cash and Cash Equivalents*

	2025	2024
Cash on hand	₱8,256	₱3,440
Cash in banks	408,618	297,285
Cash equivalents	604,611	1,959,862
	<b>₱1,021,485</b>	<b>₱2,260,587</b>

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing rates.

Interest income earned from cash in banks and cash equivalents amounted to ₱39,227, ₱110,468 and ₱23,010 in 2025, 2024 and 2023, respectively (see Note 27). Interest receivable from cash equivalents amounted to ₱3,284 and ₱4,670 as at December 31, 2025 and 2024, respectively (see Note 5).

##### *Short-term Investments*

The short-term investments of the Group as at December 31, 2025, pertain to investments in Dollar-denominated money market funds, which are composed mainly of United States Treasury Bills. These are being held to provide the Group with low-risk, low-return investments while preserving the value of the said assets and maintaining a high level of liquidity. While these are short-term and highly liquid investments, which are subject to an insignificant risk of changes in value, the amount of cash that will be received upon conversion or disposal are not known at the time of the initial investment. As such, these investments in money market funds are presented as short-term investments and not as cash equivalents.

	2025
Balances at beginning of year	₱-
Additions	9,935,510
Proceeds	(8,378,890)
Unrealized fair value gain (Note 28)	292
Realized fair value gain (Note 28)	35,790
Cumulative translation adjustment	805
Balances at end of year	<b>₱1,593,507</b>



## 5. Trade and Other Receivables

	2025	2024
Trade receivables – at fair value through profit or loss	<b>₱798,746</b>	<b>₱265,344</b>
Other receivables – at amortized cost:		
Non-trade	<b>₱43,268</b>	₱40,116
Advances to:		
Related parties (Note 24)	<b>17,830</b>	12,728
Officers and employees	<b>4,743</b>	5,561
Interest receivable (Note 4)	<b>3,284</b>	4,670
	<b>69,125</b>	63,075
Less allowance for expected credit losses	<b>(4,679)</b>	(4,679)
	<b>₱64,446</b>	<b>₱58,396</b>

The Group's trade receivables arise from its shipments of copper concentrate, containing copper and gold. Trade receivables (subject to provisional pricing) are non-interest bearing, but are exposed to future commodity price movements over the QP and, hence, fail the solely for payments of principal and interest test and are measured at fair value up until the date of settlement.

Trade receivables are initially measured at the amount which the Group expects to be entitled, being the estimate of the price expected to be received at the end of QP. For the Group's present customers, 100% of the provisional invoice (based on the provisional price, calculated as the average price five days prior to delivery) is received in cash when the goods are loaded onto the vessel.

The QP is fixed to one month after the month of shipment. Final payment is due within one to three working days from the date of issuance of the final invoice or based on the mutual agreement by both parties.

Based on the Group's pricing agreements with its customers, copper concentrate sales will be provisionally priced at shipment date subject to price and quantity adjustment after the QP. Under the offtake agreements with its customers, the Group, with the consent of the customers, can price fix the copper shipments before the QP. Copper concentrate sales that were not subject to price fixing are assessed as having embedded derivatives that are not clearly and closely related.

The Group recognized net unrealized fair value gain amounting to ₱138,916 in 2025 and net unrealized fair value loss amounting to ₱20,213 and ₱11,168 in 2024 and 2023, respectively, on provisionally-priced receivables (see Note 6.)

Non-trade receivables mainly comprise of receivables from the outstanding balance of other billings, which are not directly related to the Group's operations. These are non-interest bearing and are generally collectible within one year.

Advances to officers and employees are non-interest bearing and are subject to payroll deduction.



Movements in allowance for expected credit losses attributable to other receivables are as follows:

	2025	2024	2023
Balances at beginning of year	₱4,679	₱4,679	₱71,105
Write-off	–	–	(66,352)
Cumulative translation adjustment	–	–	(74)
Balances at end of year	<u>₱4,679</u>	<u>₱4,679</u>	<u>₱4,679</u>

No provision for expected credit losses on other receivables were recognized in 2025, 2024 and 2023.

The Group has written-off receivables amounting to ₱66,352 in 2023, which pertain to long-outstanding receivables from third parties. The receivables written-off in 2023 have related allowance for expected credit losses recognized in prior years.

## 6. Pricing Agreements, Hedging and Derivative Financial Instruments

### Hedging Objectives

The Group's revenues are based on LME prices over which the Group has no influence or control. The volatilities in commodity prices expose the Group to risk impacting the results of its operations and cash inflows. To manage commodity price risk, the Group applies a mix of pricing agreements on both freestanding and embedded derivatives. The Group implements these mix of derivatives by diligently considering key elements affecting the trend of and prevailing commodity prices in support of the stability of its business plan. The underlying objective of implementing hedging transactions is to stabilize the results of operations and cash inflows and not as a means to generate gains or losses.

In 2025 and 2024, the Group, through CCC, entered into freestanding commodity swap agreements and provisional pricing arrangements. The Group has not designated any of these derivatives as accounting hedges. These derivatives are accounted for at fair value, with any changes in fair value recorded in the consolidated statements of comprehensive income.

The Group did not engage in freestanding commodity swap agreements in 2023. Accordingly, the Group had no outstanding derivative financial instruments related to commodity price risk as of that date.

### Pricing Agreements

In the normal course of selling its copper concentrate, the Group enters into several contracts of purchase, whereby the Group agrees to sell a fixed volume of copper concentrate based on LME prices (as published in the Metal Bulletin) and as averaged over the QP.

The quality and quantity of the copper concentrate sold is determined through a sampling weight and assay analysis by an appointed independent surveyor. Under the contracts with one of its customers, CCC and its customer have the option to price-fix in advance of the QP the payable copper contents of the concentrate to be delivered, subject to adjustments during the QP. If the option to price-fix prior to the QP is exercised, (i) the fixed price and the volume to which the fixed price applies will be confirmed in writing by the parties, and (ii) an addendum to the contract of purchase will be executed to confirm the actual volume of the copper concentrate shipped based on the fixed price.



No price fixing was exercised in 2025, 2024 and 2023. The Group recognized copper concentrate sales amounting to ₱13,515,773, ₱15,826,944 and ₱17,174,795 in 2025, 2024 and 2023, respectively (see Note 20).

### Embedded Derivatives

#### *Provisional Pricing*

Based on CCC's pricing agreements, the copper concentrate sales will be provisionally priced at shipment date subject to price and quantity adjustments at the end of the QP. Copper concentrate sales that were not subject to price fixing are assessed as having embedded derivatives that are not clearly and closely related, and once the commodities have been delivered, it must be bifurcated on the delivery date or once the shipment is considered sold (in case of bill-and-hold sales).

The Group, through CCC, recognized net unrealized fair value gain on provisionally-priced receivables amounting to ₱138,916 in 2025 and net unrealized fair value loss amounting to ₱20,213 and ₱11,168 in 2024 and 2023, respectively, on provisionally-priced receivables (Note 5).

### Freestanding Derivatives

#### *Commodity Swap Transactions*

The Group, through CCC, entered into commodity swap transactions with Standard Chartered Bank and Mitsui Bussan Commodities Ltd. to help stabilize and support the business plan upon due consideration of the impact of the volatility of commodity rates.

In 2025, the Company entered into commodity swap transactions to fix the prices of copper and gas oil at specific levels per metric ton (MT) and per barrel, respectively. The total notional quantities are 3,200 metric tonnes and 7,000 metric tonnes for copper in 2025 and 2024, respectively, and 128,930 barrels and 37,734 barrels for gas oil in 2025 and 2024, respectively. The settlement dates for these transactions were set for five business days following the end of each calendar month, based on the official settlement price for copper and gas oil (seller).

The Group has derivative liabilities arising from commodity swap transactions amounting to ₱84,224 as at December 31, 2025. The Group has derivative assets arising from commodity swap transactions amounting to ₱87,620 as at December 31, 2024.

The derivatives of the Group represent the hedging component of shipments covered by the hedging agreement, but which remained unshipped as at year end, and the hedging component of gas, oil and copper concentrate purchases.

The Group recognized unrealized loss on derivatives from commodity swap transactions amounting to ₱82,387 in 2025 and unrealized gain amounting to ₱87,620 and nil in 2024 and 2023, respectively. The Group also recognized realized loss on derivatives from commodity swap transactions of ₱57,969 in 2025, and realized gain (loss) amounting to ₱312,204 and (₱63,246) in 2024 and 2023, respectively.

The Group recognized net gain (loss) amounting to (₱140,356), ₱399,824 and (₱63,246) in 2025, 2024 and 2023, respectively on its commodity swap transactions.



## 7. Inventories

This account consists of:

	2025	2024
At cost:		
Mine products		
Coarse ore	₱11,050	₱3,716
Fine ore	877	8,617
Copper Concentrate	–	5,348
	<b>11,927</b>	<b>17,681</b>
At lower of cost and NRV:		
Materials and supplies (net of allowance for inventory obsolescence of ₱700,721 and ₱678,195 as at December 31, 2025 and 2024, respectively)	<b>979,669</b>	1,035,842
	<b>₱991,596</b>	<b>₱1,053,523</b>

### Mine Products

Mine products pertain to copper concentrate containing copper, gold and silver. The cost of mine products includes depreciation and depletion of property, plant and equipment amounting to ₱534 ₱233 and ₱8,346 as at December 31, 2025, 2024 and 2023, respectively (see Note 9).

### Materials and Supplies

Materials and supplies consist of consumable items and spare parts. Materials and supplies with cost amounting to ₱700,721 and ₱678,195 as at December 31, 2025 and 2024, respectively, are fully provided with allowance for inventory obsolescence.

Movements of the allowance for inventory obsolescence are as follows:

	2025	2024	2023
Balances at beginning of year	₱678,195	₱644,898	₱742,768
Provision (Note 22)	16,249	22,865	–
Write-off	–	(4,441)	(95,373)
Cumulative translation adjustment	6,277	14,873	(2,497)
Balances at end of year	<b>₱700,721</b>	<b>₱678,195</b>	<b>₱644,898</b>

Additional provision amounting to ₱16,249, ₱22,865 and nil in 2025, 2024 and 2023, respectively, was recognized on inventory items assessed by management as obsolete, non-moving, expired and/or damaged.

The Group has written-off materials and supplies inventory amounting to nil, ₱4,441 and ₱95,373 in 2025, 2024 and 2023, respectively, which pertain to disposed mill liners, and inventories and spare parts for dump trucks that have been retired. The materials and supplies written off in 2024 and 2023 have related allowance for inventory loss recognized in prior years.



The cost of inventories recognized as expense amounted to ₱5,215,590, ₱6,121,988 and ₱5,007,783 in 2025, 2024 and 2023, respectively (see Notes 21 and 22).

The Group has no inventories pledged as security for liabilities as at December 31, 2025 and 2024. The Group also has no inventories carried at fair value less cost to sell as at December 31, 2025 and 2024.

---

## 8. Other Current Assets

This account consists of:

	2025	2024
Input VAT	₱1,661,042	₱1,492,755
Investment in pooled funds	452,712	333,736
Prepayments	245,541	69,651
Deposits and advances to suppliers	39,249	178,195
Creditable withholding taxes	18,278	17,229
Prepaid income tax	—	81,393
Others	21,099	29,203
	<b>₱2,437,921</b>	<b>₱2,202,162</b>

### Investment in Pooled Funds

The Group invested in pooled funds for the purpose of earning interest and gains from the changes in the fair value of such funds. The Group recognized interest income on such funds amounting to ₱7,045, ₱3,759 and ₱2,096 in 2025, 2024 and 2023, respectively (see Note 28).

Investment in pooled funds is an investment of excess cash to maximize earnings. The pooling of funds is facilitated to provide a better return on the investments. Change in the fair value of investment in pooled funds amounting to ₱10,438, ₱12,926 and ₱13,743 in 2025, 2024 and 2023, respectively, is reported as unrealized gain in the consolidated statements of comprehensive income (see Note 28).

Movements in investments in pooled funds are as follows:

	2025	2024
Balances at beginning of year	₱333,736	₱345,051
Proceeds	(38,800)	(40,000)
Unrealized fair value gain (Note 28)	10,438	12,926
Additions	140,293	12,000
Interest income (Note 28)	7,045	3,759
Balances at end of year	<b>₱452,712</b>	<b>₱333,736</b>

### Deposits and Advances to Suppliers

Deposits and advances to suppliers are non-financial assets arising mainly from advanced payments made by the Group to its suppliers and contractors before goods or services have been received or rendered.



The eventual realization of such advances is determined by the usage/realization of the asset to which it was advanced for. These are classified as current if such will be applied as payments for expenses and assets to be classified as inventories or current asset and are recognized in the books at amounts initially paid. Purchases from suppliers generally require advance payments equivalent to 10% to 80% of the contract price.

Amounts deposited will be applied as part of the full payment of the contract price upon completion of the contract. Other deposits and advances to suppliers in Note 13 were presented as non-current because these are expected to be applied as payments for assets to be classified as property, plant and equipment or other non-current assets.

#### Creditable Withholding Taxes and Prepaid Income Tax

CWTs are amounts withheld from income subject to expanded withholding taxes. CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWTs and prepaid income tax which are claimed against the income tax due, represent excess of the tax payable and are carried over in the succeeding period for the same purpose.

#### Prepayments

Prepayments consist mainly of prepaid insurance, rent and advance payments on real property taxes and other expenses of the Group.



## 9. Property, Plant and Equipment

The composition of and movements of this account follow:

**December 31, 2025:**

	Mine Development Costs	Roadways and Bridges	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Construction In-progress	Right-of-use Asset	Total (at cost)	Land at Revalued Amount
<b>Revalued amount/cost:</b>										
Balances at beginning of year,	₱39,987,063	₱424,193	₱3,180,873	₱31,295,821	₱413,936	₱8,653	₱524,639	₱11,514	₱75,846,692	₱1,376,962
Change in estimate (Note 17)	26,831	–	–	–	–	–	–	–	26,831	–
Additions	137,028	11,357	44,333	532,359	55,918	–	1,790,693	–	2,571,688	–
Retirements	–	–	–	(1,561,370)	(18,297)	(1,680)	–	–	(1,581,347)	–
Disposals	–	–	–	(12,657)	(55,809)	–	–	–	(68,466)	–
Reclassification	–	–	–	1,905,552	–	–	(1,905,552)	–	–	–
Cumulative translation adjustment	496,039	8,259	57,752	499,618	6,372	–	(33,926)	–	1,034,114	474
<b>Balances at end of year</b>	<b>40,646,961</b>	<b>443,809</b>	<b>3,282,958</b>	<b>32,659,323</b>	<b>402,120</b>	<b>6,973</b>	<b>375,854</b>	<b>11,514</b>	<b>77,829,512</b>	<b>1,377,436</b>
<b>Accumulated depreciation, depletion and impairment:</b>										
Balances at beginning of year	19,430,294	328,052	2,666,403	20,198,131	279,923	6,119	–	7,868	42,916,790	–
Depreciation and depletion (Notes 7, 21 and 22)	2,007,595	13,873	199,371	2,485,331	53,623	–	–	2,303	4,762,096	–
Retirements	–	–	–	(1,540,150)	(17,602)	(1,680)	–	–	(1,559,432)	–
Disposals	–	–	–	(12,657)	(55,809)	–	–	–	(68,466)	–
Cumulative translation adjustment	194,392	6,997	53,794	344,603	5,363	12	–	–	605,161	–
<b>Balances at end of year</b>	<b>21,632,281</b>	<b>348,922</b>	<b>2,919,568</b>	<b>21,475,258</b>	<b>265,498</b>	<b>4,451</b>	<b>–</b>	<b>10,171</b>	<b>46,656,149</b>	<b>–</b>
<b>Net book values</b>	<b>₱19,014,680</b>	<b>₱94,887</b>	<b>₱363,390</b>	<b>₱11,184,065</b>	<b>₱136,622</b>	<b>₱2,522</b>	<b>₱375,854</b>	<b>₱1,343</b>	<b>₱31,173,363</b>	<b>₱1,377,436</b>



December 31, 2024:

	Mine Development Costs	Roadways and Bridges	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Construction In-progress	Right-of-use Asset	Total (at cost)	Land at Revalued Amount
Revalued amount/cost:										
Balances at beginning of year,	₱38,024,116	₱385,280	₱3,080,920	₱27,288,928	₱383,532	₱8,606	₱633,402	₱11,514	₱69,816,298	₱1,375,720
Additions	210,651	17,881	1,188	3,405,500	29,085	–	–	–	3,664,305	–
Retirements	–	–	(190,025)	(642,669)	(19,372)	(56)	–	–	(852,122)	–
Change in estimate (Note 17)	11,238	–	–	–	–	–	–	–	11,238	–
Disposals	–	–	–	(91,369)	–	–	–	–	(91,369)	–
Reclassification	–	–	135,764	–	–	–	(135,764)	–	–	–
Cumulative translation adjustment	1,741,058	21,032	153,026	1,335,431	20,691	103	27,001	–	3,298,342	1,242
<b>Balances at end of year</b>	<b>39,987,063</b>	<b>424,193</b>	<b>3,180,873</b>	<b>31,295,821</b>	<b>413,936</b>	<b>8,653</b>	<b>524,639</b>	<b>11,514</b>	<b>75,846,692</b>	<b>1,376,962</b>
Accumulated depreciation, depletion and impairment:										
Balances at beginning of year	16,232,825	298,018	2,534,475	17,615,615	236,099	6,061	–	5,565	36,928,658	–
Depreciation and depletion (Notes 7, 21 and 22)	2,435,928	12,951	192,801	2,411,398	48,870	–	–	2,303	5,104,251	–
Retirements	–	–	(190,025)	(631,030)	(19,260)	(56)	–	–	(840,371)	–
Disposals	–	–	–	(91,257)	–	–	–	–	(91,257)	–
Cumulative translation adjustment	761,541	17,083	129,152	893,405	14,214	114	–	–	1,815,509	–
<b>Balances at end of year</b>	<b>19,430,294</b>	<b>328,052</b>	<b>2,666,403</b>	<b>20,198,131</b>	<b>279,923</b>	<b>6,119</b>	<b>–</b>	<b>7,868</b>	<b>42,916,790</b>	<b>–</b>
<b>Net book values</b>	<b>₱20,556,769</b>	<b>₱96,141</b>	<b>₱514,470</b>	<b>₱11,097,690</b>	<b>₱134,013</b>	<b>₱2,534</b>	<b>₱524,639</b>	<b>₱3,646</b>	<b>₱32,929,902</b>	<b>₱1,376,962</b>

Construction in-progress includes cost of various projects at different stages of completion and are expected to be completed within one year as at December 31, 2025 and 2024.



Mine development costs consist of the following:

**December 31, 2025:**

	Mining Properties	Development Costs	Mine Rehabilitation Costs	Total
<b>Cost:</b>				
Balances at beginning of year	₱1,471,799	₱38,499,810	₱15,454	₱39,987,063
Additions	-	137,028	-	137,028
Retirements	-	-	-	-
Change in estimate (Note 17)	-	-	26,831	26,831
Adjustment	-	-	-	-
Cumulative translation adjustment	25,150	467,224	851	496,039
<b>Balances at end of year</b>	<b>1,496,949</b>	<b>39,104,062</b>	<b>43,136</b>	<b>40,646,961</b>
<b>Accumulated depletion:</b>				
Balances at beginning of year	550,106	18,879,420	768	19,430,294
Depletion	42,454	1,964,464	677	2,007,595
Retirements	-	-	-	-
Adjustment	-	-	-	-
Cumulative translation adjustment	11,042	180,211	28	194,392
<b>Balances at end of year</b>	<b>603,602</b>	<b>21,024,392</b>	<b>1,473</b>	<b>21,632,281</b>
<b>Net book values</b>	<b>₱893,347</b>	<b>₱18,079,670</b>	<b>₱41,663</b>	<b>₱19,014,680</b>

**December 31, 2024:**

	Mining Properties	Development Costs	Mine Rehabilitation Costs	Total
<b>Cost:</b>				
Balances at beginning of year	₱1,405,931	₱36,614,255	₱3,930	₱38,024,116
Additions	-	210,651	-	210,651
Change in estimate (Note 17)	-	-	11,238	11,238
Cumulative translation adjustment	65,868	1,674,904	286	1,741,058
<b>Balances at end of year</b>	<b>1,471,799</b>	<b>38,499,810</b>	<b>15,454</b>	<b>39,987,063</b>
<b>Accumulated depletion:</b>				
Balances at beginning of year	475,555	15,756,936	334	16,232,825
Depletion	49,769	2,385,744	415	2,435,928
Cumulative translation adjustment	24,782	736,740	19	761,541
<b>Balances at end of year</b>	<b>550,106</b>	<b>18,879,420</b>	<b>768</b>	<b>19,430,294</b>
<b>Net book values</b>	<b>₱921,693</b>	<b>₱19,620,390</b>	<b>₱14,686</b>	<b>₱20,556,769</b>

*Revaluation Increment on Land at Revalued Amount*

The fair value of the parcels of land were arrived using the market data approach which is under the level 3 of the fair value hierarchy. The market data approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach was used for the parcels of land as it is commonly used in the property market because the inputs and data for this approach are available. Under the market data approach, the higher the price per square meter, the higher the fair value of the parcels of land is. Price per square meter, which is the significant unobservable valuation input, ranges from ₱5 per sqm to ₱5,800 per sqm (amounts not in thousands).



The fair value of the parcels of land as at December 31, 2025 and 2024 amounted to ₱1,377,436 and ₱1,376,962, respectively. The fair value of land is based on the latest valuation available which was obtained by the Group in 2023. The increase in the valuation of land recognized by the Group in 2023 amounting to ₱643,243, net of the related deferred tax liability, is presented as revaluation increment on land.

No changes in the fair value of land were recorded as at December 31, 2025. The revaluation increment on land, net of deferred tax liability amounts to ₱321,153, recognized in the Group's statements of financial position amounted to ₱963,460 as at December 31, 2025 and 2024.

The carrying amount of the land had it been carried using the cost model is ₱92,823 and ₱92,349, as at December 31, 2025 and 2024, respectively.

#### *Fully Depreciated Property, Plant and Equipment*

Fully depreciated property, plant and equipment still used by the Group amounted to ₱13,555,990 and ₱13,143,007 as at December 31, 2025 and 2024, respectively. These are retained in the Group's records until these are disposed. No further depreciation is charged to current operations for these items.

#### *Disposals*

The Group sold items of property, plant and equipment in 2025, 2024 and 2023 with cost amounting to ₱68,466, ₱91,369 and ₱19,185, respectively and corresponding accumulated depreciation of ₱68,466, ₱91,257 and ₱19,160, respectively. Proceeds from the disposals in 2025, 2024 and 2023 amounted to ₱1,343, nil and ₱517, respectively, the Group recognized gain in 2025 and 2023 amounting to ₱1,343 and ₱492, respectively and recognize loss amounting to ₱112 in 2024 on the disposal of items of property, plant and equipment (see Note 28).

#### *Retirements*

Total cost of property and equipment retired in 2025, 2024 and 2023 amounted to ₱1,581,347, ₱852,122 and ₱325,220, respectively, with corresponding accumulated depreciation of ₱1,559,432, ₱840,371 and ₱324,140, respectively. The said retirements resulted in losses amounting to ₱21,916, ₱11,751 and ₱1,080 in 2025, 2024 and 2023, respectively (see Note 28).

#### *Impairment Loss*

No provision for impairment losses on property plant and equipment was recognized in 2025, 2024 and 2023.

#### *Collaterals*

The Group has no property, plant and equipment were pledged or mortgaged as collaterals for borrowings of the Group amounted as at December 31, 2025, 2024 and 2023 (see Note 16).

#### *Commitments*

The Group has capital expenditure commitments amounting to ₱75,627 and ₱386,395 as at December 31, 2025 and 2024, respectively.



*Depreciation, and Depletion*

The allocation of depreciation and depletion is as follows:

	2025	2024	2023
Inventories (Note 7)	<b>₱534</b>	₱233	₱8,346
Mining and milling costs (Note 21)	<b>4,669,914</b>	5,055,818	4,286,919
General and administrative expenses (Note 22)	<b>91,648</b>	48,280	39,150
	<b>₱4,762,096</b>	₱5,104,331	₱4,334,415

## 10. Mining Rights and Goodwill

*Mining Rights*

	2025	2024	2023
Balances at beginning of year	<b>₱6,324,383</b>	₱6,666,209	₱6,950,866
Depletion	<b>(293,086)</b>	(341,826)	(284,657)
Balances at end of year	<b>₱6,031,297</b>	₱6,324,383	₱6,666,209

The Group recognized the related reversal of deferred tax liability arising from the depletion of mining rights amounting to ₱73,271, ₱85,456 and ₱71,164 in 2025, 2024 and 2023, respectively (see Note 26).

*Goodwill*

The carrying amount of goodwill includes:

Balance as at December 31, 2025 and 2024:		
CCC		₱19,011,108
AHI		15,011
		<b>₱19,026,119</b>

Key Assumptions Used in the Value-in-Use Calculations of CCC and the Sensitivity to Changes in Assumptions

The Group performed its annual impairment test as at December 31, 2025. The cash-generating unit is concluded to be the assets attributable to CCC, including goodwill, mining rights, and property, plant and equipment.

The recoverable amount of the cash-generating unit has been determined based on a discounted cash flows (DCF) calculation using cash flow projections from financial budgets approved by senior management and BOD.

The projected cash flows have been developed to reflect the expected mine production over the life of the mine adjusted by the effects of other factors such as inflation rate. The pre-tax discount rate applied to cash flow projections as at December 31, 2025 is 13.16%. As a result of this analysis, management concluded that the goodwill is not impaired.



The calculation of DCF and cash-generating unit is most sensitive to the following assumptions:

- a. Expected life of the project
- b. Future production levels and costs
- c. Contributions to the government
- d. Copper and gold prices
- e. Long-term revenue growth rate
- f. Pre-tax discount rate

a. Expected Life of the Project

The Group projected the expected life of the project based on the remaining mineral reserves of the project and its capacity to mine those remaining mineral reserves.

The remaining mineral reserves are based on the updated mineral resources and mineral reserves estimates report, issued by an accredited competent person, prepared in accordance with the JORC Code which the Group adopted to comply with the 2020 PMRC.

b. Future Production Levels and Costs

Future production levels and costs include direct and indirect costs used to concentrate the mined mineral reserves for the remaining life of the mine.

c. Contributions to the Government

The Group assumes the prevailing tax rates imposed on an entity that is engaged in mining operations.

d. Copper and Gold Prices

The Group considers the effect of commodity price changes. The Group considered the possible effect of the changes in the prices of copper and gold as it relates to the revenues that may be generated by the Group and the attainment of the cash flow projections. The Group used data from Bloomberg, a leading global financial information, analytics, and news service provider. The price is the function of a number of factors, which includes, among others, copper grade, gold content, moisture content, smelting and refining terms, and applicable factor rates.

Management also performs sensitivity analyses to assess how changes in key assumptions, particularly commodity prices, may impact the recoverable amount and determine whether any potential impairment may arise.

e. Long-term Revenue Growth Rate

The Group's long-term revenue growth rate is 3.60% and 3.80% has at December 31, 2025 and 2024, respectively.

f. Pre-tax Discount Rate

Discount rate represents the current market assessment of the risks specific to cash-generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments, and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Specific risk is incorporated by applying individual beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in



the specific amount and timing of the future tax flows in order to reflect a pre-discount rate. The pre-tax discount rates used by the Group are 13.16% and 12.32% as at December 31, 2025 and 2024, respectively.

No impairment loss on goodwill was recognized in 2025, 2024 and 2023.

---

## 11. Deferred Mine Exploration Costs

	2025	2024
Balances at beginning of year	₱200,257	₱192,403
Cumulative translation adjustment	2,998	7,854
Balances at end of year	₱203,255	₱200,257

Deferred mine exploration costs include costs incurred during the evaluation and exploration of projects of the Parent Company and CCC.

On March 17, 2021, a deed of assignment was executed by and between South Davao Development Company, Inc. (SDDCI) and CCC, wherein SDDCI assigned to CCC all its rights and interests under Mineral Production Sharing Agreement (MPSA) No. 321-2010-XII for the exploration, development and commercial utilization of gold, copper and other associated mineral deposits existing within the area covered by the MPSA for a consideration amounting to ₱150.0 million. The MPSA covers an area situated in the municipalities of Tampakan, province of South Cotabato, and Columbio, province of Sultan Kudarat.

No provision for impairment loss on the deferred mine exploration costs were recognized in 2025, 2024 and 2023.

---

## 12. Investments in Associates

The Group has the following investments in associates (collectively called the Nickel Corporations), which are domiciled in the Philippines:

Company	Principal Activities
TMM Management, Inc. (TMI)	Management Services
Ulugan Resources Holdings, Inc. (URHI)	Holding Company
Ulugan Nickel Corporation (UNC)	Mining
Nickeline Resources Holdings, Inc. (NRHI)	Holding Company
BNC	Mining

The remaining ownership of the above associates is owned by the combined interests of Toledo Mining Corporation (TMC) and DMCI Mining Corporation (DMCI), a third party.

In June 2014, the voting rights held by the Group were assigned to the representative of DMCI and the management team from DMCI assumed key positions in the said entities. Further, on July 11, 2014, a Memorandum of Agreement (MOA) was entered between TMC and the Group, which sets out the material terms under which the parties have agreed to hold their respective investments in respect of the exploration, development and utilization of Berong Mineral Properties (mining tenements or MPSA applications underlying the Berong Nickel Project necessary for operations) defined in the agreement dated January 9, 2005. The said MOA sets out the rights of



each of the Group and TMC including the assignment of board seats, majority of which were assigned to TMC, and delegation to TMC of the operations and critical decision-making in running the mining operations. Due to these factors, the above entities were accounted for as associates, instead of subsidiaries. Consequently, the Group deconsolidated the above entities in 2014.

As at December 31, 2025 and 2024, the percentages of ownership of investment in associates are as follows:

a.) TMI	60.00%	direct interest
b.) URHI	70.00%	direct interest
c.) UNC	42.00%*	effective interest
d.) NRHI	42.00%*	effective interest
e.) BNC	25.20%*	effective interest

\*URHI owns 60% of UNC and NRHI. NRHI owns 60% of BNC.

As at December 31, 2025, 2024 and 2023, the movements in investments in associates account are as follows:

	2025	2024	2023
Balances at beginning of year	<b>₱267,185</b>	₱297,302	₱331,121
Share in net loss	<b>(45,185)</b>	(30,117)	(33,819)
Balances at end of year	<b>₱222,000</b>	₱267,185	₱297,302

No dividends were received by the Group in 2025 and 2024, respectively. The Group received dividends from associates amounting to ₱16,710 in 2023, which pertain to dividends declared in 2022.

The associates prepare financial statements for the same financial reporting period as the Parent Company.

Summarized combined financial information of the investments in associates as at December 31, 2025 and 2024, which are accounted for under the equity method, follow:

	2025	2024
Current assets	<b>₱362,769</b>	₱212,202
Non-current assets	<b>1,535,272</b>	1,088,176
Total assets	<b>1,898,041</b>	1,300,378
Current liabilities	<b>1,643,420</b>	901,241
Non-current liabilities	<b>69,513</b>	34,618
Total liabilities	<b>1,712,933</b>	935,859
Net assets	<b>₱185,108</b>	₱364,519
Net loss	<b>(₱162,731)</b>	(₱119,869)
Other comprehensive income	<b>16,425</b>	2,100
Total comprehensive loss	<b>(₱146,306)</b>	(₱117,769)



### 13. Other Non-current Assets

This account consists of:

	2025	2024
Input VAT – net of current portion (net of allowance for impairment losses of ₱802,922 and ₱447,672 as at December 31, 2025 and 2024, respectively)	<b>₱2,241,346</b>	₱2,604,079
MRF	<b>99,586</b>	95,941
Deposits and advances to suppliers	<b>47,285</b>	53,776
Investment in UITF	<b>37,134</b>	35,292
Refundable deposits	<b>3,270</b>	3,254
Social Development and Management Program (SDMP) fund	–	68,557
Others	<b>9,645</b>	9,559
	<b>₱2,438,266</b>	₱2,870,458

#### Input VAT

Input VAT represents the VAT imposed on the Group by its suppliers for the acquisition of goods and services as required by Philippine taxation laws and regulations. The input VAT is recognized as an asset and will be used to offset against the Group's current output VAT liabilities and any excess can be claimed as tax refunds.

The Group, through CCC, was able to claim refunds from the Bureau of Internal Revenue (BIR) amounting to ₱501,473, ₱160,543 and ₱186,074 in 2025, 2024 and 2023, respectively.

Movements of the allowance for impairment losses on input VAT are as follows:

	2025	2024	2023
Balances at beginning of year	<b>₱447,672</b>	₱409,565	₱412,395
Provision (Note 28)	<b>395,633</b>	26,606	21
Write-off	<b>(55,283)</b>	(6,952)	–
Cumulative translation adjustment	<b>14,900</b>	18,453	(2,851)
Balances at end of year	<b>₱802,922</b>	₱447,672	₱409,565

Provision for impairment losses pertain mainly to input VAT that have been disallowed by the BIR, Court of Tax Appeals and Supreme Court.

#### Deposits and Advances to Suppliers

The deposits and advances are classified as non-current if such will be applied as payment for assets to be classified as property, plant and equipment or other noncurrent assets.

#### MRF

MRF pertains to rehabilitation trust funds that the Group is required by regulations to establish and maintain to cover rehabilitation obligations obligation upon closure of the mine and to ensure payment of compensable damages that may be caused by mine waste. The rehabilitation trust funds are held in government depository banks.

Interest income earned from MRF amounted to ₱3, ₱2 and ₱5 in 2025, 2024 and 2023, respectively (see Note 27).



SDMP Fund

SDMP fund pertains to the deposits for the unexpended budget for the Group's SDMP initiatives.

Interest income earned from SDMP fund amounted to ₱11, ₱23 and ₱9 in 2025, 2024 and 2023, respectively (see Note 27).

Investment in UITF

On January 26, 2018, CCC entered into a Transmission Service Agreement with National Grid Power Corporation (NGPC). This required CCC to provide credit support to NGPC through the opening of a bank account assignable to NGPC. On July 11, 2018, CCC instructed Banco de Oro (BDO) to debit from CCC's current account the amount of ₱28,126 and to invest the said amount to a UITF. The UITF is then assigned to NGPC as basic security deposit. The Group assessed that the investment in UITF is not for contractual cash inflows and that no interest will be collected, given that fair value changes are expected to arise from movements of the net asset value per unit.

As at December 31, 2025 and 2024, the investment in UITF, which have been measured at fair value, amounted to ₱37,134 and ₱35,292, respectively.

Movements of the investment in UITF are as follows:

	2025	2024	2023
Balances at beginning of year	₱35,292	₱32,571	₱31,576
Unrealized fair value gain (Note 28)	1,238	1,253	1,219
Cumulative translation adjustment	604	1,468	(224)
<b>Balances at end of year</b>	<b>₱37,134</b>	<b>₱35,292</b>	<b>₱32,571</b>

Refundable Deposits

Refundable deposits pertain to amounts paid by the Group as security deposit to various contractors which shall be refunded after the performance/delivery of services/goods.

Others

Others consist mainly of advances for the Longos and Nesbitan Gold Projects, which were used for field supplies and other costs during exploration and evaluation phase of the said projects. Others also include other assets of the Group which are considered individually insignificant in amount.

---

**14. Accounts Payable and Accrued Liabilities**

This account consists of:

	2025	2024
Trade	₱1,881,054	₱3,016,013
Accrued expenses		
Services	107,845	116,788
Coal	87,994	74,458
Personnel	41,640	39,245
Rental	35,900	15,696

(Forward)



	2025	2024
Power and other utilities	₱23,865	₱26,631
Others	45,276	120,730
Non-trade	265,346	151,435
Government payables	201,118	167,094
Interest (Note 16)	85,568	86,341
	<b>₱2,775,606</b>	<b>₱3,814,431</b>

#### Trade

Trade payables include import and local purchases of equipment, inventories and various parts and supplies used in the operations of the Group. These are non-interest bearing payables to various suppliers and are normally settled on terms ranging from 30 to 90 days.

The significant downward movement in trade payables is mainly due to the settlement of installment obligations arising from major equipment acquisitions. During the year, the CCC settled substantial portions of its outstanding payables to key suppliers, including Maxima Machineries Inc., Monark Equipment Corporation, Marubeni Corporation, and Stonebrothers Inc.

#### Interest

Interest pertains to accrued interest on long-term debts.

#### Government Payables

Government payables consist of mandatory contributions and payments to various government agencies and instrumentalities, withholding tax payable, excise tax payable, and customs duties, which are non-interest bearing and are usually settled within the next month following the month of incurrence.

#### Non-trade and Other Accrued Expenses

Other accrued expenses include unclaimed termination benefits of former Parent Company employees before the temporary suspension of operations in prior years and other payables related to insurance, contracted services and professional fees. These also include miscellaneous noninterest-bearing payables.

---

## 15. Leases

#### *Group as a lessee*

The Group has lease contracts for office and parking spaces, and machinery and other equipment used in its operations. Leases of office spaces generally have lease terms between three and 10 years, while leases machinery and other equipment generally have lease terms between three and five years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of low-value office equipment. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The Group also has leases covering parcels of land with variable payments not based on an index or rate, which are recognized as part of general and administrative expenses.



The following are the amounts recognized in consolidated statements of comprehensive income:

	2025	2024	2023
Expenses relating to leases of low-value assets, short-term leases and leases with variable payments, included in general and administrative expenses (Note 22)	<b>₱141,107</b>	₱205,838	₱176,835
Depreciation expense of right-of-use assets included in property and equipment (Note 9)	<b>2,303</b>	2,303	2,303
Interest expense on lease liability (Note 27)	<b>204</b>	411	591
Total amount recognized in consolidated statement of comprehensive income	<b>₱143,614</b>	₱208,552	₱179,729

The roll forward analysis of the lease liability follows:

	2025	2024
Balances at beginning of year	<b>₱3,753</b>	₱6,160
Interest expense (Note 27)	<b>204</b>	411
Payments	<b>(2,959)</b>	(2,818)
Balances at end of year	<b>998</b>	3,753
Less non-current portion	-	1,601
	<b>₱998</b>	₱2,152

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Shown below is the maturity analysis of the undiscounted lease payments:

	2025	2024
One year	<b>₱1,015</b>	₱2,356
More than one year up to four years	-	1,015

## 16. Long-term Debts

The Group's long-term debts as at December 31, 2025 and 2024 are as follows:

	2025	2024
China Banking Corporation (CBC) Term Loan 2021	<b>₱9,813,263</b>	₱10,942,645
Banco De Oro Unibank, Inc Term Loan 2021	<b>6,342,931</b>	6,235,363
	<b>16,156,194</b>	17,178,008
Less non-current portion	-	15,882,280
	<b>₱16,156,194</b>	₱1,295,728



The maturities of long-term debts at nominal values follow:

	2025	2024
Due in:		
2025	P-	P1,295,728
2026	<b>16,156,194</b>	15,882,280
	<b>P16,156,194</b>	<b>P17,178,008</b>

1. CBC Term Loan 2021

On November 4, 2021, CCC entered into a term loan agreement with CBC which granted CCC a loan facility with an aggregate amount of US\$420.0 million at an interest rate of 3.75% per annum payable every quarter. The loan is payable within five years from the date of the first drawdown. The proceeds from the loan facility shall be exclusively used by CCC to refinance its existing loans with its shareholders and banks. The loan is not covered by any guarantee or collateral.

*First Drawdown from CBC Loan Facility*

On November 8, 2021, CCC has drawn from the loan facility a total amount of US\$174.6 million (CBC Note 1), which will mature on November 8, 2026, and was used to fully settle its loans from CBC, Anglo Philippine Holdings Corporation (APHC) and Alakor Corporation (Alakor), and partially settle its BDO loan. CCC recognized debt issue cost amounting to P66,806.

The interest expense recognized on CBC Note 1, excluding amortization of debt issue costs, amounted to P307,688, P316,846 and P311,022 in 2025, 2024 and 2023, respectively (see Note 27). Amortization of debt issue costs amounted to P7,406, P7,546, and P9,043 in 2025, 2024 and 2023, respectively (see Note 27). The total interest payable amounted to P44,908 and P47,720 as at December 31, 2025 and 2024, respectively (see Note 14).

The movements in unamortized debt issue cost of CBC Note 1 follow:

	2025	2024
Balances at beginning of year	<b>P9,994</b>	P16,405
Amortization (Note 27)	<b>(7,406)</b>	(7,546)
Cumulative translation adjustment	<b>669</b>	1,135
Balances at end of year	<b>P3,257</b>	P9,994

The carrying value of CBC Note 1 amounted to P8,270,002 and P9,222,056, net of unamortized debt issue cost amounting to P3,257 and P9,994, as at December 31, 2025 and 2024, respectively.

*Accession and Amendment Agreement*

On December 13, 2021, CCC entered into an accession and amendment agreement with BDO and CBC related to the term loan agreement with the latter entered on November 4, 2021. As stated in the accession and amendment agreement, BDO in the term loan agreement as lender and granted to CCC an aggregate principal amount of up to US\$185.0 million while CBC intends to make available to CCC the remaining portion of the loan facility in an aggregate amount of up to US\$235.0 million.

*Second Drawdown from CBC Loan Facility*

On March 14, 2022, the Company has additionally drawn from the loan facility CBC form of note amounting to US\$29.8 million (CBC Note 2), which will mature on November 26, 2026. CCC recognized debt issue cost amounting to P12,453.



*Second Amendment Agreement*

On February 14, 2024, the Company, BDO and CBC entered into second amendment agreement thereby amending further the term loan agreement, in particular the provisions on repayment, voluntary payment and the manner of sharing of payments and actions by BDO and CBC. As stated in the second amendment agreement, the section for repayment and voluntary prepayment of the term loan agreement was deleted in its entirety thereby extending the maturity of the outstanding principal balance to year 2026. The parties also agreed to amend the sharing of payments of each lender. As at the date of second amendment, the outstanding principal under the CBC and BDO loan facilities amounted to \$189.4 million and \$108.0 million, respectively.

The interest expense recognized on CBC Note 2, excluding the amortization of debt issue costs, amounted to ₱59,234, ₱59,160 and ₱57,302 in 2025, 2024 and 2023, respectively (see Note 27). The amortization of debt issue cost recognized amounted to ₱1,877, ₱1,748 and ₱1,697 in 2025, 2024 and 2023, respectively (see Note 27). The total interest payable amounted to ₱8,793 and ₱7,267 as at December 31, 2025 and 2024, respectively (see Note 14).

The movements in unamortized debt issue cost for CBC Note 2 follow:

	<b>2025</b>	2024
Balances at beginning of year	<b>₱3,205</b>	₱4,659
Amortization (Note 27)	<b>(1,877)</b>	(1,748)
Cumulative translation adjustment	<b>81</b>	294
Balances at end of year	<b>₱1,409</b>	₱3,205

The carrying value of CBC Note 2 amounted to ₱1,543,261 and ~~₱~~₱1,720,589, net of unamortized debt issue cost amounting to ₱1,409 and ₱3,205, as at December 31, 2025 and 2024, respectively.

*Covenants*

The term loan agreement with CBC imposes certain restrictions and requirements with respect to, among others, the following:

- Indebtedness – CCC shall not contract, create, incur, assume or suffer to exist any indebtedness from banks and other financial institutions other than permitted indebtedness, provided that any such incremental permitted indebtedness shall not at any time result to a Debt-to-Equity Ratio of more than 1.5. Debt to Equity Ratio is total debt divided by total equity.
- Total Equity – CCC shall maintain at all times a total equity of at least US\$300.0 million.

CCC complied with these requirements as at December 31, 2025 and 2024.

2. BDO Term Loan 2021

*Accession and Amendment Agreement from CBC Term Loan 2021*

On December 13, 2021, CCC entered into an accession and amendment agreement with BDO and CBC related to the term loan agreement with the latter entered on November 4, 2021, which granted CCC a loan facility with an aggregate amount of US\$420.0 million at an interest rate of 3.75% per annum payable every quarter. As stated in the accession and amendment agreement, BDO participated in the term loan agreement as lender and granted to CCC an aggregate principal amount of up to US\$185.0 million while CBC intends to make available to CCC the remaining portion of the loan facility in an aggregate amount of up to US\$235.0 million.



*First Drawdown from BDO Loan Facility*

On March 14, 2022, CCC has drawn from the BDO term loan facility a total of US\$58.0 million (BDO Note 1), which will mature on November 6, 2026. CCC recognized debt issue cost amounting to ₱23,693.

The interest expense recognized on BDO Note 1, excluding the amortization of debt issue costs, amounted to ₱115,287, ₱115,144 and ₱111,527 in 2025, 2024 and 2023, respectively (see Note 27). The amortization of debt issue cost recognized amounted to ₱3,022, ₱2,913 and ₱2,834 in 2025, 2024 and 2023, respectively (see Note 27). The total interest payable amounted to ₱17,114 and ₱16,839 as at December 31, 2025 and 2024, respectively (see Note 14).

The movements in unamortized debt issue cost for BDO Note 1 follow:

	2025	2024
Balances at beginning of year	₱6,555	₱9,511
Amortization (Note 27)	(3,022)	(2,913)
Cumulative translation adjustment	552	(43)
Balances at end of year	₱4,085	₱6,555

The carrying value of BDO Note 1 amounted to ₱3,405,735 and ₱3,348,455 net of unamortized debt issue cost amounting to ₱4,085 and ₱6,555, as at December 31, 2025 and 2024, respectively.

*Second Drawdown from BDO Loan Facility*

On April 29, 2022, CCC has drawn from the BDO term loan facility a total of US\$50.0 million (BDO Note 2), which will mature on November 6, 2026. CCC recognized debt issue cost amounting to ₱20,393.

The interest expense recognized on BDO Note 2, excluding the amortization of debt issue costs, amounted to ₱99,386, ₱99,263 and ₱96,144 in 2025, 2024 and 2023, respectively. The amortization of debt issue cost recognized amounted to ₱3,385, ₱3,262 and ₱3,174, respectively (see Note 27).

The total interest payable amounted to ₱14,753 and ₱14,515 as at December 31, 2025 and 2024, respectively (see Note 14).

The movements in unamortized debt issue cost for BDO Note 2 follow:

	2025	2024
Balances at beginning of year	₱5,342	₱8,704
Amortization (Note 27)	(3,385)	(3,262)
Cumulative translation adjustment	347	(100)
Balances at end of year	₱2,304	₱5,342

The carrying value of BDO Note 2 amounted to ₱2,937,196 and ₱2,886,908, net of unamortized debt issue cost amounting to ₱2,304 and ₱5,342, as at December 31, 2025 and 2024, respectively.



Presented below is the summary of interest expense recognized on long-term debts (see Note 27):

	2025	2024	2023
CBC Term Loan 2021			
CBC Note 1	<b>₱307,688</b>	₱316,846	₱311,022
CBC Note 2	<b>59,234</b>	59,160	57,302
BDO Term Loan 2021			
BDO Note 1	<b>115,287</b>	115,144	111,527
BDO Note 2	<b>99,386</b>	99,263	96,144
	<b>₱581,595</b>	₱590,413	₱575,995

Presented below is the summary of amortization of debt issue costs recognized on long-term debts (see Note 27):

	2025	2024	2023
CBC Term Loan 2021			
CBC Note 1	<b>₱7,406</b>	₱7,546	₱9,043
CBC Note 2	<b>1,877</b>	1,748	1,697
BDO Term Loan 2021			
BDO Note 2	<b>3,385</b>	3,262	3,174
BDO Note 1	<b>3,022</b>	2,913	2,834
	<b>₱15,690</b>	₱15,469	₱16,748

Presented below is the summary of interest payable on long-term debts (see Note 14):

	2025	2024
CBC Form of Note 1	<b>₱44,908</b>	₱47,720
CBC Form of Note 2	<b>8,793</b>	7,267
BDO Form of Note 1	<b>17,114</b>	16,839
BDO Form of Note 2	<b>14,753</b>	14,515
Balances at end of year	<b>₱85,568</b>	₱86,341

## 17. Liability for Mine Rehabilitation

Movements in the liability for mine rehabilitation are as follows:

	2025	2024	2023
Balances at beginning of year	<b>₱84,658</b>	₱70,979	₱64,793
Accretion of interest (Note 27)	<b>2,203</b>	2,326	2,265
Change in accounting estimate (Note 9)	<b>26,831</b>	11,238	3,948
Cumulative translation adjustment	<b>601</b>	115	(27)
Balances at end of year	<b>₱114,293</b>	₱84,658	₱70,979

In 2025 and 2024, the estimated discounted future cash flows of CCC's Final Mine Rehabilitation and Decommissioning Plan were updated to reflect forecasted changes in projected costs inflation and discount rates.



Discount rates used by the Group in determining the present value of the future rehabilitation costs are 6.41% and 5.98% as at December 31, 2025 and 2024, respectively.

## 18. Equity

### a. Capital Stock

The table below presents the details of the Parent Company's authorized and issued and outstanding capital stock as at December 31, 2025 and 2024:

	No. of shares	Amount
Authorized (₱1 par value)	8,890,000,000	₱8,890,000
Issued	2,087,032,774	2,087,033
Subscribed	1,472,500,000	1,472,500
Total shares issued and subscribed	3,559,532,774	₱3,559,533

#### *Increase in Authorized Capital Stock and Stock Subscriptions*

In 2017, the Parent Company's BOD and shareholders approved the increase in authorized capital stock (ACS) of the Parent Company from ₱3,000,000 to ₱8,890,000, divided into 8,890,000,000 common shares with a par value of ₱1 per share, thereby amending its articles of incorporation. In addition, the Parent Company secured from the minority shareholders a waiver of the requirement to the conduct of public or rights offering of the shares subscribed out of the increase in the ACS. A majority vote representing the outstanding shares held by minority shareholders present or represented by proxies granted the said waiver.

Pursuant to the increase in ACS, the Parent Company entered into Stock Subscription Agreements, with subscription price of ₱4.3842 per share, with the following shareholders:

Subscriber	No. of shares subscribed	Total subscription price	Par value amount	Additional paid-in capital	Subscription receivable
SM Investments Corporation (SMIC)	598,049,708	₱2,621,970	₱598,050	₱2,016,098	₱1,966,477
APHC	845,000,292	3,704,650	845,000	2,848,597	2,778,488
Alakor	29,450,000	129,115	29,450	99,279	96,836
	1,472,500,000	₱6,455,735	₱1,472,500	₱4,963,974	₱4,841,801

The subscription price of ₱4.3842 per share is based on the 90-day volume weighted average price (VWAP) preceding the pricing date, November 16, 2016. In 2017, a portion of the subscriptions were paid in cash amounting to ₱1,613,934.

Transaction costs on the issuance of shares amounting to ₱19,261, were accounted for as a deduction from additional paid-in capital, which include registration and regulatory fees and stamp duties.

The dividend, voting and preemption rights of the subscribed shares are the same with the rights being enjoyed by the current shareholders. The subscribed shares will not have any effect upon the rights of the existing shareholders.



On November 17, 2017, the Philippine Securities Exchange Commission (SEC) approved the Parent Company's application to increase its ACS and amendment of its articles of incorporation.

The increase in the ACS was undertaken for the Parent Company to have sufficient unissued shares of stock to issue the Warrants and the Underlying Common Shares, as a result of the exercise of the warrants, and provide the Parent Company flexibility to raise fresh funds. With available and sufficient unissued capital stock, the Parent Company will have the capability for any future capital initiative.

As at December 31, 2025 and 2024, the Parent Company is compliant with the minimum public float as required by the PSE.

#### 2016

##### *Reduction in Par Value and Decrease in Authorized Capital Stock*

In 2016, the Parent Company's BOD and shareholders approved the change in the par value of common shares from ₱8 per share, with ACS of ₱24,000,000, divided into 3,000,000,000 common shares, to ₱1 per share, with ACS of ₱3,000,000 divided into 3,000,000,000 common shares.

The lower par value of ₱1 per share would allow the Parent Company to raise fresh funds through primary shares issuance, if needed. The decrease in ACS and par value reduction resulted in additional paid-in capital of ₱14,609,229. The SEC approved the reduction in par value and capital stock on June 29, 2016.

#### b. Warrants Issue

On February 21, 2017, the shareholders approved the issuance of approximately 5.6 billion Warrants and the corresponding 5.6 billion underlying common shares for the refinancing of the US\$300.0 million bonds of CCC as well as the Parent Company's shareholders' advances to a subordinated loan with warrants.

The Warrants shall be issued by the Parent Company to its major shareholders or their assigns, among others. As at December 31, 2025, no warrants yet were issued by the Parent Company as the related application with the SEC has not yet been filed.

The following are the salient features, terms and conditions, and other relevant information of the Warrants Issue:

- The number of warrants to be issued to the Parent Company's major shareholders is approximately 5.6 billion, subject to the exchange rate on the date all regulatory approvals are secured and full compliance with all legal laws, rules and regulations for the issuance of warrants.
- Entitlement ratio is one common stock to one warrant; thus the corresponding number of underlying securities is approximately 5.6 billion common shares. Exercise period of the warrants shall be from and including the date of issue of the warrants up to 5:00 p.m. on the day immediately preceding the date of the 7th anniversary of the date of issue of the warrants. Expiry date is the 7th anniversary of the date of the issue of the warrants.
- The basis of determining the exercise price of ₱4.3842 is the 90-day VWAP preceding the pricing date, November 16, 2016.



- Timetable for the issuance of the warrants will be upon obtaining the following: (i) shareholders' approval to the increase in the ACS and amendment to Article VII of the Parent Company's articles of incorporation (AOI); (ii) SEC approval of the increase in ACS and amendment to AOI, and (iii) other regulatory approvals and compliance with all legal requirements.
- The warrants constitute direct, unsecured and unsubordinated obligations of the Parent Company, and will at all times rank *pari passu* without preference among themselves and with all other outstanding unsecured and unsubordinated obligations of the Parent Company, past and future.
- Exercise of the warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date.
- Warrants are exercisable on any business day during the exercise period.
- The Parent Company may, but is not obligated, at any time to purchase the warrants at any price.
- The Parent Company may modify the terms and conditions without the consent of the warrant holders which the Parent Company may deem necessary or desirable provided the modification is not materially prejudicial to the interests of the warrant holders.
- If any event occurs which would reasonably be expected to have an effect on the exercise price, upon written opinion of an independent investment bank, adjustments shall be made as appropriate on account of such event.

*Cancellation of the Authority to Issue Warrants*

On January 23, 2026, the Parent Company's BOD approved the cancellation of its authority to issue 5.6 billion warrants, with the consent of major shareholders originally entitled to them. In return, the Parent Company, through its subsidiary, CCC, will pay the shareholders about ₱1.0 billion, equivalent to a 1.0625% annual guarantee fee over five years, while ensuring the payments do not impact CCC's cash flow or profitability. The warrant termination agreement is still undergoing review by the Parent Company's principal and substantial shareholders for signing and execution.

c. Track record of securities registration

Below is the Parent Company's track record of registration of securities under the Philippine SEC:

Date of Registration (SEC Approval)	Description	Authorized Shares	Number of shares issued/subscribed	Par value per share	Total amount (in 000's)
December 31, 2009	Common shares	12,000,000,000	1,048,931,882	₱10.00	₱10,489,319
October 8, 2010	Increase in number of common shares	14,200,000,000	1,059,931,882	10.00	10,599,319
September 5, 2011	Increase in number of common shares	20,000,000,000	1,336,614,382	10.00	13,366,144
November 8, 2011	Increase in number of common shares	30,000,000,000	1,336,614,382	10.00	13,366,144
January 23, 2013	Decrease in number of common shares and reduction in par value	24,000,000,000	2,074,366,980	8.00	16,594,936

(Forward)



Date of Registration (SEC Approval)	Description	Authorized Shares	Number of shares issued/subscribed	Par value per share	Total amount (in 000's)
June 29, 2016	Reduction in par value consequently decreasing the number of common shares	3,000,000,000	2,087,032,774	1.00	₱2,087,033
November 17, 2017	Increase in number of subscribed common shares	8,890,000,000	1,472,500,000	1.00	1,472,500
As at December 31, 2025		8,890,000,000	3,559,532,774	₱1.00	₱3,559,533

d. Additional Paid-In Capital

*Convertible Loans*

Additional paid-in capital amounting to ₱48,847 was recognized in 2017 as a result of the equity conversion option from the ₱1.8 billion convertible loans availed by the Parent Company from SMIC, Alakor and APHC.

Additional paid-in capital amounted to ₱19,650,936 as at December 31, 2025 and 2024. This includes additional paid-in capital amounting to ₱28,886 from 2014 and prior years.

e. Retained Earnings (Deficit)

The retained earnings (deficit) of the Group's subsidiaries and associates are as follows:

	2025	2024
<i>Subsidiaries</i>		
CCC	<b>₱9,102,066</b>	₱9,065,595
AEI	<b>(108,986)</b>	(108,858)
AI	<b>(32,677)</b>	(32,606)
AHI	<b>(3,684)</b>	(3,606)
CCESI	<b>(6,367)</b>	(73)
<i>Associates</i>		
BNC	<b>₱162,878</b>	₱124,382
URHI	<b>(4,636)</b>	(4,620)
TMI	<b>(12,688)</b>	(12,561)
NRHI	<b>110,072</b>	110,089
UNC	<b>(47,736)</b>	(47,805)

The total retained earnings of the Group amounted to ₱21,548,640 and ₱21,796,790 as at December 31, 2025 and 2024, respectively.

The retained earnings of the Group's subsidiaries and associates that are not available for dividend declaration amounts to nil as of December 31, 2025 and 2024.

*Dividend Declaration*

There were no dividends declared and paid in 2025 and 2024.

f. Number of Shareholders

As at December 31, 2025 and 2024, the Parent Company has 20,655 and 20,665 shareholders, respectively.

g. Cumulative translation adjustment

Cumulative translation adjustment amounted to ₱5,492,411 and ₱5,032,330 as at December 31, 2025 and 2024, respectively. The exchange differences arising on the translation for consolidation amounted to an increase of ₱460,081, an increase of ₱1,162,331 in 2024 and a decrease of ₱176,781 in 2023.



h. Non-controlling interest

On August 29, 2024, the Group, through its subsidiary CCC, invested in 70% ownership in CCESI in exchange for cash amounting ₱3,500. As a result, the Group recognized a non-controlling interest amounting to ₱1,500, representing the interest of other stockholders in CCESI in the consolidated statements of financial position. The non-controlling interest represents a noncash transaction.

Financial information of the subsidiary that has non-controlling interest is provided below:

	Principal Place of Business	Percentage of Ownership	
		2025	2024
CCESI	Philippines	30%	30%

Equity attributable to non-controlling interest:

	2025	2024
CCESI	₱3,410	₱1,478

Net income attributable to the non-controlling interest:

	2025	2024
CCESI		
Net income (loss)	₱6,441	(₱73)

The summarized financial information of this subsidiary is provided below. This information is based on amounts before intercompany eliminations.

	2025	2024
Revenue	₱19,211	₱-
Cost and expenses	(11,164)	(73)
Other income (charges) – net	3	-
Income (loss) before income tax	8,050	(73)
Provision for income tax	1,609	-
Net income (loss)	6,441	(73)
Other comprehensive income (loss)	-	-
Total comprehensive loss	6,441	(73)
Attributable to non-controlling interest	₱1,932	(₱22)

Summarized statements of financial position as at December 31, 2025 and 2024 are as follows:

	2025	2024
Current assets	₱23,141	₱4,927
Noncurrent assets	1,247	-
Current liabilities	(13,021)	-
Noncurrent liabilities	-	-
Net assets	₱11,367	₱4,927



Attributable to:	2025	2024
Equity holders of the Parent Company	<b>₱7,957</b>	₱3,449
NCI	<b>3,410</b>	1,478

Summarized cash flow information for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Operating	<b>₱11,483</b>	₱-
Investing	-	-
Financing	<b>(5,000)</b>	-
Net increase in cash	<b>₱6,483</b>	₱-

The movements in the non-controlling interest are as follows:

	2025	2024
Beginning balance	<b>₱1,478</b>	₱-
Net income attributable to non-controlling interest	<b>1,932</b>	1,478
Ending balance	<b>₱3,410</b>	₱1,478

## 19. Comprehensive Stock Option Plan

On July 18, 2007, the Parent Company's stockholders and BOD approved and ratified the Comprehensive Stock Option Plan for the Parent Company's qualified employees. The salient terms and features of the stock option plan, among others, are as follows:

- i. Participants: directors, officers, managers and key consultants of the Parent Company and its significantly owned subsidiaries;
- ii. Number of underlying shares: 50,000,000 common shares to be taken out of the unissued portion of the Parent Company's ACS with 25,000,000 of the underlying shares already been earmarked for the first-tranche optionees as duly approved by the Parent Company's stockholders during the annual general meeting (AGM) held on July 18, 2007;
- iii. Option period: Three years from the date the stock option is awarded to the optionees;
- iv. Vesting period: 1/3 of the options granted will vest in each year; and
- v. Exercise price: ₱10.00 per share benchmarked on the average closing price of the Parent Company's shares of stock as traded on the PSE during the period between September 6, 2006 (date of the AGM during which the stock option plan was first approved) and June 18, 2007 (the date of the BOD meeting during which the terms of the stock option plan were approved); such average closing price was ₱11.05 (the exercise price represents the average closing price discounted at the rate of 9.50%).

The Parent Company used the Black-Scholes model to compute for the fair value of the stock options based on the following assumptions as at July 18, 2007:

Spot price per share	₱15.00
Time to maturity	3 years
Volatility*	52.55%
Dividend yield	0.00%

\*Volatility is calculated using historical stock prices and their corresponding logarithmic returns.



Qualified employees who were previously granted stock option awards did not exercise subscription rights in the past three years: 2025, 2024 and 2023. There are no outstanding stock options as at December 31, 2025, and all options have already lapsed.

## 20. Revenues from Contracts with Customers

Revenue from contracts with customers is disaggregated into the following:

	2025	2024	2023
<b>Type of goods</b>			
Copper concentrate containing:			
Copper (Note 6)	₱13,515,773	₱15,826,944	₱17,174,795
Gold	3,048,422	2,935,699	2,735,155
Silver	15,871	-	-
Smelting and related charges	593,071	(128,423)	(1,044,937)
Mine waste	19,211	-	-
Total revenues from contracts with customers	<b>₱17,192,348</b>	<b>₱18,634,220</b>	<b>₱18,865,013</b>

All revenue from copper concentrate and mine waste is recognized at a point in time when control transfers to the buyers.

## 21. Mining and Milling Costs

Mining and milling costs consists of:

	2025	2024	2023
Depreciation and depletion (Note 9)	₱4,669,914	₱5,055,818	₱4,286,919
Materials and supplies (Note 7)	5,179,469	6,083,990	4,986,138
Communication, electricity and water	2,744,954	3,391,512	3,339,040
Personnel costs (Note 23)	827,584	794,988	790,309
Contracted services	321,551	394,028	648,857
Other costs	270,973	326,300	331,236
	<b>₱14,014,445</b>	<b>₱16,046,636</b>	<b>₱14,382,499</b>

Other costs consist of freight expenses, customs duties, insurance costs for vehicles used in the mine operations and other expenses, which are individually insignificant in amount.

### Mine Products Taxes

Excise taxes amounting to ₱617,895, ₱739,403 and ₱756,141 in 2025, 2024 and 2023, respectively, pertain to the taxes paid and accrued by the Group related to the production of copper concentrate.



## 22. General and Administrative Expenses

	2025	2024	2023
Personnel costs (Note 23)	<b>₱604,820</b>	₱669,904	₱581,093
Taxes and licenses	<b>188,766</b>	190,272	227,800
Rentals (Note 15)	<b>141,107</b>	205,838	176,835
Depreciation and depletion (Note 9)	<b>91,648</b>	48,280	39,150
Professional fees	<b>82,031</b>	114,186	126,796
Community assistance	<b>52,628</b>	51,922	37,219
Insurance	<b>44,341</b>	49,114	47,974
Materials and supplies (Note 7)	<b>36,121</b>	37,998	21,645
Transportation and travel	<b>22,017</b>	22,244	18,747
Communication, light and water	<b>21,808</b>	21,291	22,561
Provision for inventory obsolescence (Note 7)	<b>16,249</b>	22,865	–
Entertainment, amusement and recreation	<b>11,653</b>	13,403	12,494
Regulatory filing fees and charges	<b>917</b>	–	–
Repairs and maintenance	<b>712</b>	887	807
Others	<b>54,672</b>	68,353	15,948
	<b>₱1,369,490</b>	₱1,516,557	₱1,329,069

Rentals pertain to short-term land, office and equipment rentals not directly related to the mining operations.

Others consist primarily of subscription fees, software licenses, events, cost of training and seminars, not directly related to the mining operations of the Group.

## 23. Personnel Costs

Personnel costs recognized in mining and milling costs, and general and administrative expenses consist of the following:

	2025	2024	2023
Salaries and wages	<b>₱1,241,949</b>	₱1,267,134	₱1,180,957
Retirement benefits cost (Note 25)	<b>53,743</b>	50,919	39,992
Other employee benefits	<b>136,712</b>	146,839	150,453
	<b>₱1,432,404</b>	₱1,464,892	₱1,371,402
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Mining and milling costs (Note 21)	<b>₱827,584</b>	₱794,988	₱790,309
General and administrative expenses (Note 22)	<b>604,820</b>	669,904	581,093
	<b>₱1,432,404</b>	₱1,464,892	₱1,371,402



## 24. Related Party Disclosures

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Parent Company, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Parent Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Parent Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Parent Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

In the normal course of business, transactions with related parties consist mainly of payments made by the Parent Company for various expenses and non-interest bearing, short-term cash advances for working capital requirements.

All intercompany transactions are eliminated upon consolidation. Items eliminated are separately disclosed in a schedule in accordance with Philippine SEC requirements under the Revised SRC Rule 68.

The consolidated statements of financial position include the following amounts resulting from the various transactions with related parties, which are expected to be settled in cash:

### a. Related party transactions

December 31, 2025

	Amount/ Volume	Outstanding Balance	Terms	Conditions
<b>Associates</b>				
<b>Receivables (Note 5)</b>				
URHI (i)	₱–	₱3,006	On demand; non-interest bearing	Unsecured, no guarantee
UNC (i)	–	14,824	On demand; non-interest bearing	Unsecured, no guarantee
<b>Entity with significant influence</b>				
SM Investments Corporation (SMIC) (ii)	285,740	–	On demand; non-interest bearing	Unsecured, no guarantee
<b>Subsidiaries of an entity with significant influence</b>				
Philippine Geothermal Production Company, Inc. (PGPCI) (ii)	629,483	–	On demand; non-interest bearing	Unsecured, no guarantee
SM Prime Holdings, Inc. (SMPH) (ii)	1,378,374	–	On demand; non-interest bearing	Unsecured, no guarantee
SM Development Corporation (SMDC) (ii)	314,592	–	On demand; non-interest bearing	Unsecured, no guarantee
		<b>₱17,830</b>		



December 31, 2024	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Associates</i>				
<i>Receivables (Note 5)</i>				
URHI (i)	₱-	₱3,006	On demand; non-interest bearing	Unsecured, no guarantee
UNC (i)	-	14,824	On demand; non-interest bearing	Unsecured, no guarantee
<i>Entity with significant influence</i>				
SMIC (ii)	202,669	-	On demand; non-interest bearing	Unsecured, no guarantee
<i>Subsidiaries of an entity with significant influence</i>				
PGPCI (ii)	2,538,514	-	On demand; non-interest bearing	Unsecured, no guarantee
SMPH (ii)	3,836,114	-	On demand; non-interest bearing	Unsecured, no guarantee
SMDC (ii)	963,228	-	On demand; non-interest bearing	Unsecured, no guarantee
		<b>₱17,830</b>		

- i. Transactions with URHI and UNC pertain to cash advances made to the associates in prior years.
- ii. The transactions with SMIC, PGPCI, SMPH and SMDC pertain to purchases of foreign currencies, mainly US dollars, to be utilized by the Group in paying off its foreign-currency denominated obligations.

b. Compensation of key management personnel

	2025	2024	2023
Short-term benefits	₱91,729	₱105,277	₱82,809
Retirement benefits	21,553	4,052	3,748
	<b>₱113,282</b>	<b>₱109,329</b>	<b>₱86,557</b>

The Group considers all senior officers as key management personnel.

## 25. Retirement Benefits Liability

The Group has an unfunded defined retirement benefits plan covering substantially all of its employees. The plan provides a retirement of amount equal to one month's salary for every year of service, with six months or more of service considered as one year.



Under the existing regulatory framework, Republic Act (RA) No. 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Summary of retirement benefits liability and retirement benefits cost as at and for the years ended December 31, 2025, 2024 and 2023:

	2025		2024		2023	
	Retirement benefits liability	Retirement benefits costs	Retirement benefits liability	Retirement benefits costs	Retirement benefits liability	Retirement benefits costs
Parent Company	₱9,592	₱2,598	₱16,685	₱2,389	₱14,101	₱2,011
CCC	557,267	84,165	551,700	80,257	516,339	68,981
CCESI	–	12	–	–	–	–
	<b>₱566,859</b>	<b>₱86,775</b>	<b>₱568,385</b>	<b>₱82,646</b>	<b>₱530,440</b>	<b>₱70,992</b>

The movements in remeasurement gain on retirement benefits liability, net of tax, of the Parent Company and CCC are as follows:

	2025	2024	2023
Balances at beginning of year	₱143,381	₱135,989	₱188,209
Actuarial gains (losses):			
Financial assumptions	19,298	(2,133)	(49,816)
Experience adjustments	7,102	9,525	(2,404)
Adjustments	3,656	–	–
	<b>30,056</b>	<b>7,392</b>	<b>(52,220)</b>
Remeasurement gain on retirement benefits liability – net of tax	<b>₱173,437</b>	<b>₱143,381</b>	<b>₱135,989</b>

#### Parent Company Retirement Benefits Liability

The details of retirement benefits cost follow:

	2025	2024	2023
Current service cost (Note 23)	₱1,580	₱1,467	₱1,188
Interest cost (Note 27)	1,018	922	824
	<b>₱2,598</b>	<b>₱2,389</b>	<b>₱2,012</b>

The movements in the present value of the retirement benefits liability are as follows:

	2025	2024	2023
Balances at beginning of year	₱16,685	₱14,101	₱11,455
Current service cost (Note 23)	1,580	1,467	1,309
Past service credit (Note 23)	–	–	(121)
Interest cost (Note 27)	1,018	922	824
Actuarial losses (gains):			
Financial assumptions	(186)	503	(36)
Experience adjustments	(195)	(308)	670
Net released obligations due to employee transfers	(9,310)	–	–
Balances at end of year	<b>₱9,592</b>	<b>₱16,685</b>	<b>₱14,101</b>



The Parent Company does not have any plan assets.

The retirement benefits cost as well as the present value of the retirement benefits liability is determined using actuarial valuation. The actuarial valuation involves making various assumptions.

The principal assumptions used in determining retirement benefits costs and retirement benefits liability for the Parent Company's defined retirement benefits plan are shown below:

	2025	2024	2023
Discount rate	6.26%	6.10%	6.54%
Expected rate of salary increase	5.00%	5.00%	5.00%
Turnover rate	17% at age 18 decreasing to 0% at age 60	17% at age 18 decreasing to 0% at age 60	17% at age 18 decreasing to 0% at age 60
Mortality rate	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table

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

	Increase (decrease)	2025	2024
Discount rates	+1%	(P1,042)	(P1,091)
	-1%	1,186	1,238
Salaries increased rates	+1%	P1,242	P1,327
	-1%	(1,105)	(1,188)

The Parent Company does not expect to contribute to the defined retirement benefits plan in 2026. The Parent Company does not have a trustee bank, and does not currently employ any asset-liability matching.

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

	2025	2024
More than one year to five years	P-	P10,212
More than five years to 10 years	1,675	1,709
More than 10 years to 15 years	41,769	33,742
More than 15 years to 20 years	-	7,675
More than 20 years	1,848	1,670
	<b>P45,292</b>	<b>P55,008</b>

The average duration of the defined retirement benefits liability as at December 31, 2025 and 2024 is 12.47 years and 9.39 years, respectively.



CCC Retirement Benefits Liability

The details of retirement benefits costs follow:

	2025	2024	2023
Current service cost (Note 23)	<b>₱52,151</b>	₱49,452	₱38,805
Interest cost (Note 27)	<b>32,014</b>	30,805	30,176
	<b>₱84,165</b>	₱80,257	₱68,981

The movements in present value of the retirement benefits liability are as follows:

	2025	2024	2023
Balances at beginning of year	<b>₱551,700</b>	₱516,339	₱531,494
Current service cost (Note 23)	<b>52,151</b>	49,452	38,805
Interest cost (Note 27)	<b>32,014</b>	30,805	30,176
Actuarial losses (gains):			
Financial assumptions	<b>(25,544)</b>	2,342	66,457
Experience adjustments	<b>(9,275)</b>	(12,392)	2,535
Benefits paid	<b>(43,906)</b>	(34,871)	(44,749)
Cumulative translation adjustment	<b>127</b>	25	(108,379)
Balances at end of year	<b>₱557,267</b>	₱551,700	₱516,339

CCC does not have any plan assets.

The retirement benefits cost, as well as the present value of the retirement benefits liability is determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The principal assumptions used in determining retirement benefits costs and retirement benefits liability for CCC's defined retirement benefits plan are shown below:

	2025	2024	2023
Discount rate	<b>6.47%</b>	6.09%	6.13%
Expected rate of salary increase	<b>6.00%</b>	6.00%	6.00%
Turnover rate	<b>9% at age 18 decreasing to 0% at age 65</b>	9% at age 18 decreasing to 0% at age 65	9% at age 18 decreasing to 0% at age 65
Mortality rate	<b>2017 Philippine Intercompany Mortality Table</b>	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table

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

	Increase (decrease)	2025	2024
Discount rates	+1%	<b>(₱60,622)</b>	(₱61,364)
	-1%	<b>72,001</b>	73,005
Salaries increased rates	+1%	<b>₱74,407</b>	₱75,100
	-1%	<b>(63,611)</b>	(64,133)

CCC does not expect to contribute to the defined retirement benefits plan in 2026. CCC does not have a trustee bank, and does not currently employ any asset-liability matching.



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

	2025	2024
Less than one year	₱23,426	₱19,911
More than one year to five years	108,033	109,391
More than five years to 10 years	329,348	322,317
More than 10 years to 15 years	534,041	517,603
More than 15 years to 20 years	772,257	727,576
More than 20 years	2,543,844	2,425,858
	<b>₱4,310,949</b>	<b>₱4,122,656</b>

The average duration of the defined retirement benefits liability as at December 31, 2025 and 2024 is 16.41 years and 16.64 years, respectively.

The retirement benefits cost of CCESI pertains to the retirement pay of its only employee.

The defined retirement benefits plan typically exposes the Group to a number of risks such as interest rate risk and salary risk. The most significant of which relate to interest rate risk. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement liability. An increase in government bond yields will decrease the defined benefit obligation. Hence, the present value of defined benefits obligation is directly affected by the discount rate to be applied by the Group.

## 26. Income Taxes

The components of the provision for (benefit from) income tax are as follow:

	2025	2024	2023
Current	₱295,775	₱292,107	₱628,959
Deferred	(125,967)	(248,104)	(43,408)
	<b>₱169,808</b>	<b>₱44,003</b>	<b>₱585,551</b>

The provision for current income tax in 2025 pertains to CCC and CCESI's RCIT amounting to ₱295,763 and the Parent Company's MCIT amounting to ₱12. The provision for current income tax pertains to RCIT in 2024 and MCIT in 2023.

### Parent Company, AEI, AHI and AI

The Parent Company, AEI, AHI and AI have the following carry-forward benefits of NOLCO and MCIT, and deductible temporary differences in 2025 and 2024, for which no deferred tax assets were recognized as it is not probable that sufficient future taxable profits will be available against which the benefits can be utilized:

	2025	2024
Allowance for impairment losses on:		
Inventory obsolescence	₱316,239	₱316,239
Expected credit losses	4,679	4,679
Quoted equity instrument	2,867	2,867

(Forward)



	2025	2024
Carry-forward benefits of:		
NOLCO	55,908	54,527
MCIT	372	339
Retirement benefits liability	9,592	16,685
Unrealized foreign exchange losses	1,940	-
	<b>₱391,597</b>	<b>₱395,336</b>

The components of deferred tax liabilities of the Parent Company as at December 31, 2025 and 2024 are as follows:

	2025	2024
<i>Recognized directly in profit or loss</i>		
Deferred tax liability:		
Mining rights	₱1,517,612	₱1,590,883
Unrealized fair value gain on investment in pooled funds	2,610	8,756
Unrealized foreign exchange gains	43	1,427
	<b>1,520,265</b>	<b>1,601,066</b>
<i>Recognized in other comprehensive income</i>		
Revaluation increment on land	321,153	321,153
Remeasurement gain on retirement benefits liability	5,087	4,992
	<b>326,240</b>	<b>326,145</b>
Deferred tax liabilities	<b>₱1,846,505</b>	<b>₱1,927,211</b>

#### CCC

The components of deferred tax assets of CCC as at December 31, 2025 and 2024:

	2025	2024
<i>Recognized directly in profit or loss</i>		
Deferred tax assets:		
Unrealized foreign exchange losses	₱1,949,712	₱1,864,600
Retirement benefits liability	202,900	190,531
Provision for impairment losses:		
Input VAT	113,556	111,731
Inventory obsolescence	96,120	89,731
Liability for mine rehabilitation	28,573	21,165
Loss on asset derecognition	14,579	8,834
	<b>2,405,440</b>	<b>2,286,592</b>
Deferred tax liabilities:		
Unrealized foreign exchange gains	1,330,883	1,275,515
Unrealized gain on hedging transactions	14,447	15,048
Debt issue cost	3,139	7,035
	<b>1,348,469</b>	<b>1,297,598</b>
<i>Recognized in other comprehensive income</i>		
Remeasurement gain on retirement benefits liability	(63,583)	(52,606)
Deferred tax assets - net	<b>₱993,388</b>	<b>₱936,388</b>



The Group has incurred NOLCO before taxable year 2025 which can be claimed as deduction from the regular taxable income for the next three consecutive taxable years. The Group's NOLCO is as follows:

Year Incurred	Availment Period	Amount	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2025	2026-2028	₱1,580	₱-	₱-	₱1,580
2024	2025-2027	12,806	-	-	12,806
2023	2024-2026	18,919	-	-	18,919
2022	2023-2025	223	(223)	-	-
2021	2022-2026	218	-	-	218
2020	2021-2025	275	(275)	-	-
		<b>₱34,021</b>	<b>(₱498)</b>	<b>₱-</b>	<b>₱33,523</b>

As at December 31, 2025, the Parent Company's MCIT that can be claimed as deduction against future taxable liabilities are as follows:

Year Incurred	Availment Period	Amount	MCIT Expired	MCIT Unapplied
2025	2026-2028	₱12	₱-	₱12
2024	2025-2027	207	-	207
2023	2024-2026	122	-	122
2022	2023-2025	10	(10)	-
		<b>₱351</b>	<b>(₱10)</b>	<b>₱341</b>

In 2025, there was no application of MCIT incurred from previous years.

A reconciliation of the provision for income tax computed at the statutory income tax rate with the provision for income tax is presented as follows:

	2025	2024	2023
Provision for (benefit from)			
income tax at statutory			
income tax rates	<b>(₱19,102)</b>	(₱46,768)	₱425,777
Additions to (reductions in)			
income tax resulting from:			
Non-deductible expenses	<b>258,692</b>	215,076	430,489
Income exempt from			
income tax	<b>(57,507)</b>	(105,941)	(275,435)
Interest income subject to			
final tax and others	<b>(11,571)</b>	(28,562)	(11,184)
Movements in unrecognized			
deferred tax assets	<b>(826)</b>	9,987	15,885
Expired NOLCO	<b>124</b>	-	-
Excess MCIT over RCIT	<b>(12)</b>	207	-
Expired MCIT	<b>10</b>	4	19
	<b>₱169,808</b>	<b>₱44,003</b>	<b>₱585,551</b>



“Corporate Recovery and Tax Incentives for Enterprises Act” or “CREATE” Bill

President Rodrigo Duterte signed into law on March 26, 2021 the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act to attract more investments and maintain fiscal prudence and stability in the Philippines. RA No. 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE act which have an impact on the Group:

- Effective July 1, 2020, RCIT rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5 million and with total assets not exceeding ₱100 million (excluding land on which the business entity’s office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%;
- MCIT rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023; and
- Qualified export enterprises shall be entitled to 4 to 7 years income tax holiday (ITH) to be followed by 10 years 5% special corporate income tax (SCIT) or enhanced deductions (ED).

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023, pursuant to RA No. 11534, otherwise known as the CREATE Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021. Consequently, the Group recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

---

## 27. Interest Income and Finance Charges

Sources of interest income are as follows:

	2025	2024	2023
Cash in banks and cash equivalents (Note 4)	₱39,227	₱110,468	₱23,010
Other non-current assets (Note 13)	14	25	14
	<b>₱39,241</b>	<b>₱110,493</b>	<b>₱23,024</b>

Finance charges consists of:

	2025	2024	2023
Interest expense on long-term debts (Note 16)	₱581,595	₱590,413	₱575,995
Interest cost on retirement benefits liability (Note 25)	33,032	31,727	31,000
Amortization of debt issue cost (Note 16)	15,690	15,469	16,748
Accretion of interest on liability for mine rehabilitation cost (Note 17)	2,203	2,326	2,265
Lease liability (Note 15)	204	411	591
	<b>₱632,724</b>	<b>₱640,346</b>	<b>₱626,599</b>

The Group did not capitalize any borrowing costs in 2025, 2024 and 2023.



## 28. Others – net

The others – net account under costs and expenses section of the consolidated statement of comprehensive income consists of:

	2025	2024	2023
Impairment losses on input VAT (Note 13)	(₱395,633)	(₱26,606)	(₱21)
Gain on derecognition of liabilities	129,786	–	–
Realized fair value gains on:			
Short term investments (Note 4)	35,790	1,253	1,219
Investment in pooled funds (Note 8)	7,045	3,759	2,096
Loss on retirement of property and equipment (Note 9)	(21,916)	(11,751)	(1,080)
Rental of facilities	15,516	22,438	74,610
Unrealized fair value gains on:			
Investment in pooled funds (Note 8)	10,438	12,926	13,743
UITF (Note 13)	1,238	–	–
Short-term investments (Note 4)	292	–	–
Income from insurance claims	5,502	121,342	–
Gain (loss) on disposal of property and equipment (Note 9)	1,343	(112)	492
Miscellaneous - net	9,260	16,689	43,298
	<b>(₱201,339)</b>	<b>₱139,938</b>	<b>₱134,357</b>

Miscellaneous includes scrap sales, bank charges, staff club charges and hospital charges.

## 29. Segment Information

The primary segment reporting format is determined to be the business segments because the Group is organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit. The mining segment is engaged in exploration and mining operations. Meanwhile, the non-mining segment is engaged in bulk water supply or acts as holding company.

The Group's operating business segments remain to be neither organized nor managed by geographical segment.

2025:	Mining	Non-Mining	Total	Eliminations	Consolidated
Segment revenue					
From external customers	₱17,173,137	₱19,211	₱17,192,348	₱–	₱17,192,348
Mining and milling costs	₱14,014,445	₱–	₱14,014,445	₱–	₱14,014,445
Cost of Sales	–	6,404	6,404	(6,404)	–
General and administrative expenses	1,320,035	49,455	1,369,490	–	1,369,490
Mine products taxes	617,895	–	617,895	–	617,895
Depletion of mining rights	–	–	–	293,086	293,086
Operating income (loss)	1,220,762	(36,648)	1,184,114	(286,682)	897,432
Depreciation and depletion	4,759,179	2,383	4,761,562	293,086	5,054,648
Share in net loss	–	–	–	(45,185)	(45,185)
Other charges	(309,324)	19,795	(289,529)	(6,404)	(295,933)
<b>EBITDA</b>	<b>₱5,670,617</b>	<b>(₱14,470)</b>	<b>₱5,656,147</b>	<b>(₱45,185)</b>	<b>₱5,610,962</b>

(Forward)



2025:	Mining	Non-Mining	Total	Eliminations	Consolidated
<b>Segment results</b>					
Income (loss) before income tax	₱279,936	(₱18,075)	₱261,861	(₱338,271)	(₱76,410)
Provision for income tax	(243,464)	385	(243,079)	73,271	(169,808)
<b>Net income</b>	<b>₱36,472</b>	<b>(₱17,690)</b>	<b>₱18,782</b>	<b>(₱265,000)</b>	<b>(₱246,218)</b>
<b>Assets</b>					
Operating Assets	₱49,406,897	(5,338,490)	₱44,068,407	(₱974,998)	₱43,093,409
Investments	3,675	25,801,933	25,805,608	(25,583,608)	222,000
Goodwill	–	–	–	19,026,119	19,026,119
Mining rights	–	–	–	6,031,297	6,031,297
<b>Total Assets</b>	<b>49,410,572</b>	<b>20,463,443</b>	<b>69,874,015</b>	<b>(1,501,190)</b>	<b>68,372,825</b>
<b>Liabilities</b>					
Operating Liabilities	17,212,691	11,264	17,223,955	–	17,223,955
Accounts payable, contract liability and accrued liabilities	2,733,343	56,205	2,789,548	(13,942)	2,775,606
Deferred tax liabilities	–	328,893	328,893	1,517,612	1,846,505
<b>Total liabilities</b>	<b>19,946,034</b>	<b>396,362</b>	<b>20,342,396</b>	<b>1,503,670</b>	<b>21,846,066</b>
<b>Other segment information</b>					
Depreciation and depletion	4,759,179	2,383	4,761,562	293,086	5,054,648
Finance charges	631,502	1,222	632,724	–	632,724
<b>2024:</b>					
<b>Segment revenue</b>					
From external customers	₱18,634,220	₱–	₱18,634,220	₱–	₱18,634,220
<b>Segment results</b>					
Income (loss) before income tax	₱16,046,636	₱–	₱16,046,636	₱–	₱16,046,636
General and administrative expenses	1,461,459	55,098	1,516,557	–	1,516,557
Mine products taxes	739,403	–	739,403	–	739,403
Depletion of mining rights	–	–	–	341,826	341,826
Operating income (loss)	386,722	(55,098)	331,624	(341,826)	(10,202)
Depreciation and depletion	5,055,818	48,200	5,104,018	341,826	5,445,844
Share in net loss	–	–	–	(30,117)	(30,117)
Other income (charges)	454,550	39,045	493,595	–	493,595
<b>EBITDA</b>	<b>₱5,897,090</b>	<b>₱32,147</b>	<b>₱5,929,237</b>	<b>(₱30,117)</b>	<b>₱5,899,120</b>
<b>Segment results</b>					
Income (loss) before income tax	₱202,261	(₱17,386)	₱184,873	(₱371,943)	(₱187,070)
Provision for income tax	(128,029)	(1,430)	(129,459)	85,456	(44,003)
<b>Net income (loss)</b>	<b>₱74,232</b>	<b>(₱18,816)</b>	<b>₱55,414</b>	<b>(₱286,487)</b>	<b>(₱231,073)</b>
<b>Assets</b>					
Operating assets	₱50,517,205	(₱2,297,586)	₱52,814,791	(₱8,573,192)	₱44,241,599
Investments	3,616	25,801,933	25,805,549	(25,538,364)	267,185
Goodwill	–	–	–	19,026,119	19,026,119
Mining rights	–	–	–	6,324,383	6,324,383
<b>Total assets</b>	<b>50,520,821</b>	<b>28,099,520</b>	<b>78,620,341</b>	<b>(8,761,054)</b>	<b>69,859,287</b>
<b>Liabilities</b>					
Operating Liabilities	17,814,366	7,649,629	25,463,995	(7,629,191)	17,834,804
Accounts payable, contract liability and accrued liabilities	3,782,097	34,543	3,816,630	(2,200)	3,814,430
Deferred tax liabilities	–	336,329	336,329	1,590,883	1,927,212
<b>Total liabilities</b>	<b>21,596,453</b>	<b>8,020,501</b>	<b>29,616,954</b>	<b>(6,040,508)</b>	<b>23,576,446</b>
<b>Other segment information</b>					
Depreciation and depletion	5,055,818	48,200	5,104,018	341,826	5,445,844
Finance charges	639,013	1,333	640,346	–	640,346



2023:	Mining	Non-Mining	Total	Eliminations	Consolidated
Segment revenue					
From external customers	₱18,865,013	₱–	₱18,865,013	₱–	₱18,865,013
Mining and milling costs	₱14,382,499	₱–	₱14,382,499	₱–	₱14,382,499
General and administrative expenses	1,273,953	55,116	1,329,069	–	1,329,069
Mine products taxes	756,141	–	756,141	–	756,141
Depletion of mining rights	–	–	–	284,657	284,657
Operating income (loss)	2,452,420	(55,116)	2,397,304	(284,657)	2,112,647
Depreciation and depletion	4,323,688	2,381	4,326,069	284,657	4,610,726
Other income (charges)	222,043	28,835	250,878	–	250,878
Share in net loss	–	–	–	(33,819)	(33,819)
<b>EBITDA</b>	<b>₱6,998,151</b>	<b>(₱23,900)</b>	<b>₱6,974,251</b>	<b>(₱33,819)</b>	<b>₱6,940,432</b>
Segment results					
Income before income tax	₱2,049,279	(₱27,696)	₱2,021,583	(₱318,476)	₱1,703,107
Benefit from (provision for) income tax	(652,364)	(4,351)	(656,715)	71,164	(585,551)
Net income (loss)	₱1,396,915	(₱32,047)	₱1,364,868	(₱247,312)	₱1,117,556
Assets					
Operating assets	₱48,430,631	₱1,904,418	₱50,335,049	(₱8,095,921)	₱42,239,128
Investments	–	25,801,934	25,801,934	(25,504,632)	297,302
Goodwill	–	–	–	19,026,119	19,026,119
Mining rights	–	–	–	6,666,209	6,666,209
Total assets	48,430,631	27,706,352	76,136,983	(7,908,225)	68,228,758
Liabilities					
Operating Liabilities	17,371,246	20,261	17,371,507	–	17,371,507
Accounts payable, contract liability and accrued liabilities	3,471,638	33,127	3,504,765	(1,698)	3,503,067
Deferred tax liabilities	–	335,155	335,155	1,676,339	2,011,494
Total liabilities	20,822,884	388,543	21,211,427	1,674,641	22,886,068
Other segment information					
Depreciation, and depletion	4,323,688	2,381	4,326,069	284,657	4,610,726
Finance charges	625,184	1,415	626,599	–	626,599

The following table shows the reconciliation of consolidated EBITDA to consolidated net income (loss) for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
EBITDA	<b>₱5,610,962</b>	<b>₱5,405,525</b>	<b>₱6,702,519</b>
Less:			
Depreciation and depletion (Notes 9 and 10)	<b>5,054,648</b>	5,445,844	4,610,726
Finance charges (Note 27)	<b>632,724</b>	640,346	626,599
Provisions for income tax (Note 26)	<b>169,808</b>	44,003	585,551
	<b>5,857,180</b>	5,636,598	5,584,963
Net income (loss)	<b>(₱246,218)</b>	<b>(₱231,073)</b>	<b>₱1,117,556</b>

#### Adjustments and Eliminations

No operating segments have been aggregated to form the above reportable segments.

The president is the chief operating decision maker and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, EBITDA and profit or loss, and are measured consistently in the consolidated financial statements. The Group defines EBITDA as revenues from contracts with customers less costs and expenses, excluding financing charges, income tax, depreciation, depletion, and other provisions and charges.



The Group's management reporting and controlling systems use accounting policies that are the same as those described in Note 2 to the consolidated financial statements. Segment assets principally comprise all assets while segment liabilities principally comprise all liabilities.

Adjustments and eliminations are part of the detailed reconciliations presented below.

Reconciliation of segment income before tax:

	2025	2024	2023
Total segment net income before tax	<b>₱261,861</b>	₱184,873	₱2,021,583
Depletion of mining rights (Note 10)	<b>(293,086)</b>	(341,826)	(284,657)
Share in net loss of associates (Note 12)	<b>(45,185)</b>	(30,117)	(33,819)
Combined segment net income (loss) before tax	<b>(₱76,410)</b>	(₱187,070)	₱1,703,107

Reconciliation of segment assets:

	2025	2024	2023
Total segment operating assets	<b>₱43,093,409</b>	₱69,859,287	₱42,239,128
Goodwill (Note 10)	<b>19,026,119</b>	19,026,119	19,026,119
Mining rights (Note 10)	<b>6,031,297</b>	6,324,383	6,666,209
Investment in associates (Note 12)	<b>222,000</b>	267,185	297,302
Combined segment assets	<b>₱68,372,825</b>	₱69,859,287	₱68,228,758

Reconciliation of segment liabilities:

	2025	2024	2023
Total segment operating liabilities	<b>₱17,223,955</b>	₱17,834,804	₱17,371,507
Accounts payable and accrued liabilities	<b>2,775,606</b>	3,814,430	3,503,067
Deferred tax liabilities	<b>1,846,505</b>	1,927,212	2,011,494
Combined segment liabilities	<b>₱21,846,066</b>	₱41,411,250	₱40,257,575

Revenues of the Group, through CCC, are from MRI Trade AG (MRI) and Werco Trade AG (Werco) and are covered by Pricing Agreements.

	2025	2024	2023
WERCO	<b>₱8,379,617</b>	₱18,634,220	₱18,865,013
MRI	<b>8,793,520</b>	—	—
	<b>₱17,173,137</b>	₱18,634,220	₱18,865,013



---

### 30. Basic/Diluted Earnings Per Share

Basic and diluted earnings per share is computed as follows:

	2025	2024	2023
Net income (loss) attributable to the equity holders of the parent company	(P248,150)	(P231,051)	P1,117,556
Divided by basic weighted average number of common shares outstanding (in thousands)	3,557,553	3,557,553	3,557,553
	<b>(P0.0698)</b>	<b>(P0.0649)</b>	<b>P0.3141</b>

The Group's weighted average number of common shares outstanding (in thousands) used in computing basic and diluted earnings per share is 3,557,553 in 2025, 2024 and 2023.

There have been no other transactions involving common shares or potential common shares between the reporting date and the date of authorization of these consolidated financial statements.

---

### 31. Financial Risk Management Objectives and Policies

The Group's main financial instruments are cash in banks, cash equivalents, short-term investments, investment in pooled funds, quoted equity instrument, investment in UITF and refundable deposits under other non-current assets, long-term debts, and derivatives. It has various other financial assets and liabilities such as trade and other receivables, and accounts payable and accrued liabilities, which mainly arise from the Group's trade and other operations.

The main risks arising from the Group's financial instruments are market risk, credit risk, and liquidity risk. The BOD reviews and adopts relevant policies for managing each of these risks and these are summarized onto the succeeding paragraphs.

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and price risks, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in foreign currency exchange rates, interest rates, equity prices and other market changes.

#### *Foreign Currency Risk*

Foreign currency risk is that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has foreign currency risk arising from its cash in banks, cash equivalents, receivables, accounts payable and accrued liabilities, long-term debts and derivatives. To mitigate the risk of incurring foreign exchange losses, foreign currency holdings are matched against the potential need for foreign currency in financing equity investments and new projects. The Group also utilizes foreign currency forward contracts to hedge its foreign currency exposures. Management continuously monitors exchange rate movements and evaluates the need for additional hedging strategies to manage the Group's exposure.



As at December 31, 2025 and 2024, foreign currency-denominated assets and liabilities follow:

	2025		2024	
	Original Currency	Peso Equivalent	Original Currency	Peso Equivalent
<b>Assets</b>				
Cash in banks and cash equivalents	US\$ 10,625 GB£131 JP¥107	₱624,652 10,409 40	US\$34,872 GB£131 JP¥1,259	₱2,017,170 9,521 462
Trade receivables – at fair value through profit or loss	US\$13,586	798,746	US\$4,587	265,344
Other receivables – at amortized cost	US\$27,093	1,592,791	US\$27,009	1,562,335
	US\$51,304	3,016,189	US\$65,940	3,814,297
	GB£131	10,409	GB£131	9,521
	JP¥107	40	JP¥1,259	462
<b>Liabilities</b>				
Accounts payable and accrued expenses	US\$22,617 JP¥70,995 AU\$285	₱1,329,637 26,666 11,208	US\$31,412 JP¥141,995 AU\$3	₱1,817,027 52,112 108
Long-term debts	US\$275,000	16,167,250	US\$296,966	17,178,008
	US\$297,617	17,496,887	US\$328,378	18,995,027
	JP¥70,995	26,666	JP¥141,995	52,112
	AU\$285	11,208	AU\$3	108
Net liabilities in US\$	(US\$246,313)	(₱14,480,698)	(US\$262,438)	(₱15,180,730)
Net liabilities in JP¥	(JP¥70,888)	(₱26,626)	(JP¥140,736)	(₱51,650)
Net liabilities in AU\$	(AU\$285)	(₱11,208)	(AU\$3)	(₱108)
Net assets in GB£	GB£131	₱10,409	GB£131	₱9,521

As at December 31, 2025 and 2024, foreign exchange closing rates used in converting foreign currency-denominated assets and liabilities are as follows:

	2025	2024
US\$	58.790	57.845
AU\$	39.382	36.086
JP¥	0.376	0.367
GB£	79.410	72.680

Based on the historical movement of the US\$ and the Philippine Peso, the management assessed that the estimated reasonably possible change in the next 12 months would be:

	2025		2024	
	Peso Strengthens	Peso Weakens	Peso Strengthens	Peso Weakens
US\$	₱0.79	₱1.07	₱0.83	₱0.54

Sensitivity of the Group's pre-tax income to foreign currency risks are as follows:

Year ended December 31, 2025:

- An increase of ₱263,555 in the pre-tax income if peso strengthens by ₱1.07 against the US\$.
- A decrease of ₱194,587 in the pre-tax income if peso weakens by ₱0.79 against the US\$.

Year ended December 31, 2024:

- An increase of ₱141,717 in the pre-tax income if peso strengthens by ₱0.54 against the US\$.
- A decrease of ₱217,824 in the pre-tax income if peso weakens by ₱0.83 against the US\$.



Management assessed that the foreign currency risk associated with AU\$, JP¥, GB£-denominated accounts will not have a significant effect on consolidated financial statements, and as such, management did not present a sensitivity analysis as it is considered insignificant.

There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income.

*Commodity Price Risk*

The Group's copper concentrate revenues are based on international commodity quotations (i.e., primarily on the LME) over which the Group has no significant influence or control. This exposes the Group's results of operations to commodity price volatilities that may significantly impact its cash inflows. The Group enters into derivative transactions as a means to mitigate the risk of fluctuations in the market prices of its mine products. An analysis is made based on the assumption that copper prices move using the implied volatility based on one-year historical LME copper prices, with all other variables held constant.

Management assessed that the commodity price risk for gas oil will not have a significant effect on the consolidated financial statements, and as such, management did not present a sensitivity analysis as it is considered insignificant.

Shown below is the Group's sensitivity to changes in the copper prices arising from its copper derivatives and trade receivables (subject to provisional pricing) in 2025 and 2024 follows:

**December 31, 2025:**

<u>Change in Copper Prices</u>	<u>Effect on Income Before Income Tax</u>
Increase by 2%	¥269,350
Decrease by 2%	(269,349)

December 31, 2024:

<u>Change in Copper Prices</u>	<u>Effect on Income Before Income Tax</u>
Increase by 2%	¥319,533
Decrease by 2%	(319,532)

The rate used for the sensitivity analysis of changes in copper prices is 2% which reflect the actual monthly changes in copper prices to represent a more accurate sensitivity analysis on the commodity price risk.

There is no other impact on the Group's equity other than those already affecting the consolidated statements of comprehensive income.

*Equity Price Risk*

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to equity price risk because of its investment in shares of stock of an entity listed in the local stock exchange, short-term investments, investment in UITF and investment in pooled funds, which are classified as financial asset at fair value through profit or loss. Management assessed that the fluctuation in the fair value of financial assets at fair value through profit or loss will not have a significant effect on the consolidated financial statements, and as such, did not present a sensitivity analysis.



Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

*Cash in banks and cash equivalents*

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with its policies. Credit risk is mitigated by the short-term and/or liquid nature of its cash investments placed with approved financial institutions of high credit standing. The expected credit loss on the Group's cash in banks and cash equivalents is calculated using the general approach.

*Trade receivables*

Customer credit risk is managed by the Group's policy, procedures, and control relating to customer credit risk management. 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, short-term liquidity and financial position. In addition, outstanding trade receivable balances are regularly monitored on an ongoing basis, with the result that the Group's exposure to credit-impaired balances and bad debts is not significant. The Group's trade receivables are not subject to the recognition of expected credit loss because these are measured at fair value through profit or loss.

In 2025 and 2024, the Group had two and one customer, respectively, that accounted for all trade receivables. The maximum exposure to credit risk for trade receivables at the reporting date is also the carrying value (see Note 5). The Group does not hold collateral as security.

*Other financial assets*

With respect to credit risk arising from the other financial assets of the Group, which comprise short-term investments, other receivables, investment in pooled funds, quoted equity instrument, investment in UITF and refundable deposits under other non-current assets, 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 Group limits its counterparty credit risk on these assets by dealing only with financial institutions with high credit ratings. The expected credit loss on the other financial assets of the Group measured at amortized cost is computed using the general approach.

The following table summarizes the gross maximum exposure to credit risk for the components of the consolidated statements of financial position. The maximum exposure shown is gross, before the effect of any allowance for impairment.

	2025	2024
Cash in banks	<b>₱408,618</b>	₱297,285
Cash equivalents	<b>604,611</b>	1,959,862
Short term investments	<b>1,593,507</b>	-
Receivables		
Trade	<b>798,746</b>	265,344
Non-trade	<b>43,268</b>	40,116
Interest	<b>3,284</b>	4,670
Advances to		
Related parties	<b>17,830</b>	12,728
Officers and employees	<b>4,743</b>	5,561

(Forward)



	2025	2024
Other current asset		
Investment in pooled funds	₱452,712	₱333,736
Other non-current assets		
Investment in UITF	37,134	35,292
Refundable deposits	3,270	3,254
	<b>₱3,967,723</b>	<b>₱2,957,848</b>

*General Approach*

The credit risk of financial assets under the general approach are determined to be under Stage 1. Individually impaired financial assets that were specifically determined by the Group are under Stage 3 and are fully provided with expected credit losses.

	2025					Total
	General Approach				Simplified Approach	
	Stage 1	Stage 2	Stage 3	P-		
Cash in banks	₱408,618	P-	P-	P-	P-	₱408,618
Cash equivalents	604,611	-	-	-	-	604,611
Receivables						
Non-trade	-	38,589	4,679	-	-	43,268
Interest	3,284	-	-	-	-	3,284
Advances to						
Related parties	-	17,830	-	-	-	17,830
Officers and employees	-	4,743	-	-	-	4,743
Other non-current assets						
Refundable deposits	3,270	-	-	-	-	3,270
	<b>₱1,019,783</b>	<b>₱61,162</b>	<b>₱4,679</b>	<b>P-</b>	<b>P-</b>	<b>₱1,085,624</b>

	2024					Total
	General Approach				Simplified Approach	
	Stage 1	Stage 2	Stage 3	P-		
Cash in banks	₱297,285	P-	P-	P-	P-	₱297,285
Cash equivalents	1,959,862	-	-	-	-	1,959,862
Receivables						
Non-trade	-	40,116	-	-	-	40,116
Interest	4,670	-	-	-	-	4,670
Advances to						
Related parties	-	12,728	-	-	-	12,728
Officers and employees	-	5,561	-	-	-	5,561
Other non-current assets						
Refundable deposits	3,254	-	-	-	-	3,254
	<b>₱2,265,071</b>	<b>₱58,405</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>₱2,323,476</b>

*Concentration of Risk*

In 2025 and 2024, the Group's copper production was sold to two and one customer, respectively. However, it has no significant concentration of credit risk because it can sell its copper concentrate to other third party customers. The Company continuously monitors the receivable of two customers which arise from the valuation of provisionally priced shipments at year-end. Management believes that the credit risk related to these receivables is minimal, as these customers are reputable and financially stable counterparties.

*Collateral and other credit enhancements*

The amount and type of collateral required depends on the assessment of the credit risk of the borrower or counterparty. The Group has no collateral held and other credit enhancements as at December 31, 2025 and 2024.



*Interest Rate Risk*

Management has assessed that the Group is not significantly exposed to interest rate fluctuations because the interest rates on its long-term debts are fixed.

Accordingly, changes in market interest rates are not expected to have a significant impact on the Group's financing costs.

Liquidity Risk

Liquidity risk is the risk where the Group becomes unable to meet its payment obligations when these fall due under normal and stress circumstances. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group also manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

The tables below of the Group, as well as financial assets considered by management as part of its liquidity risk management based on remaining undiscounted contractual obligations as at December 31, 2025 and 2024 follow:

The aging analysis and maturity profile of the Group's financial assets and liabilities are as follow:

**December 31, 2025**

	On demand	Within one year	1 to < 3 years	> 3 years	Total
<b>Financial assets:</b>					
Cash on hand	₱8,256	₱-	₱-	₱-	₱8,256
Cash in banks	408,618	-	-	-	408,618
Cash equivalents	-	604,611	-	-	604,611
Short-term investments	1,593,507	-	-	-	1,593,507
<b>Receivables</b>					
Trade	-	798,746	-	-	798,746
Non-trade	43,268	-	-	-	43,268
Interest	-	3,284	-	-	3,284
<b>Advances to</b>					
Related parties	17,830	-	-	-	17,830
Officers and employees	4,743	-	-	-	4,743
<b>Other current asset</b>					
Investment in pooled funds	-	452,712	-	-	452,712
<b>Other non-current assets</b>					
Investment in UITF	-	-	-	37,134	37,134
Refundable deposits	-	-	-	3,270	3,270
	2,076,222	1,859,353	-	40,404	3,975,979
<b>Financial liabilities:</b>					
Accounts payable and accrued liabilities*	-	2,574,488	-	-	2,574,488
Long-term debts	-	17,228,462	-	-	17,228,462
Derivative liabilities	-	84,224	-	-	84,224
Lease liability	-	1,015	-	-	1,015
	-	19,888,189	-	-	19,888,189
	₱2,076,222	(₱18,028,836)	₱-	₱40,404	(₱15,912,210)

\*\*Excluding government payables amounting to ₱201,118



December 31, 2024

	On demand	Within one year	1 to < 3 years	> 3 years	Total
<b>Financial assets:</b>					
Cash on hand	₱3,440	₱-	₱-	₱-	₱3,440
Cash in banks	297,285	-	-	-	297,285
Cash equivalents	-	1,959,862	-	-	1,959,862
<b>Receivables</b>					
Trade	-	265,344	-	-	265,344
Non-trade	40,116	-	-	-	40,116
Interest	-	4,670	-	-	4,670
<b>Advances to</b>					
Related parties	12,728	-	-	-	12,728
Officers and employees	5,561	-	-	-	5,561
<b>Other current asset</b>					
Investment in pooled funds	333,736	-	-	-	333,736
<b>Other non-current assets</b>					
Investment in UITF	-	-	-	35,292	35,292
Refundable deposits	-	-	-	3,254	3,254
	692,866	2,229,876	-	38,546	2,961,288
<b>Financial liabilities:</b>					
Accounts payable and accrued liabilities*	-	3,647,337	-	-	3,647,337
Long-term debts	-	1,912,364	16,954,548	-	18,866,912
Lease liability	-	2,959	1,015	-	3,974
	-	-	-	-	22,518,223
	₱692,866	(₱3,332,784)	(₱16,955,563)	₱38,546	(₱19,556,935)

\*\*Excluding government payables amounting to ₱167,094

### 32. Fair Value of Financial Instruments

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments other than those with carrying amounts that are reasonable approximations of fair values as at December 31 of each year:

	Carrying Values		Fair Values	
	2025	2024	2025	2024
<b>Financial Liabilities</b>				
<b>Long-term debts:</b>				
CBC Note 1	₱8,270,002	₱9,222,056	₱8,196,202	₱9,156,314
BDO Note 1	3,405,735	3,348,455	3,384,263	3,329,863
BDO Note 2	2,937,196	2,886,908	2,917,503	2,870,606
CBC Note 2	1,543,261	1,720,589	1,531,612	1,710,861
	₱16,156,194	₱17,178,008	₱16,029,580	₱17,067,644

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

*Cash in Banks, Cash Equivalents and Trade and Other Receivables*

The carrying amounts of cash in banks, cash equivalents and other receivables approximate their fair value due to the relatively short-term maturities of these financial instruments.

Subsequent movements on provisionally-priced trade receivables are being recognized under fair value gain/loss in the consolidated statements of comprehensive income. The fair value of provisionally-priced trade receivables is determined by obtaining future prices of copper and gold and applying the projected prices to the outstanding trade receivables.



*Investment in Pooled Funds*

The fair value of investment in pooled funds is determined by referencing the fund's portfolio with the fair value of other similar funds.

*Investment in UITF*

The fair value of the investment in UITF is determined by the movements of its net asset value per unit, which is computed as the total market value of the assets, less fees, taxes, and other qualified expenses divided by total outstanding units.

*Accounts Payable, and Accrued Liabilities except Government Payables*

The carrying amounts of accounts payable and accrued liabilities excluding government payables approximate their fair values due to the relatively short-term maturities of these financial instruments.

*Long-term Debts*

Fair value of long-term debts is estimated using the discounted cash flow methodology using the applying benchmark risk free rates for similar types of long-term debts with comparable maturity profiles.

Management also considers that the carrying amounts of cash in banks, cash equivalents receivables, accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

The fair value hierarchy of the financial assets and liabilities is presented in the following table:

**December 31, 2025**

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value:</b>				
Trade receivables	P-	P798,746	P-	P798,746
Short-term investments	1,593,507			1,593,507
Investment in pooled funds	452,712	-	-	452,712
Investment in UITF	37,134	-	-	37,134
<b>Total</b>	<b>P2,083,353</b>	<b>P798,746</b>	<b>P-</b>	<b>P2,882,099</b>
<b>Liability for which fair values are disclosed:</b>				
Long-term debts	-	-	(16,156,194)	(16,156,194)
<b>Total</b>	<b>P-</b>	<b>P-</b>	<b>(P16,156,194)</b>	<b>(P16,156,194)</b>

**December 31, 2024**

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value:</b>				
Trade receivables	P-	P265,344	P-	P265,344
Investment in pooled funds	333,736	-	-	333,736
Investment in UITF	35,292	-	-	35,292
<b>Total</b>	<b>P369,028</b>	<b>P265,344</b>	<b>P-</b>	<b>P634,372</b>
<b>Liability for which fair values are disclosed:</b>				
Long-term debts	-	-	(17,178,008)	(17,178,008)
<b>Total</b>	<b>P-</b>	<b>P-</b>	<b>(P17,178,008)</b>	<b>(P17,178,008)</b>

There were no transfers between levels of fair value measurement as at December 31, 2025 and 2024.



### 33. Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders or issue new shares. No changes were made in the objectives, policies or processes during 2025 and 2024.

The table below summarizes the total capital considered by the Group:

	2025	2024
Capital stock – ₱1 par value (Note 18)	<b>₱3,559,533</b>	₱3,559,533
APIC (Note 18)	<b>19,650,936</b>	19,650,936
Subscription receivable (Note 18)	<b>(4,841,801)</b>	(4,841,801)
Revaluation increment on land (Note 9)	<b>963,460</b>	963,460
Remeasurement gain on retirement benefits liability (Note 25)	<b>173,437</b>	143,381
Cost of 1,980,000 treasury shares held by a subsidiary	<b>(23,267)</b>	(23,267)
Retained earnings	<b>21,548,640</b>	21,796,790
Cumulative translation adjustments (Note 18)	<b>5,492,411</b>	5,032,330
Non-controlling interest (Note 18)	<b>3,410</b>	1,478
	<b>₱46,526,759</b>	₱46,282,840

### 34. Commitments and Contingencies

#### CCC

#### Power Agreements

In June 2008, CCC entered into a power supply agreement with Cebu III Electric Cooperative, Inc. (CEBECO III) for the supply of 2MW of firm electric power at agreed prices.

On June 5, 2012, CCC signed a 12-year Electric Power Purchase Agreement (EPPA) with Toledo Power Company (TPC). Pursuant to the terms of the EPPA, TPC will build and operate a 72-megawatt net output clean coal-fired power plant in Toledo City (the Plant) that will guarantee the supply of up to 60 megawatts of electric power to the CCC's mining operations upon its commissioning. The power plant was completed in December 2014.

On December 15, 2014, CCC and TPC executed a 12-year Energy Conversion Agreement pursuant to which CCC shall supply to TPC the coal needed to generate electric power from the plant under the terms of the EPPA with a total contract capacity of 53MW.

The EPPA was renegotiated and amended for the period of April 26, 2019 to April 25, 2021 with a fixed rate of Php3.50 per kWh. The contract renew for another two years from April 26, 2021 to April 25, 2023 at a fixed rate of Php3.39 per kWh. However, the contract was terminated on August 25, 2022 due to the increase in fuel prices. TPC offered a new agreement effective August 26, 2022 until April 25, 2023, with a fixed rate of Php1.39 per kWh for the non-fuel component, while CCC will provide the fuel component under ECA-like terms.



On 14 April 2023, the 20MW EPPA was converted to ECA with a fixed non-fuel component of ₱1.606 per kWh with a validity period of one year ending on 25 April 2024. On 08 April 2024, CCC extended the Cooperation Period of the 20MW ECA until 25 December 2026 at a fixed non-fuel rate of ₱2.45/kWh.

Total utilities expense related to the said power agreements amounted to ₱2,760,716, ₱3,782,088 and ₱3,355,464 in 2025, 2024 and 2023, respectively. Related accrued expenses amounted to ₱23,865 and ₱22,980 as at December 31, 2025 and 2024, respectively.

#### Fuel and Lubricants Supply Agreements

On November 2022, the Company had entered into a contract for sale and purchase commitments with Shell Pilipinas Corporation. The agreement states the CCC shall purchase fuel products exclusively from Shell until October 31, 2025 and Shell shall extend to CCC a credit term of "M-30" meaning that purchases during any given calendar month are payable on or before the 30th day of the succeeding calendar month. A Group wide procurement on fuel purchase was set out beginning in October 2025 wherein the fuel supply agreement with Shell was consolidated thru 2GO Group, Inc. (2GO). Pending further review, assessment and execution of a new contract, the existing Fuel Supply Agreement was extended until April 30, 2026 with the same terms and conditions except for the fuel pricing which shall follow the agreed formula effective from November 8, 2025 as stated in the Notice of Award issued by 2Go on October 24, 2025.

Total expenses related to the fuel supply agreement amounted to ₱2,121,834, ₱2,456,151 and ₱2,070,893 in 2025, 2024 and 2023, respectively. Accrued expenses amounted to nil as at December 31, 2025 and 2024, respectively.

#### Legal Contingencies

The Company is a party to minor labor cases arising from its operations. The Company's management and legal counsel believe that the eventual resolution of these cases will not have a material effect on the Company's financial statements. Accordingly, no provision for probable losses was recognized by the Company in 2025, 2024 and 2023.

#### Collective Bargaining Agreement (CBA)

A new CBA was executed on January 30, 2015 (the 2015 CBA). The 2015 CBA shall be valid as to the representation aspect for a period of five years. Under the provisions of the Labor Code, the economic provisions of the 2015 CBA shall be re-negotiated on the third anniversary of its execution.

On January 31, 2018, CCC and the Union agreed and signed on the economic terms of the remaining two-year term of the 2015 CBA.

On October 9, 2020, a run-off elections for the Union amongst rank-and-file employees of CCC was held under the supervision of the Department of Labor and Employment (DOLE) Region VII.

On April 29, 2021, a new five-year CBA (the 2021 CBA) was executed by CCC and the Union commencing on May 1, 2021 until April 30, 2026. The 2021 CBA shall be valid as to the representation aspect for a period of five years. Under the provisions of the Labor Code, the economic provisions of the 2021 CBA shall be re-negotiated on its third year.

On April 29, 2024, the economic provisions of the remaining two-year term of the 2021 CBA was successfully amended and signed by the Parties.



### Consignment Agreements

#### *Orica Philippines, Inc.*

CCC has a consignment agreement with Orica Philippines, Inc. for the supply of explosives and blasting accessories for use in mining and mine development activities. The consignment agreement ensures the availability of the goods covered thereby and pegs a price range for the supply of such goods during the period of effectivity. The agreement was renewed last July 1, 2024 until June 30, 2027 with a payment terms of 45 days of the date of the invoice issued by the supplier (other than in the months of February and August for which invoiced amounts must be paid on or before 25th of the following month).

#### *Shorr Industrial Sales, Inc.*

The Company has a consignment agreement with Shorr Industrial Sales, Inc. for the supply of parts and tools for heavy equipment in 2023. The agreement was extended in principle in 2024 and in 2025 subject to the same terms and conditions without any price escalation. The Company will close-out the formal contract to be executed by the Parties in 2026.

#### *Le Price International Corporation*

While the renewal of the contract is still pending, Le Price maintained the same terms and conditions including the fixed service fees until a new contract will be executed. As of 31 December 2025, the renewal of the consignment contract is still being reviewed by Le Price pending an evaluation of the pricing mechanism acceptable to the parties. Le Price is expected to provide a new pricing mechanism for discussion by the parties within the first quarter of 2026.

#### *Morse Hydraulics*

CCC has a consignment agreement with Morse Hydraulics for the supply of hydraulic hoses and fittings at established price list. The agreement expired on January 14, 2021. The agreement was renewed with an 8% price adjustment with a lock-on period of three years beginning January 1, 2024 until December 31, 2026.

#### *Atlas Copco Phils.*

CCC has a consignment agreement with Atlas Copco (now Epiroc Philippines Inc.) for the supply of drill equipment parts and accessories. This ensured the availability of the critical parts required for continued operations and pegs a price range for the supply of such goods during the period of effectivity. The agreement was renewed in April 2024 with a validity period of 1 year. While the renewal of the contract and price adjustments remains pending, the terms and conditions including the price are maintained until a new contract will be executed. The contract is still currently under negotiation for renewal subject to an acceptable pricing mechanism to be agreed by the parties.

#### *Maxima Machineries, Inc.*

CCC has a consignment agreement with Maxima Machineries, Inc. for the supply of excavators, dump trucks, bulldozers and other heavy equipment parts and accessories. This ensured the availability of the critical parts required for continued operations, and pegs a price range for the supply of such goods during the period of effectivity. The consignment agreement has been renewed in December 2021 for a period of three years ending in December 2024 and a contract extension in a form of a Service Level Agreement was signed by CCC in November 2025. The Agreement sets out the agreed mechanical availability guarantee to ensure direct and timely delivery of replacement parts on the part of Maxima Machineries Inc. However, the parties agreed on an 11% price adjustment that took effect in October 2024 until July 2025.



---

### 35. Other Matters

a. SDMP

The five-year SDMP plans of the Company covering years 2014-2018, years 2019-2023 and years 2024-2028, in compliance with DENR Administrative Order 2010-21, were duly approved by the MGB. In 2025 and 2024, the actual expenditures and commitments under the SDMP amounted to ₱160,309 and ₱137,364, respectively. These expenditures relate to community development projects and programs implemented in the host and neighboring communities of the Company's mining operations.

The Company has a five-year SDMP in compliance with DENR Administrative Order 2010-21, as amended. The Company has been implementing its SDMP as approved by the MGB.

b. Operating Agreement (the Agreement) with CCC

On May 5, 2006, the Parent Company and CCC executed the Agreement wherein the Parent Company conveyed to CCC its exploration, development and utilization rights with respect to certain mining rights and claims (the "Toledo Mine Rights") and the right to rehabilitate, operate and/or maintain certain of its fixed assets.

In consideration of CCC's use of the Toledo Mine Rights, the Agreement provides that CCC shall pay the Parent Company a fee equal to 10% of the sum of the following:

- a. Royalty payments to third party claim holders of the Toledo Mine Rights,
- b. Lease payments to third party owners of the relevant portions of the parcels of land covered by the surface rights, and
- c. Real property tax payments on the parcels of land covered by the surface rights and on the relevant fixed assets.

On March 10, 2010, the Parent Company and CCC agreed on a royalty payment arrangement and on the computation of the basis of royalty income which is 2% of the gross sales by CCC of copper concentrates.

Pursuant to the Operating Agreement, the BOD of the Parent Company approved the moratorium on its entitlement to receive royalties from the Company for the years 2025, 2024 and 2023.

c. Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or RA No. 12253 (RA 12253)

On September 4, 2025, RA No. 12253, otherwise known as the "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act", was signed into law. It took effect 15 days after its complete publication in the Official Gazette and in newspapers of general circulation on September 20, 2025. The Implementing Rules and Regulations (IRR) of RA No. 12253 were promulgated on December 18, 2025, although the transitory clause provides that large-scale metallic mining contractors and/or operators shall immediately be subject to the fiscal regime provided therein after 150 days from the date of effectivity or February 17, 2026.

RA No. 12253 applies to large-scale metallic mining operations, or the exploration, development and utilization of metallic minerals under a mineral agreement or Financial or Technical Assistance Agreement (FTAA). Patented mining claims validly located and perfected under the Philippine Bill of 1902, which have thereby been segregated from the public domain and vested with private ownership, and which have been expressly excluded from the coverage of any mineral agreement or FTAA, shall not be subject to the taxes imposed under Section 15L-A of the National Internal Revenue Code, as amended by RA No. 12253, except as may be otherwise determined by the Supreme Court of Philippines.



The following, among others, are the salient provisions of RA No. 12253:

- Income from metallic mining operations is defined as gross output less deductions directly attributable to mining operations, which include:
  - Mining, milling, transporting, and handling expenses together with smelting and refining costs incurred, which refer to ordinary and necessary costs incurred in the extraction and processing of minerals
  - General and administrative expenses actually incurred by the metallic mining contractor or operator
  - Environmental expenses of the metallic mining contractor or operator,
  - Expenses for the development of host and neighboring communities and of geosciences and mining technology
  - Lease and royalty payments which shall refer to necessary payments made by the contractor or operator to claim owners, or surface landowners, and/or Indigenous Cultural Community or Indigenous People relating to the contract area during the operating period
  - Continuing exploration and development expenses, which shall refer to costs incurred within the contract area after the pre-operating period for further exploration and development of the mining project
  - Interest expenses which shall refer to amounts paid or incurred on loans that are necessary for mining operations, subject to the financing requirement under the mineral agreement or FTAA, provided that interest incurred on related-party debts of metallic mining contractors or operators, in excess of a quarterly related-party debt-to-equity ratio of 2:1 at any time during a taxable year shall not be allowed as a deduction under Section 3a(B) of the Tax Code, as amended
  - Depreciation, depletion, or amortization, which shall refer to deductions representing the systematic allocation of the cost of tangible and intangible mining assets over their useful life or productive period
  - Duties, fees, charges, and taxes, which shall refer to compulsory payments imposed under existing laws and regulations, other than royalty as provided in this Section 151-A and the windfall profits tax under Section 151-B of the Tax Code, as amended
- Margin, for purposes of calculating the royalty tax, is defined as the ratio of income from large-scale metallic mining operations to gross output while for purposes of calculating the windfall profits tax, 'windfall' or 'margin' is defined as the ratio of 'net income from large-scale metallic mining operations' to gross output.
- Royalty of 5% on the gross output of the minerals or mineral products extracted or produced by large-scale metallic mineral operations within mineral reservations.
- Margin-based royalty ranging from 1% to 5% on income of large-scale metallic operations outside mineral reservations. If the margin of large-scale metallic mining operations outside mineral reservations is less than or equal to 0%, a minimum royalty of 1/10 of 1% of the gross output of the minerals or mineral products extracted or produced shall be imposed
- Large-scale metallic mining operations shall be subject to a windfall profits tax on net income from metallic mining operations. The windfall profits tax rate is based on margin and ranges from 1% to 10%. For purposes of calculating the windfall profits tax, windfall or margin refers to the ratio of net income from large-scale metallic mining operations to gross output except that allowable tax deductions shall include corporate income tax and royalty tax. Further, for the purpose of computing the windfall or margin, the optional standard deduction shall not be used. The windfall profits tax shall not be deductible from taxable income as defined in Section 31 of the Code.



- For purposes of computing and paying the royalty tax and windfall profits tax, the following shall be treated as a separate taxable entity:
  - A metallic mining contractor, with respect to each mineral agreement or FTAA that it holds and/or operates
  - Where there is more than one valid mining operator under the same mineral agreement or FTAA, each mining operator shall be deemed a separate taxable entity for its respective mining operations under each mineral agreement or FTAA
- The fiscal regime and revenue-sharing arrangement provided under RA No. 12253 shall accordingly be embodied, as appropriate, in the mineral agreements and FTAA on metallic mineral production entered into by the Philippines government. This fiscal regime and revenue-sharing arrangement shall continue to be in force and effect for the entire duration of the contracts so entered and executed after the enactment of RA No. 12253. Valid mineral agreements and FTAA existing prior to the effectivity of the IRR shall continue to be governed by their respective terms and conditions until the expiration of their periods, except if said agreements provide that terms and conditions resulting from the repeal or amendment of existing laws or regulations or from the enactment of new laws or regulations shall be considered written into and part of said mineral agreements and FTAAAs.

As of December 31, 2025, the revenue regulations implementing changes to the Tax Code, as amended by RA No. 12253, have not yet been issued by the BIR.

RA No. 12253 is not considered substantively enacted as of December 31, 2025, because the transitory clause in the IRR provides that large-scale metallic mining contractors and/or operators shall be subject to the fiscal regime provided therein only on February 17, 2026.

The Group is currently assessing the impact of the amendments introduced by RA No. 12253 on its December 2026 financial statements based on the provisions of the IRR. The Group will reassess the impact of RA No. 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.

d. Impacts of the Macroeconomic, Regulatory and Geopolitical Environment

The Group's financials could be influenced by the effects of the broader macroeconomic, regulatory and geopolitical environment. Fluctuation of US dollar relative to other currencies and rising inflation may affect the Group's reported levels of revenue and profits. The imposition of new tariffs and changes to existing tariffs, along with the possibility of reciprocal tariffs, may impact businesses across industries. Geopolitical conflicts can have major economic impact on the affected regions.

Whilst these developments had no material impact on the Group's business, their scale and duration remain uncertain to date. It is not possible to estimate the impact of the near-term and longer effects of such events. The Group will continue to closely monitor the progress of these situation.

e. Available Credit Facilities

As of December 31, 2025, the Group has existing credit facilities with BDO, CBC and Security Bank which it can utilize to settle currently maturing obligations.



CBC

CCC entered into a term loan agreement with CBC for a total facility amounting to US\$420.0 million (see Note 16). In addition, the Group maintains several short-term credit facilities with CBC, including a US\$50.0 million loan line, US\$5.0 million FX PSR, US\$5 million FX SR limit, and a ₱200.0 million Bills Purchased Line. These facilities provide total available limits of US\$60.0 million and ₱200.0 million, and are subject to renewal under CBC's standard terms and conditions.

BDO

CCC entered into a term loan agreement with BDO for a total facility amounting to US\$420.0 million (see Note 16). In addition, the Group maintains approved short-term credit facilities with BDO, consisting of a US\$35.0 million omnibus line with sub-limits for letters of credit/trust receipts, Credit Line 1, and standby letters of credit, all capped at US\$35.0 million each. The Group also holds PHP-denominated facilities, including a ₱10.0 million corporate credit card line, ₱400.0 million foreign exchange pre-settlement line, and a ₱50.0 million domestic bills purchased line. These facilities are available until March 31, 2026, subject to renewal.

Standard Chartered Bank (SCB)

The Group maintains designated facilities with SCB, consisting of US\$25.0 million short-term loans, US\$25.0 million loans against trust receipts, secured import L/Cs of US\$25.0 million, and unsecured import L/Cs of US\$25.0 million, supporting trade and short-term liquidity requirements.

**36. Supplemental Disclosure to Consolidated Statements of Cash Flows**

The following table summarizes the changes in liabilities arising from financing activities:

	January 1, 2025	Cash flows		Effect of exchange rate changes	Others	December 31, 2025
		Availments	Payments			
Long-term debts	₱17,178,008	₱-	(₱1,316,896)	₱279,392	₱15,690	₱16,156,194
Principal portion of lease liability	3,753	-	(2,959)	-	204	998
	<b>₱17,181,761</b>	<b>₱-</b>	<b>(₱1,319,855)</b>	<b>₱279,392</b>	<b>₱15,894</b>	<b>₱16,157,192</b>
	January 1, 2024	Availments	Payments	exchange rate changes	Others	December 31, 2024
Long-term debts	₱17,162,383	₱-	₱-	₱2,304	₱13,744	₱17,178,008
Principal portion of lease liability	6,160	-	(2,818)	-	411	3,753
	<b>₱17,168,543</b>	<b>₱-</b>	<b>(₱2,818)</b>	<b>(₱2,304)</b>	<b>₱14,155</b>	<b>₱17,181,761</b>

The other non-cash activities of the Group pertain to the recognition and amortization of debt issue costs on its long-term debts, recognition of interest expense on lease liability under PFRS 16 and acquisition of the NCI.



---

### 37. Events After the End of the Reporting Period

#### Cancellation of the Authority to Issue Warrants

On January 23, 2026, the Parent Company's BOD approved the cancellation of its authority to issue 5.6 billion warrants, with the consent of major shareholders originally entitled to them. In return, the Parent Company, through its subsidiary, CCC, will pay the shareholders about Php1 billion, equivalent to a 1.0625% annual guarantee fee over five years, while ensuring the payments do not impact CCC's cash flow or profitability. The warrant termination agreement is currently undergoing review by the Parent Company's principal and substantial shareholders for signing and execution.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Atlas Consolidated Mining and Development Corporation  
Five E-com Center, Palm Coast Avenue corner Pacific Drive  
Mall of Asia Complex 1300, Pasay City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Atlas Consolidated Mining and Development Corporation and Subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 9, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

  
Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

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

Valid to cover audit of 2021 to 2025 financial statements

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

Valid to cover audit of 2021 to 2025 financial statements

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

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

March 9, 2026



## INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors  
Atlas Consolidated Mining and Development Corporation  
Five E-com Center, Palm Coast Avenue Corner Pacific Drive  
Mall of Asia Complex 1300, Pasay City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Atlas Consolidated Mining and Development Corporation and Subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 9, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

  
Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

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

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

Valid to cover audit of 2021 to 2025 financial statements

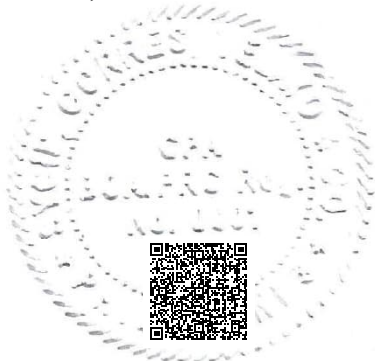
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

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

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

March 9, 2026



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES  
INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES  
TABLE OF CONTENTS  
DECEMBER 31, 2025**

Consolidated Financial Statements:

Cover Page  
Independent Auditor's Report  
Consolidated Statements of Financial Position  
Consolidated Statements of Comprehensive Income  
Consolidated Statements of Changes in Equity  
Consolidated Statements of Cash Flows  
Notes to Consolidated Financial Statements

Independent Auditor's Report on Components of Financial Soundness Indicators

Schedule of Financial Soundness Indicators

Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Reconciliation of Retained Earnings Available for Dividend Declaration

Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

Schedule of External Auditor Fee-Related Information

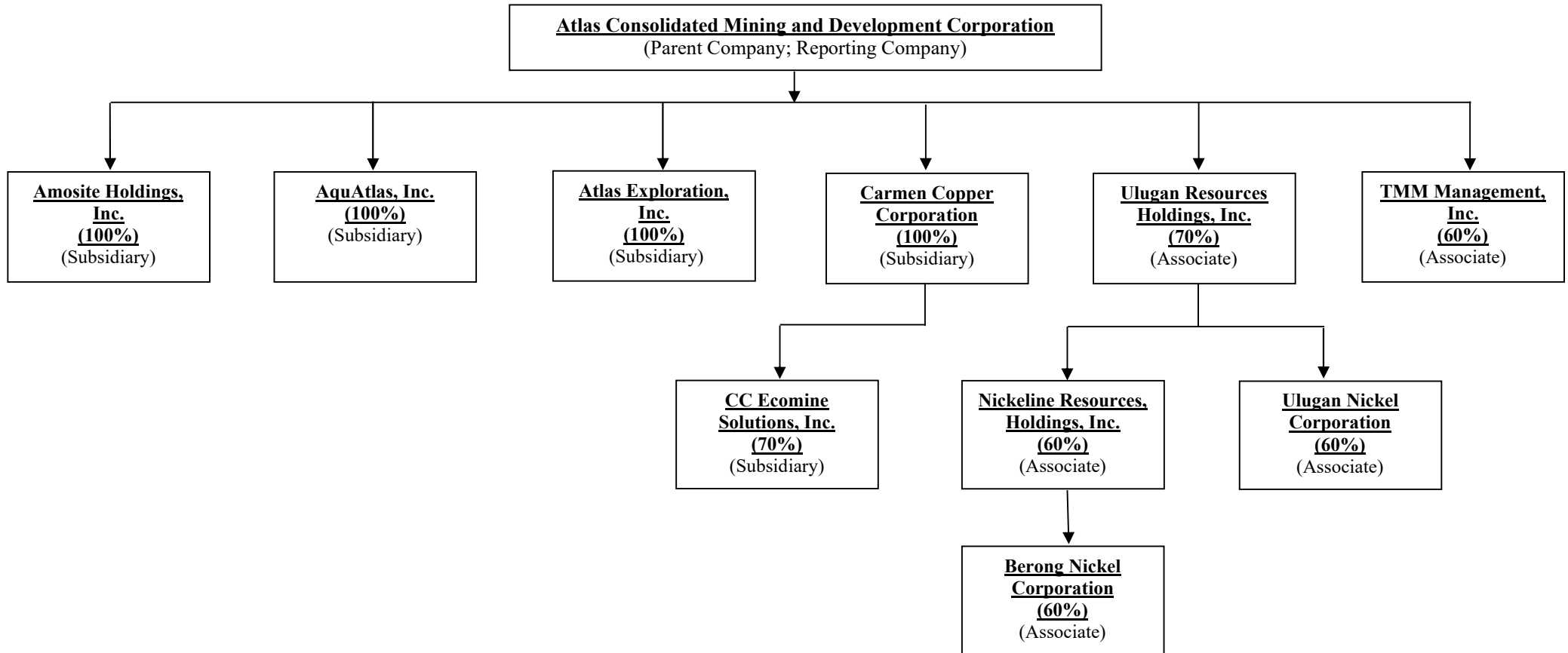
**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES  
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS  
PURSUANT TO THE REVISED SRC RULE 68, AS AMENDED  
DECEMBER 31, 2025**

Ratio	Formula	Current Year	Prior Year
Current Ratio	Total Current Assets divided by Total Current Liabilities	0.36	0.92
	Total Current Assets	6,907,701	
	Divide by: Total Current Liabilities	19,318,409	
	Current Ratio	0.36	
Acid test ratio	Quick assets ( <i>Total Current Assets less Inventories and Other Current Assets</i> ) divided by Total Current Liabilities	0.18	0.42
	Total Current Assets	6,907,701	
	Less: Inventories	991,596	
	Other current assets	2,437,921	
	Quick assets	3,478,185	
	Divide by: Total Current Liabilities	19,318,409	
Acid test ratio	0.18		
Solvency ratio	Net Income (loss) After Tax Plus Depreciation, Amortization and Depletion divided by Total Liabilities	0.22	0.22
	Net Income After Tax	(246,218)	
	Add: Depreciation and Depletion	5,054,648	
	Net Income After Tax Plus Depreciation, Amortization and Depletion	4,808,430	
	Divide by: Total Liabilities	21,846,066	
	Solvency ratio	0.22	
Debt-to-equity ratio	Total Liabilities divided by Total Equity (Excluding Cumulative Translation Adjustment and Treasury Shares)	0.53	0.57
	Total Liabilities	21,846,066	
	Divide by: Total Equity		
	Total Equity	46,526,759	
	Less: Cumulative translation adjustment	5,492,411	
	Add: Treasury Shares	23,267	
	Subtotal	41,057,613	
Debt-to-equity ratio	0.53		

<b>Ratio</b>	<b>Formula</b>	<b>Current Year</b>	<b>Prior Year</b>
Asset-to-equity ratio	Total Assets divided by Total Equity <i>(Excluding Cumulative Translation Adjustment and Treasury Shares)</i>	1.67	1.69
	Total Assets	68,372,825	
	Divide by: Total Equity		
	Total Equity	46,526,757	
	Less: Cumulative translation adjustment	5,492,411	
	Add: Treasury Shares	23,267	
	Subtotal	41,057,613	
	Asset-to-equity ratio	1.67	
Interest rate coverage ratio	Earnings Before Interest and Taxes divided by Interest Expense	0.88	0.71
	Net Loss Before Tax	(76,410)	
	Add: Finance Charges	632,724	
	Earnings Before Interest and Taxes	556,314	
	Divide by: Finance Charges	632,724	
	Interest rate coverage ratio	0.88	
Return on equity	Net Loss After Tax divided by Total Equity <i>(Excluding Cumulative Translation adjustment and Treasury Shares)</i>	(0.53%)	(0.50%)
	Net loss After Tax	(246,218)	
	Divide by: Average Total Equity		
	Equity at beginning of the year	46,282,839	
	Equity at end of the year	46,526,757	
	Average Total Equity	46,404,798	
	Return on equity	(0.53%)	
Return on assets	Net Loss After Tax divided by Total Assets	(0.36%)	(0.33%)
	Net Loss After Tax	(246,218)	
	Divide by: Average Total Assets		
	Assets at beginning of the year	69,859,286	
	Assets at end of the year	68,372,825	
	Average Total Assets	69,116,056	
	Return on assets	(0.36%)	
Net profit margin	Net Income After Tax divided by Total Revenue	(1.43%)	5.92%
	Net Income After Tax	(246,218)	
	Divide: Total Revenue	17,192,348	
	Net profit margin	(1.43%)	

Ratio	Formula	Current Year	Prior Year
Operating profit margin	Net Income Before Tax divided by Total Revenue	(0.44%)	(1.00%)
	Net Income Before Tax (76,410) Divide: Total Revenue 17,192,348		
	Net profit margin (0.44.%)		
Gross profit margin	Gross Profit Tax ( <i>Total Revenues less Cost of Sales</i> ) divided by Total Revenue	18.48%	13.89%
	Total Revenues 17,192,348		
	Less: Cost of Sales (Mining and Milling Costs) 14,014,445		
	Gross Profit 3,177,903		
	Divide: Total Revenue 17,192,348 Net profit margin 18.48%		

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES**  
**MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP**  
**PURSUANT TO THE REVISED SRC RULE 68, AS AMENDED**  
**DECEMBER 31, 2025**



**RECONCILIATION OF RETAINED EARNINGS  
AVAILABLE FOR DIVIDEND DECLARATION**

**As of December 31, 2025**

(Amounts in thousands)

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT  
CORPORATION AND SUBSIDIARIES**

Five Ecom Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex (1300), Pasay City

<b>Unappropriated Retained Earnings, beginning of reporting period</b>		<b>₱267,223</b>
<b>Add: Items that are directly credited to Unappropriated Retained Earnings</b>		
Reversal of Retained Earnings Appropriation/s	₱-	
Effect of restatement or prior period adjustments	-	
Others	-	-
<hr/>		
<b>Less: Items that are directly debited to Unappropriated Retained Earnings</b>		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	-
<hr/>		
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>267,223</b>
<b>Add/Less: Net loss for the current year</b>		<b>(23,910)</b>
<b>Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVPTL)	(10,438)	
Unrealized fair value gain of Investment Property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
<hr/>		
Sub-total		<b>(10,438)</b>
<hr/>		
<b>Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVPTL)	7,046	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to retained earnings as a result of certain transactions accounted for the PFRS	-	
<hr/>		
Sub-total		<b>7,046</b>
<hr/>		

**Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)**

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	P-	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVPTL)	-	
Reversal of previously recorded gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
Subtotal		-
<b>Adjusted Net Income/Loss</b>		<b>239,921</b>

**Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)**

Unrealized actuarial loss	-	
Depreciation on revaluation increment (after tax)	-	
Subtotal		-

**Add/Less: Adjustments related to relief granted by the SEC and BSP**

Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Subtotal		-

**Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution**

Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction	-	
Adjustments due to deviation from PFRS/GAAP – gain (loss)	-	
Others	-	
Sub-total		-

**TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND**

**₱239,921**

SCHEDULE A

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**FINANCIAL ASSETS**  
**DECEMBER 31, 2025**

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the balances sheet (figures in thousands)	Values based on market quotation at end of reporting period	Income received and accrued
Cash on hand	—	<b>₱8,256</b>	N/A	<b>₱—</b>
Cash in bank	—	<b>408,618</b>	N/A	4,204
Cash equivalents	—	<b>604,611</b>	N/A	35,023
Short-term investments	—	<b>1,593,507</b>	<b>1,593,507</b>	—
Receivables				
Trade	—	<b>798,746</b>	N/A	—
Non-trade	—	<b>43,268</b>	N/A	—
Interest	—	<b>3,284</b>	N/A	—
Advances to				
Related parties	—	<b>17,830</b>	N/A	—
Officers and employees	—	<b>4,743</b>	N/A	—
Investment in pooled funds	—	<b>452,712</b>	<b>452,712</b>	—
Investment in unit investment trust fund	N/A	<b>37,134</b>	<b>37,134</b>	—
Refundable deposits	—	<b>3,270</b>	N/A	—

**SCHEDULE B**

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**AMOUNTS RECEIVABLE FROM DIRECTORS, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS**  
**(OTHER THAN RELATED PARTIES)**  
**DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected / Settlements	Amounts Written-off	Current	Not Current	Balance at end period
NONE							

**SCHEDULE C**

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**AMOUNTS RECEIVABLE / PAYABLE FROM RELATED PARTIES**  
**WHICH ARE ELIMINATED DURING THE**  
**CONSOLIDATION OF FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written-off	Current	Not Current	Balance at end period
CCC	(₱7,242,766,466)	(₱15,725,866)	₱-	₱-	(₱7,258,492,332)	₱-	(₱7,258,492,332)
AEI	105,885,391	-	(₱109,466)	-	105,775,925	-	105,775,925
AI	32,400,103	-	-	-	32,400,103	-	32,400,103
AHI	(1,432,328)	-	-	-	(1,432,328)	-	(1,432,328)
CCESI	72,816	-	-	-	72,816	-	72,816

**SCHEDULE D****ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES  
LONG-TERM DEBT  
DECEMBER 31, 2025**

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under the caption "Current Portion of long-term borrowings" in related balance sheet	Amount shown under the caption "Long-term borrowings - net of current portion" in related balance sheet	Interest rates	Number of periodic installment payments	Maturity date
China Banking Corporation – <i>Form of Note 1</i>	₱–	₱8,270,002	₱–	3.75%	N/A	November 6, 2026
Banco De Oro (BDO) Unibank, Inc. – <i>Form of Note 1</i>	–	3,405,735	–	3.75%	N/A	November 6, 2026
BDO Unibank, Inc. – <i>Form of Note 2</i>	–	2,937,196	–	3.75%	N/A	November 6, 2026
China Banking Corporation – <i>Form of Note 2</i>	–	1,543,261	–	3.75%	N/A	November 6, 2026
	₱–	₱16,156,194	₱–			

**SCHEDULE E**

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES  
INDEBTEDNESS TO RELATED PARTIES  
(LONG-TERM LOANS FROM RELATED COMPANIES)  
DECEMBER 31, 2025**

Name of Related Party	Balance at beginning of period	Balance at end of period
	NONE	

**SCHEDULE F**

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES  
GUARANTEES OF SECURITIES OF OTHER ISSUERS  
DECEMBER 31, 2025**

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

NOT APPLICABLE

**SCHEDULE G**

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES  
CAPITAL STOCK  
DECEMBER 31, 2025**

The Parent Company's authorized share capital is ₱8.89 billion divided into 8.89 billion shares at ₱1 par value. As at December 31, 2025, total shares issued and subscribed is 3,559,532,774 held by 20,655 shareholders. The Parent Company has 1,472,500,000 subscribed shares as at December 31, 2025.

<u>Title of Issue</u>	<u>Number of shares authorized</u>	<u>Number of shares issued and subscribed as shown under related balance sheet caption</u>	<u>Number of shares reserved for options, warrants, conversions and other rights</u>	<u>Number of shares held by related parties</u>	<u>Directors, officers, and employees</u>	<u>Others</u>
Common Stock	8,890,000,000	3,559,532,774	–	2,616,455,535	106,322,417	836,754,822

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION  
AND SUBSIDIARIES**  
**Supplementary Schedule of External Auditor Fee-Related Information**  
**December 31, 2025**

**Audit and Non-audit fees of related entities**

	Current Year 2025	Prior Year 2024
<b>Total Audit Fees</b>	<b>₱4,025,000</b>	₱3,727,500
Non -audit service fees:		
Tax services	180,000	200,000
All other services	382,500	–
<b>Total Non-audit fees</b>	<b>562,500</b>	200,000
<b>Total Audit and Non-audit fees</b>	<b>₱4,587,500</b>	₱3,927,500

**Audit and Non-audit fees of other related entities**

	Current Year 2025	Prior Year 2024
<b>Audit Fees</b>	<b>₱–</b>	₱–
Non -audit service fees:		
Tax services	–	–
All other services	–	–
<b>Total Audit and Non-audit fees</b>	<b>₱–</b>	₱–

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

The management of Atlas Consolidated Mining and Development Corporation and Subsidiaries is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

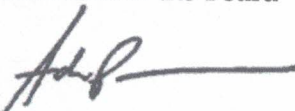
In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

**Frederic C. DyBuncio**  
Chairman of the Board



**Adrian Paulino S. Ramos**  
President and Chief Executive Officer



**Ma. Lorina E. Canillo**  
OIC - Vice President for Finance / Chief Finance Officer

SUBSCRIBED AND SWORN to before me, this 1<sup>st</sup> day of April 2026 at Toledo City, Cebu, affiants with Tax Identification Numbers as follows:

<u>Name</u>	<u>Tax Identification Number</u>
Frederic C. DyBuncio	103-192-854-000
Adrian Paulino S. Ramos	188-355-989-000
Ma. Lorina E. Canillo	297-759-854-000

  
**ATTY. JOANNA KHEA A. ALFORQUE**

Roll of Atty's No. 76206  
Notary Public  
City of Toledo and Province of Cebu  
Specifically for Municipalities of Balamban, Asturias,  
Tuburan, Pinamungajan & Aloguinsan  
Until December 31, 2026/Not.Com. No. 159-2025-T  
Doc. Andres Soriano, Toledo City, Cebu  
IBP OR No. INV591168/January 7, 2026/Cebu City Chapter  
PTR No. 4176777/January 7, 2026  
MCLE Exemption No. VII-BEP003524/Valid until April 14, 2028

Doc No. 99  
Page No. 21  
Book No. 8  
Series of 2026.

## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Jose P. Leviste, Jr.**, Filipino, of legal age, at 108 Aguirre Street, Legaspi Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Atlas Consolidated Mining and Development Corporation (AT)** and have been its independent director since May 2019;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Constellation Energy Corporation	Chairman	2008 up to present
Philippine-Israel Business Council	Chairman	2019 up to present
Chamber of Mines of the Philippines	Vice Chairman	2017 up to present
Pico De Loro Beach and Country Club	Independent Director	2008 up to present
ICCP Holdings Corporation	Independent Director	2021 up to present
Canadian Chamber of Commerce	Governor	2019 up to present
Sindicatum Sustainable Resource of Singapore	Asia Advisor	2010 up to present
Italpinas Development Corporation (IDC)	Primo Consigliere (Senior Advisor)	2015 up to present
Phil. Council for Agriculture Aquatic and Natural Resources Research and Devt. (PCAARRD)	Governing Council Member	2011 up to present

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

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

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding:

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

6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of AT of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this 19<sup>th</sup> day of March 2026 in Makati, Philippines.

  
**JOSE P. LEVISTE, JR.**  
 Affiant

MAR 19 2026

**SUBSCRIBED AND SWORN** to before me the City of Makati this \_\_\_th day of March 2026 by Mr. Jose P. Leviste, Jr. whose identity I have confirmed through his Senior Citizen ID No. 24064 issued on 10 June 2008 in Makati City.

Doc. No. 570  
 Page No. II  
 Book No. XX  
 Series of 2026.

**ATTY. ROMEA M. MONFORT**  
 NOTARY PUBLIC CITY OF MAKATI  
 UNTIL DECEMBER 31, 2027  
 APPOINTMENT NO. M-029 (2026-2027)  
 PTR NO. 10765527 JANUARY 3, 2026  
 IBP NO. 557367 ISSUED ON NOVEMBER 3, 2025  
 MCLE COMPLIANCE NO. VIII-0040438 ROLL NO. 27938  
 4MORSOLO STREET, LEGASPI VILLAGE  
 MAKATI CITY

## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Emilio S. de Quiros, Jr.**, Filipino, of legal age and a resident of 16 Regidor St., Varsity Hills, Loyola Heights, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Atlas Consolidated Mining and Development Corporation (AT)** and have been its Independent Director since July 2017;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Crown Equities	Independent Director	May 2019 to present
Sunlife Investment Management & Trust Corporation	Independent Director	July 2020 to Present
Capital Markets Integrity Corporation	Independent Director	January 2022 to present

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


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

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding:

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

6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of AT of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this 18<sup>th</sup> day of March 2026 in CITY OF MAKATI

  
**EMILIO S. DE QUIROS, JR.**  
 Affiant

SUBSCRIBED AND SWORN to before me the City of **CITY OF MAKATI** this 19 day of MAR 2026 by Mr. Emilio S. de Quiros, Jr. whose identity I have confirmed through his Passport with number P8350841B issued on 01 December 2021 at the DFA-Manila.

Doc. No. 48  
Page No. 11  
Book No. XX  
Series of 2026.

**ATTY. JAMES M. MONFORT**  
NOTARY PUBLIC CITY OF MAKATI  
UNTIL DECEMBER 31, 2027  
APPOINTMENT NO. M-029 (2026-2027)  
PTR NO. 10765527 JANUARY 3, 2026  
IBP NO. 557367 ISSUED ON NOVEMBER 3, 2025  
MCLE COMPLIANCE NO. VIII-0040638 ROLL NO. 27938  
AMORSOLO STREET, LEGAZPI VILLAGE  
MAKATI CITY

## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Gerardo S. Limlingan, Jr.**, Filipino, of legal age and a resident of 162 Pili Drive, Ayala Alabang Village, Muntinlupa, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Atlas Consolidated Mining and Development Corporation (the **Company**);
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Greenlight Holdings, Inc.	President	Since 2007
JC Binay Foundation, Inc.	Trustee	Since 2015
Page Enterprises, Inc.	Director	Since 2014
Metrostore	Consultant	Since October 2016

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

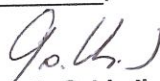
NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP

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

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
AMLC Case No. 15-007-13	AMLAC	Case dismissed last March 6, 2026

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Company of any changes in the abovementioned information within five days from its occurrence.

Done, this **MAR 19 2026** day of March 2026, at **CITY OF MAKATI**

  
**Gerardo S. Limlingan, Jr.**  
 Affiant

MAR 19 2026

CITY OF MAKATI

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of March 2026 at \_\_\_\_\_, affiant personally appeared before me and exhibited to me his Philippine Passport No. P6211279A issued at DFA NCR South on February 28, 2018.

Doc. No. 49 ;  
Page No. 11 ;  
Book No. XX ;  
Series of 2026.

**ATTY. ROMEO M. MONFORT**  
ATTORNEY PUBLIC CITY OF MAKATI  
UNTIL DECEMBER 31, 2027  
APPOINTMENT NO. M-029 (2026-2027)  
PTR NO. 10765527 JANUARY 3, 2026  
IBP NO. 557367 ISSUED ON NOVEMBER 3, 2025  
MCLE COMPLIANCE NO. VIII-0040438 ROLL NO. 27938  
AMORSOLO STREET, LEGAZPI VILLAGE  
MAKATI CITY



Atlas Consolidated Mining and Development Corporation

## MINUTES OF ANNUAL STOCKHOLDERS' MEETING

Held on 25 April 2025 at 10:00 a.m.  
via Remote Communication (Zoom)

### DIRECTORS PRESENT:

<b>FREDERIC C. DYBUNCIO</b>	Chairman
<b>ADRIAN PAULINO S. RAMOS</b>	President and Chief Executive Officer Member, Executive Committee
<b>JOSE T. SIO</b>	Member, Executive Committee
<b>PRESENTACION S. RAMOS</b>	Director Member, Executive Committee
<b>GERARD ANTON S. RAMOS</b>	Director Member, Executive Committee Member, Audit Committee
<b>ISIDRO A. CONSUNJI</b>	Director Member, Executive Committee
<b>EMILIO S. DE QUIROS, JR.</b>	Lead Independent Director Chairman, Audit Committee Member, Risk Oversight Committee Member, Corporate Governance Committee Member, Related Party Transaction Committee
<b>JOSE P. LEVISTE, JR.</b>	Independent Director Chairman, Corporate Governance Committee Chairman, Related Party Transaction Committee Member, Audit Committee

### ALSO PRESENT:

<b>RODYARDO B. RAÑADA</b>	Chief Finance Officer Chief Risk Officer Compliance Officer VP-Finance
<b>FELICIANO B. ALVAREZ</b>	Assistant Vice President Chief Audit Executive
<b>LEILA MARIE P. CABAÑES</b>	Treasurer
<b>ELMER B. SERRANO</b>	Corporate Secretary
<b>AXEL G. TUMULAK</b>	Asst. Corporate Secretary Asst. Compliance Officer Head, Corporate Legal Affairs & Corporate Governance
<b>Representatives of Sycip Gorres Velayo &amp; Co.</b>	External Auditor

**Representative of Alberto, Pascual and Associates**

Third Party Tabulator

Stockholders present in person or represented by proxy

2,738,853,362 shares (Please see Record of Attendance here attached as **Annex A**)

---

**1. Call to Order**

The meeting opened with an invocation followed by the Philippine National Anthem. The host then acknowledged the presence of all directors and key officers of **Atlas Consolidated Mining and Development Corporation** (the **Company**).

Mr. Frederic C. DyBuncio, Chairman of the Company, welcomed the stockholders and guests to the 2025 Annual Stockholders' Meeting of the Company, streaming live via Zoom. He then called the meeting to order and presided over the proceedings. The Corporate Secretary recorded the minutes of meeting.

**2. Certification of Notice and Quorum**

The Chairman requested the Corporate Secretary to certify to the posting and publication of notice and existence of a quorum.

The Corporate Secretary certified that, in compliance with rules issued by the Securities and Exchange Commission, the notice of this meeting, the Definitive Information Statement, and the Company's "Guidelines for Participation via Remote Communication and Voting *in Absentia*" were uploaded via PSE EDGE and posted on the Company's website. Said notice was likewise published for two (2) consecutive days in the business sections of the Daily Tribune and Manila Times on March 31 and April 1, 2025, in print and online formats.

The Corporate Secretary then certified that based on record of attendance, stockholders attending by proxy and stockholders who have registered to remotely join the virtual meeting represent **2,738,853,362** common shares, constituting **76.94%** of the total outstanding capital stock of the Company as of record date 28 March 2025. He then certified that a quorum was present for the transaction of business by the stockholders.

The Corporate Secretary announced that the firm of Alberto, Pascual and Associates has been engaged as third party tabulator of the votes cast for the meeting has been engaged as third-party tabulator of votes cast for the meeting. He also informed participants that the meeting will be recorded in accordance with SEC rules.

**3. Approval of Minutes of the Annual Stockholders' Meeting held on 19 April 2024**

The Chairman proceeded to the next item in the agenda which is the approval of the minutes of the annual meeting of stockholders held on 19 April 2024. The Chairman asked the Corporate Secretary if copies of the minutes were made available to shareholders. The Secretary confirmed that a copy of the minutes was posted on the Company's website soon after last year's annual meeting adjourned. The minutes have also been appended to the Definitive Information Statement which was posted on PSE EDGE.

The Corporate Secretary stated for the record that unqualified votes cast for each item for approval shall be counted in favor of the matter under consideration.

He then presented the tabulation of votes casted for the approval of the minutes:

<b>In Favor</b>		<b>Against</b>		<b>Abstain</b>	
No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)
2,738,853,362	100	0	0	0	0.00

With the above votes in favor, the following resolution was passed and adopted:

**"RESOLVED**, that the minutes of the annual meeting of stockholders held on 19 April 2024 are approved."

#### 4. Approval of 2024 Annual Report and 2024 Audited Financial Statements

The Chairman next requested Mr. Adrian Paulino Ramos, President and CEO, to present the 2024 Annual Report on the activities and operations of the Company.

Mr. Ramos delivered the Annual Report as follows:

*“Fellow stockholders, distinguished guests, ladies and gentlemen.*

*2024 was a challenging but promising year for the Philippine metals industry as the government continues to recognize the local minerals sector’s contributions to the economy and its role in nation-building especially in the areas where mines operate. Legislative bills and reforms were passed aimed at revitalizing the sector’s viability to attract foreign investment and increase domestic capital interest by streamlining regulatory approvals, rationalizing processes and enhancing fiscal regimes further accentuating its greatest potential to be a key driver in the economy. However, the prolonged geopolitical tensions around the region and the world continue to affect the volatile nature of world metal prices that in turn impacts the way we operate our business. On the other hand, the stable growth opportunities in digitalization, decarbonization, just transition to green energy and metal demand for electric vehicle and construction markets remain constantly vibrant areas that the Philippines minerals sector can maximize for the supply of rare and essential mineral products.*

*To take advantage of the projected demand, our mining operation has embarked on a 3-year plan to redevelop the pit which will be completed by mid-2026. For 2024, and as projected, the copper grade coming from the pit was lower at 0.205% due to the on-going development. Milling throughput was 8% higher compared to last year but that was not enough to offset the lower copper grade. We ended 2024 with 70 million pounds of copper production, lower by 17%.*

*Correspondingly, shipments were lower in 2024 with 69.3 million pounds of copper metal and 22,000 ounces of gold. However, actual copper concentrate shipments stood at 30.2 or close to 2023 shipments. Total cash cost was 2% higher compared to last year at 13.4 billion. The increase was driven by higher total materials moved since we moved 79% more tonnage than in 2023. C1 cash cost was at 2.48 dollars per pound or 18% higher than last year, essentially because upper pounds produced due to the lower ore grade. Copper price for the year stood at US\$9,120 per tonne or about US\$4.14 per pound, around 7% higher than 2023. This upward trend was attributed to the strong demand and tight supply. Copper prices remain buoyant in relation to the transition to green energy and de-carbonization as mentioned a while ago. In 2024, we saw an increase in gold prices, at US\$2,358 per ounce as it continues to be a safe haven for investment given the current economic uncertainties.*

*For 2024, both revenues and EBITDA was expected to lower compared to 2023 due to the ongoing pit redevelopment as we are mining with lower ore grade. Atlas Mining recorded a net loss of 231 million pesos in 2024 as against a 1.1 billion net income in 2023. The net loss in 2024 was expected and a lot lower than initially projected due to higher copper prices and cost efficiencies. We continuously generate positive cash flow from operations which enabled us to fund operations and 3.51 billion pesos worth of capital expenditures which was 17% higher than last year.*

*We continue to follow and further develop our 10 year mine plan by taking into consideration science-based management tools and engineering interventions to calculate adjustments and come up with some management decisions to address operational risks has opportunities thereby improving operational efficiency, mine ground conditions, product grade or copper concentrate production and employee engagement. We continue to take an active role in accelerating the development of the 4.996 MW floating solar power project, an old news facility constructed within Carmen Copper’s water reservoir dam facility that is expected to complete to be completed in June 2025. This additional ancillary facility will directly provide renewable energy to the Carmen Copper Mill plant in compliance with the terms and conditions of the environment,*

*environmental compliance certificate and related regulatory frameworks requiring industrial companies to just be transitioned to renewable energy sources and gradually reduce dependence on fossil fuels for the power requirements of operation. We likewise continue to develop more tree plantation and replanted existing tree plantation areas situated within the host and neighboring communities where our mine operates. This was made possible through the engagement of identified farmer associations to ensure proper monitoring of the survival ratios of the various 3 species, increasing the biodiversity footprint and allowing sustained carbon sequestration capacity, contributing to reducing GHG emissions to acceptable standards.*

*We also recognize that human capital is a source of sustainable growth as we focus in promoting focused on promoting employee development, talent requisition and retention to attract and retain competent and qualified talents needed in the fields of mining and geosciences, engineering, metallurgy and other support sciences who are necessary resources to realize our goals and vision. In 2024, free education and scholarship opportunities for granted to about 429 deserving students where 160 scholars finished their education, 29 of whom are Senior High School students. To date, grants produce 1893 graduates, 941 of whom are technical or vocational.*

*Through all, through the support of all our people, especially our leaders, sponsors and members of the Board of directors, our business partners, service providers and consultants, our community shareholders and stakeholders, and our regulators who continue to actively participate in the way we do business. Despite these trying times, we thank you so much. We always remain humbled by your trust as we look forward for your continued support.*

*Thank you and good morning!"*

After the Report, the Corporate Secretary stated that the 2024 Annual Report and 2024 Audited Financial Statements were attached to the Definitive Information Statement uploaded via PSE EDGE and posted on the Company's website.

The Chairman then asked the Corporate Secretary to announce the results of the voting. The Corporate Secretary presented the tabulation of votes as follows:

In Favor		Against		Abstain	
No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)
2,730,516,462	99.70%	7,509,400	0.27	827,500	0.03

With the above votes in favor, the following resolution was passed and adopted:

**"RESOLVED**, that the 2024 Annual Report and the 2024 Audited Financial Statements are approved."

#### 5. Election of Directors for 2025-2026

The next item in the agenda is the election of directors for the year 2025-2026. The Corporate Secretary was requested to announce the nomination and election of directors for 2025 to 2026.

The Corporate Secretary informed the stockholders that the Corporate Governance Committee has pre-qualified the following nominees for directors and independent directors and found them to possess all the qualifications and none of the disqualifications of a director or an independent director for election to the Board for 2025-2026:

Frederic C. DyBuncio  
 Presentacion S. Ramos  
 Isidro A. Consunji  
 Adrian Paulino S. Ramos  
 Gerard Anton S. Ramos  
 Jose T. Sio

Emilio S. de Quiros, Jr. (Independent Director)  
 Jose P. Leviste, Jr. (Independent Director)  
 Gerardo S. Limlingan, Jr. (Independent Director)

The Corporate Secretary thereafter presented the number of votes garnered by each of the nominees:

Nominee	No. of Votes
Frederic C. DyBuncio	2,730,516,462
Presentacion S. Ramos	2,738,853,362
Isidro A. Consunji	2,738,853,362
Adrian Paulino S. Ramos	2,738,853,362
Gerard Anton S. Ramos	2,730,516,462
Jose T. Sio	2,738,853,362
Emilio de Quiros, Jr. (Independent)	2,730,516,462
Jose P. Leviste, Jr., Jr. (Independent)	2,730,516,462
Gerardo S. Limlingan, Jr. (Independent)	2,730,516,462

The Corporate Secretary explained that since there are only nine (9) nominees and with the votes received, all nominees have obtained sufficient votes for election.

The following resolution was therefore passed and adopted:

**“RESOLVED**, that the following are elected to the Board of Directors of Atlas Consolidated Mining and Development Corporation for 2025-2026, to serve as such directors until their successors have been duly qualified and elected:

Frederic C. DyBuncio  
 Presentacion S. Ramos  
 Isidro A. Consunji  
 Adrian Paulino S. Ramos  
 Gerard Anton S. Ramos  
 Jose T. Sio  
 Emilio S. de Quiros, Jr. (Independent Director)  
 Jose P. Leviste, Jr. (Independent Director)  
 Gerardo S. Limlingan, Jr. (Independent Director)

After the voting results were announced, the President congratulated the newly elected members of the Board.

## 6. Ratification of the Acts of the Board of Directors and Management

The next item in the agenda is the ratification of all acts and resolutions made and adopted by the Board of Directors, Board Committees and carried out by Management during their term, or from the date of the last annual stockholders' meeting up to this meeting. These corporate acts are detailed in the Definitive Information Statement provided to all stockholders of record.

The Corporate Secretary presented the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)	No. of Shares	% (out of participating stockholders)
2,738,025,862	99.97	0	0.00	827,500	0.03

With the above votes in favor of approval, the following resolution was passed and adopted:

**“RESOLVED**, that the acts of the Board of Directors and Management during their term or from the date of the last annual stockholders' meeting up to this meeting are ratified.”

**7. Appointment of External Auditor**

The next item on the Agenda was the appointment of the Company's external auditor for the fiscal year ending 31 December 2025. The Corporate Secretary was requested to present the recommendation.

The Corporate Secretary informed the stockholders that the Audit Committee evaluated the performance of the present auditor of the Company, Sycip Gorres Velayo & Co. (SGV), during the past year and found it to be satisfactory. The Audit Committee and the Board of Directors agreed to endorse SGV as the Company's external auditor for 2025.

The Corporate Secretary then announced the results of voting:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
2,738,853,362	100	0	0.00	0	0.00

With the above votes in favor of approval, the following resolution was passed and adopted:

**"RESOLVED**, that the appointment of SyCip, Gorres, Velayo & Co. as external auditor for 2025 is approved."

**8. Amendment of the Articles of Incorporation**

The next item on the agenda was the approval of proposed amendment of the Articles of Incorporation. The Corporate Secretary was requested to present the amendment as approved and endorsed by the Board of Directors.

The Corporate Secretary discussed that the amendment would allow the Company to engage in leasing activities as an additional revenue source necessary for business operations. The amended Second Article of the Articles of Incorporation is proposed to read as flashed on the screen and as detailed in the Definitive Information Statement.

The Corporate Secretary then announced the results of voting:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
2,738,853,362	100% (representing 76.94% of total issued and outstanding shares)	0	0.00	0	0.00

With the above votes in favor of approval, the following resolutions were passed and adopted:

**"RESOLVED**, that Atlas Consolidated Mining and Development Corporation (the **Corporation**) is hereby authorized to amend the Second Article of its Articles of incorporation to add a new Secondary Purpose as new par. 10 and to renumber succeeding items accordingly, to wit, subject to regulatory approval:

"SECOND: - The purposes for which said Corporation is formed are:

xxx

**SECONDARY PURPOSES**

**10. To engage in leasing activities of real estate, real property, and any interest or right therein, and to manage, operate, service, equip, furnish, alter, and keep in repair**

such real property and generally to do anything and everything necessary and proper with the owning, managing, leasing, renting, and operating such real property.

xxx.”

**RESOLVED FURTHER**, that the President, Corporate Secretary or any Director of the Corporation, be authorized and empowered: (i) to submit or cause the submission of a copy of the Amended Articles of Incorporation of the Corporation, certified by a majority of the directors and the Corporate Secretary, to the Securities and Exchange Commission (SEC), (ii) to sign, execute and deliver any and all documents, contracts, agreements and instruments as may be required or necessary in connection with the application for the amendment of the Articles of Incorporation and any and all submissions to the SEC; and (iii) to perform such further acts and deeds as may be necessary, convenient or appropriate, to give force and effect to these resolutions.”

**9. Open Forum; Other Matters**

The Chairman then proceeded with the Open Forum. The Corporate Secretary explained that shareholders were given the opportunity to email questions and comments in advance and also via chatbox during the meeting in accordance with the Guidelines for Participating via Remote Communication. However, no questions or comments were received.

The Corporate Secretary thereafter confirmed there were no other matters to be taken up.

**10. Adjournment**

There being no further business to transact, the Chairman thanked everyone who joined the meeting. Thereafter, the meeting was adjourned.

CERTIFIED CORRECT:



ELMER B. SERRANO  
Corporate Secretary

ATTESTED BY:

FREDERIC C. DYBUNCIO  
Chairman



**Atlas Consolidated Mining and Development Corporation**

Annual Stockholders' Meeting  
via Remote Communication (Zoom)  
25 April 2025, 10:00AM

**RECORD OF ATTENDANCE**

Total number of voting shares outstanding	<b>3,559,532,774</b>
Total number of shares participating remotely & by proxy	<b>2,738,853,362</b>
Total number of shares represented	<b>2,738,853,362</b>
<i>Attendance percentage</i>	<b>76.94%</b>

DRAFT

**List of Stockholders In Attendance**

<b>Attendees</b>	<b>NO. OF SHARES</b>
SM Investments Corporation	1,200,835,499
Anglo Philippine Holdings Corporation	1,019,570,792
Alakor Corporation	384,856,600
Isidro A. Consunji	95,991,305
Primebridge Holdings, Inc.	9,580,000
Citiomnifor Various Accounts	7,509,400
Presentacion S. Ramos	6,270,000
Sysmart Corporation	5,959,154
Adrian Paulino S. Ramos	5,288,010
Harley T. Sy	950,000
Deutsche Bank	827,500
Gerard Anton S. Ramos	502,000
Regina Capital Development Corporation	390,000
Sybase Equity Investments Corporation	200,000
Jose P. Leviste, Jr.	100,000
Emilio S. De Quiros, Jr.	20,100
Frederic C. Dybuncio	1,001
Jose T. Sio	1,001
Gerardo S. Limlingan, Jr.	1,000
<b>Total</b>	<b>2,738,853,362</b>

REPUBLIC OF THE PHILIPPINES )  
TAGUIG CITY, METRO MANILA ) S.S.

**SECRETARY'S CERTIFICATE**

I, **ELMER B. SERRANO**, of legal age, Filipino and with office address at the 1105 Tower 2 High Street South Corporate Plaza, 26th Street, Bonifacio Global City, Taguig City, after being duly sworn in accordance with law, certify that:

1. I am the duly appointed and incumbent Corporate Secretary of **ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION** (the **Corporation**), a corporation duly organized under and by virtue of the laws of the Philippines, with office address at Five E-Com Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex, Pasay City.

2. Based on the records of the Corporation currently in my custody and as of this date, none of the directors, independent directors and executive officers of the Corporation named in the Information Statement (SEC Form 20-IS) has been elected or appointed to, and is presently occupying a position in any government agency, bureau, department, or office.

3. At a duly constituted meeting of the Board of Directors of the Corporation held on 5 March 2026, at which meeting a quorum was present and acting throughout, the following resolution was unanimously approved and adopted:

**“RESOLVED**, that the Board of Directors of **ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION** (the **Corporation**) approves the setting and conduct of the Annual Stockholders’ Meeting (**ASM**) of the Corporation as follows:

Meeting Date : 28 April 2026 (Tuesday) at 10:00 a.m.  
Venue : The meeting will be conducted virtually with proceedings livestreamed, and participation will be via remote participation.  
Record Date : 30 March 2026 (Monday)

**RESOLVED, FURTHER**, that the Board of Directors of the Corporation approves and authorizes stockholders to participate and to exercise their right to vote via remote communication or *in absentia*.”

4. This certification is being issued in compliance with the requirements of the Securities and Exchange Commission in connection with the Corporation’s Information Statement.

**IN WITNESS WHEREOF**, I have hereunto affixed my signature on this MAR 30 2026 at Taguig City.

  
**ELMER B. SERRANO**  
Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this MAR 30 2026 at Taguig City, affiant exhibited to me his Tax Identification Number 153-406-995.

Doc. No. 231;  
Page No. 48;  
Book No. I;  
Series of 2026.

  
**MARK STEPHEN C. SY**  
Appointment No. 234 (2025-2026)  
Notary Public for Taguig City  
Until December 31, 2026  
Attorney’s Roll No. 89585  
1105 Tower 2, High Street South Corporate Plaza  
26th Street, Bonifacio Global City, Taguig City  
PTR No. A-6769410; 01/05/2025; Taguig City  
IBP Receipt No. INV 575194; 12/29/2025; RSM Chapter  
MCLE Compliance No. VIII-0040621; valid until April 14, 2026

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

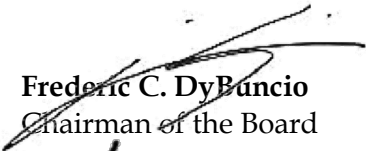
The management of Atlas Consolidated Mining and Development Corporation and Subsidiaries is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of 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.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



**Frederic C. DyBuncio**  
Chairman of the Board



**Adrian Paulino S. Ramos**  
President and Chief Executive Officer



**Ma. Lorina E. Canillo**  
OIC – Vice President for Finance / Chief Finance Officer

SUBSCRIBED AND SWORN to before me, this 1<sup>st</sup> day of April 2026 at Toledo City, Cebu, affiants with Tax Identification Numbers as follows:

<u>Name</u>	<u>Tax Identification Number</u>
Frederic C. DyBuncio	103-192-854-000
Adrian Paulino S. Ramos	188-355-989-000
Ma. Lorina E. Canillo	297-759-854-000

  
**ATTY. JOANNA KHEA A. ALFORQUE**

Roll of Atty's No. 76206  
Notary Public  
City of Toledo and Province of Cebu  
Specifically for Municipalities of Balamban, Asturias,  
Tuburan, Pinamungajan & Aloguinsan  
Until December 31, 2026/Not.Com. No. 159-2025-T  
Doc. Andres Soriano, Toledo City, Cebu  
IBP OR No. INV591168/January 7, 2026/Cebu City Chapter  
PTR No. 4176777/January 7, 2026  
MCLE Exemption No. VII-BEP003524/Valid until April 14, 2028

Doc No. 99  
Page No. 21  
Book No. 8  
Series of 2026.